



For the future you want

POLICY & RESOURCES COMMITTEE

MINUTES OF MEETING OF 16 NOVEMBER 2021

15:00 via Microsoft Teams

Present: Rose Dodgson; Lesley Drummond; Alex Killick; Ann Landels (Chair); Nigel Paul; Jeanette Stevenson

In attendance: Jon Buglass; Sue Clyne; Audrey Cumberford; Jonny Pearson; Lindsay Towns; Marcus Walker (Clerk); Alan Williamson

1. WELCOME AND APOLOGIES

1.1 No apologies were received.

2. DECLARATIONS OF INTEREST

2.1 No declarations of interested were noted.

3. MINUTES OF PREVIOUS MEETING

3.1 The Committee APPROVED the minutes from 31 August 2021 as an accurate record of the meeting.

4. MATTERS ARISING

4.1 MATTERS ARISING REPORT

4.1.1 Actions from the previous meeting were complete, overtaken or on the agenda.

5. RECRUITMENT, RETENTION & CREDITS DASHBOARD

5.1 The Committee NOTED an overview of the performance of the College against its 2021/22 activity targets. The Vice Principal Education & Skills reminded the Committee that the SFC had set the College an activity target of 192,349 for the academic year.

- 5.2 The Committee NOTED that, although overall enrolment figures were comparable with previous years, there had been a decrease in the number of full-time enrolments when compared to the academic year 2020/21. The Vice Principal Education & Skills advised the Committee that a decrease in full-time enrolments correlated with a 9% reduction in the number of credits compared to this time last year.
- 5.3 The Committee DISCUSSED the potential reasons for the decrease in full-time enrolments and the approach of the College to close the credit gap in Semester 2. The Vice Principal Education & Skills informed the Committee that the issues highlighted around enrolments and credits were sector-wide, and that the College continued to work closely with the SFC to mitigate the drop in full-time enrolments and safeguard credit funding.

The Principal & Chief Executive joined the meeting

- 5.4 The Committee NOTED that early withdrawal rates were comparable with the previous academic year, however, the College must retain its students beyond the 1 November 2021 to secure SFC funding. The Vice Principal Education & Skills highlighted to the Committee that the cautious approach of the College to restricting student numbers on campus, in line with the Scottish Government's Covid-19 response guidance, could negatively impact on the student experience and have implications for retention rates going forward.
- 5.5 The Committee DISCUSSED the SFC Review of Coherent Provision and Sustainability, and the continued challenges raised by the existing funding model's weighting towards full-time enrolments. The Chair advised members that the Committee and the Board would continue to monitor the credit position of the College closely.

The ECSA Student President joined the meeting

6. PRINCIPAL & CHIEF EXECUTIVE REPORT

- 6.1 The Committee NOTED an update from the Principal on developments at the College since its last meeting on 29 August 2021.
- 6.2 The Committee NOTED that a Board Strategy Session was held on 26 October 2021 to consider the outputs of a range of staff engagement exercises and how such feedback could shape the College's strategic priorities. The Principal advised the Committee that there was an appetite, as indicated through staff feedback, to explore more agile approaches to work, and for this reason the implementation of an Agile Working Toolkit for all staff was now a high priority.
- 6.3 The Committee NOTED a verbal update from the Principal on recent discussions with the Scottish Government on multi-year funding and the financial sustainability of the sector. The Principal advised the Committee that whilst additional funding provided in the wake of the Covid-19 Pandemic had provided some leeway for colleges, this financial support could not be relied upon going forward.
- 6.4 The Committee NOTED that the College continued to monitor the impacts of Covid-19 closely and remained cognisant of how developments could affect its planning for Semester 2. The Principal advised the Committee that whilst the College aimed to increase activity in Semester 2, to ensure that as many students

as possible received an 'on campus' experience, a hybrid approach would remain in operation.

6.5 The Committee DISCUSSED the following in relation to the return to on campus activity:

- (i) The cautious approach supported by the Scottish Government, which proposed no further increases in on campus learning going into Semester 2.
- (ii) The current limitations placed on student numbers due to social distancing and ventilation guidance.
- (iii) The potential national risks around increased Covid-19 transmission and hospitalisation over the winter period, and the unknown long-term impacts of long Covid.
- (iv) The concerns of the Students' Association around the Scottish Government's messaging around Covid-19 and its decision to restrict student numbers on campus, whilst other leisure and commercial enterprises across Scotland remained fully open.
- (v) The approach of universities in the region and the emphasis on individual institutions to make appropriate judgement calls.
- (vi) The negative impacts of restricted on campus learning on both the student experience and future retention rates.

