



For the future you want

## **POLICY & RESOURCES COMMITTEE**

### **MINUTES OF MEETING OF 01 SEPTEMBER 2022**

#### **09:30 via Microsoft Teams**

**Present:** Lesley Drummond; Janyce Holmes; Alex Killick; Ann Landels (Chair); Nora Senior

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

**Observers:** Becky Duff; Ian McLaughan

#### **1. WELCOME AND APOLOGIES**

1.1 Apologies were NOTED from David Elder and Jeanette Stevenson.

1.2 The Chair welcomed Nora Senior, the Chair of the Edinburgh College Board of Management, to her first meeting of the Policy & Resources Committee as a member.

1.3 The Chair welcomed new Non-Executive Board Members, Becky Duff and Ian McLaughan, to the Policy & Resources Committee as observers - following their appointment to the Board of Management on 30 June 2022.

#### **2. DECLARATIONS OF INTEREST**

2.1 No declarations of interest were noted.

#### **3. MINUTES OF PREVIOUS MEETING**

3.1 The Committee APPROVED the minutes from 17 May 2022 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. TERMS OF REFERENCE**

- 5.1 The Committee NOTED that the Code of Good Governance dictated that committees of the Board should regularly review their terms of reference to ensure they remain fit for purpose.
- 5.2 The Committee DISCUSSED its terms of reference and AGREED that the following amendments should be put forward to the Board of Management to clarify existing statements relating to its role and remit:
- (i) Make recommendations to the Board on the College's annual revenue and capital budgets, within the strategies and plans approved by the Board and monitor performance in relation to approved budgets to ensure the long-term financial sustainability of the College
  - (ii) Establish expert working groups as necessary to consider proposals in detail and receive their reports.
- 5.3 The Committee AGREED that its role and remit in relation to reviewing progress against the extant Strategic Plan should be considered again once a new Edinburgh College Strategic Plan 2022-25 had been approved by the Board of Management.
- 5.4 The Committee DISCUSSED its title, the Policy & Resources Committee, and AGREED to consider further whether the title reflected its core purpose.

## **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 17 May 2022. The Principal informed the Committee that the College looked forward to the start of the new academic year and a return to a degree of normality, following over two years of unprecedented upheaval in the wake of the Covid-19 Pandemic.
- 6.2 The Committee NOTED an update on the resolution of national pay negotiations for 2021/22, with all staff receiving their uplift and backpay on 15 July 2022. The Principal advised the Committee that the EIS-FELA National Pay Claim for 2022/23 had now been submitted to the National Joint Negotiating Committee (NJNC), with meetings between employers and EIS-FELA representatives due to commence shortly.
- 6.3 The Committee NOTED a verbal update on the National Job Evaluation for support staff and DISCUSSED the current stalemate position between employers and recognised trade unions. The Committee AGREED that, given the Job Evaluation process had now entered a fifth year and its delay directly impacted a significant number of College staff, the Principal will provide a more detailed update