6.6 The Committee NOTED that, through Colleges Scotland, the sector had requested that the Scottish Government provide clearer guidance to the public on the restriction placed on colleges regarding on campus student numbers. The Chair welcomed the approach taken by the College to ensure the safety of student and staff, whilst ensuring that all learners receive the opportunity to participate in 'on campus' learning.

7. WATERFRONT NURSERY PROGRESS REPORT

7.1 The Committee NOTED a progress report on the Waterfront Nursery, located at the Granton Campus, and recent improvement in its financial stability, service quality and partnership activity. The Director of Communications, Policy & Research informed the Committee that there were 168 children registered at the Nursery, 90% of whom had parents or guardians living within the local area. The remaining 10% of children registered with the Nursery had parents who were either College staff or students.

7.2 The Committee welcomed the update provided and DISCUSSED the following:

- (i) The high regard in which the Nursery was held by the City of Edinburgh Council, the Care Inspectorate, and parents.
- (ii) The 96% occupancy rate of the Nursery and the number of children currently on a waiting list to attend.
- (iii) Service development plans to build an outdoor provision and undertake indoor modifications which would further increase the Nursery's capacity.
- (iv) The locality of the Nursery within the Granton Waterfront Development.
- (v) The approach to offer more 'eligible twos' places, arising from the Council's social work referrals, which would support families in greater need in the local areas and generate additional funding.

- (vi) The improved financial position of the Nursery, which was forecast to reach a breakeven position in the next financial year.
- (vii) The Nursery as a facility which could attract parents from the local area into the College.

7.3 The Committee AGREED that future developments relating to the Waterfront Nursery would be monitored by the Corporate Development Committee, alongside the reporting of other commercial activities at the College. The Chair, on behalf of the Committee, thanked the Chief Operating Officer, the Director of Communications, Policy & Research, and the Nursery Manager for implementing a more sustainable business model for the Nursery on which it could now build.

8. ENVIRONMENT SUSTAINABILITY STRATEGY 2020-25 PROGRESS REPORT

8.1 The Committee NOTED progress against the Environmental Sustainability Strategy 2020-25, which was approved by the Board in December 2019. The Director of Communications, Policy & Research advised the Committee that the central ambition for the College was to be carbon neutral by 2030, with a 75% reduction in emissions by 2025.

8.2 The Committee NOTED the College had signed up to several climate change leadership commitments in 2020/21, in response to the climate crisis and COP26. The Director of Communications, Policy & Research specifically highlighted the College Development Network led *College Climate Emergency Statement* signed by all of Scotland's colleges and the *Edinburgh Climate Compact*, a regional commitment to work with other stakeholders on climate issues.

8.3 The Committee DISCUSSED the progress made to implement the Strategy, and its central importance to ensure the College responded to the climate crisis declared by Scottish Government. The Director of Communications, Policy & Research highlighted that, although the College had made significant progress over the past two years, it would be difficult to achieve the long-term net zero target without additional financial investment from the Scottish Government.

8.4 The Committee welcomed the update provided and NOTED that progress against the Strategy would continue to be monitored on an annual basis.

9. FINANCE REPORT

9.1 ANNUAL ACCOUNTS AND FINANCIAL STATEMENTS TO 31 JULY 2021 UPDATE

9.1.1 The Committee NOTED an update on the Annual Accounts and Financial Statements to 31 July 2021. The Director of Finance advised the Committee that a draft of the Annual Accounts and Financial Statements would be presented to the Audit & Risk Assurance Committee on 24 November 2021 and a final version of the document recommend to the Board on 14 December 2021 - for approval.

9.2 MANAGEMENT ACCOUNTS TO SEPTEMBER 2021

9.2.1 The Committee NOTED the financial performance of the College as outlined in the Management Accounts to September 2021.

9.3 2020-24 FINANCIAL FORECAST RETURN

- 9.3.1 The Committee NOTED the 2020-24 Financial Forecast Return (FFR) submitted to the SFC on 18 October 2021. The Chief Operating Officer informed the Committee that the financial forecasts in the FFR were in line with the College's financial planning and consistent with the SFC guidance and assumptions provided in a 'call for information' request on 25 August 2021.
- 9.3.2 The Committee NOTED that, as in the previous year, the financial impact of the pandemic on the College in 2020/21 had been considerable - particularly as income included a high level of non-SFC income exposure, which had been adversely affected. The Chief Operating Officer advised the Committee that because of continued robust financial management, additional government funding to address the effects of the pandemic, access to the Job Retention Scheme, and cost savings from campus closures, the Adjusted Operating Position in the Annual Account to 31 July 2021 showed a surplus of £0.9m.
- 9.3.3 The Committee NOTED that a balanced underlying position shown in the FFR for 2022/23 was predicted on the College making significant cost savings over the next financial year. The Chief Operating Officer advised the Committee that savings of this magnitude could not be achieved solely through natural staff churn from within non-pay budgets, as substantial savings in this area had previously been made through the 3-year Business Transformation Plan in 2016.
- 9.3.4 The Committee NOTED that the two main issues affecting the assumptions underpinning the financial forecast related to the Scottish Government Spending Review and ongoing national pay negotiations. The Committee DISCUSSED current salary costs as a percentage of income and the difficulties this presented the College in terms of achieving savings going forward.
- 9.3.5 The Committee AGREED that the 2020-24 FFR would be presented to the Board at its next meeting on 14 December 2021.

The Director of Communication, Policy & Research left the meeting

9.4 TUITION FEES PROPOSAL 2022/23

- 9.4.1 The Committee NOTED a proposal for the 2022/23 tuition fees, as endorsed by the Executive. The Director of Finance advised the Committee that the College proposed a 2% increase to part-time course fees based on a market review against other colleges and local universities (with the exception of some commercial, managing agent and international course fees, minutes 9.4.2 and 9.4.3 refer).
- 9.4.2 The Committee NOTED that commercial tuition fees increased by 2%, unless otherwise advised by the relevant Assistant Principal. The Director of Finance outlined seven courses where fees would not be increased from 2021/22.

9.4.3 The Committee NOTED that the International Team had recommended that full-time international fees remained the same in 2022/23, with no increase from 2021/22.

9.4.4 The Committee DISCUSSED the proposed 2022/23 tuition fees and APPROVED their implementation.

9.5 EDINBURGH COLLEGE ANNUAL PROCUREMENT REPORT 2020/21

9.5.1 The Committee NOTED an Annual Procurement Report (APR) for the period from 1 January 2020 to 31 July 2021. The Director of Finance advised the Committee that it was a legal requirement that the APR was signed off by the Executive and published on the College website.

9.5.2 The Committee DISCUSSED the 2020/21 APR and APPROVED the Report for sign-off by the Executive.

10. HUMAN RESOURCES REPORT

10.1 The Committee NOTED a Human Resources Report which included updates on employee relations, HR operations and organisational development.

10.2 The Committee NOTED an update on recent changes to the current curriculum management structure, which were widely supported by curriculum managers, curriculum leaders and recognised trade unions. The Chief Operating Officer advised the Committee that the reshaping of curriculum management remained a key priority within the Workforce Plan, as it was central to both the enhancement of line management capacity and the improved quality of learning and teaching across the College.

10.3 The Committee NOTED that discussions remained ongoing with EIS-FELA and Unison about the terms of reference and process for reviewing Tutor, Assessor and Instructor posts per NJNC agreement.

10.4 The Committee NOTED staff absence levels in quarter 1 (2021/22) had increased by 1.2% on the absence report for the previous quarter. The Director of HR advised the Committee that absence levels were now closer to the annual average pre-Covid level. The Committee DISCUSSED reasons behind the recorded increase in absence and the need to support staff during the introduction of a 'hybrid' working approach in Semester 2.

11. ESTATES & DIGITAL INFRASTRUCTURE REPORT

11.1 The Committee NOTED a verbal update on key estates and IT infrastructure matters from the Chief Operating Officer.

11.2 The Committee NOTED an update on a legal matter relating to the student accommodation at the Granton Campus. The Chief Operating Officer advised the Committee that a further update on progress would be provided at its next meeting.

12. ANY OTHER COMPETENT BUSINESS

12.1 None.

13. FOR INFORMATION

13.1 COMMITTEE PROGRAMME OF WORK 2021/22

13.1.1 The Committee NOTED its proposed programme of work for the 2021/22 academic year.

14. DATE OF NEXT MEETING

14.1 The next meeting of the Policy & Resources Committee will take place on 22 February 2022.

Meeting closed at 16:45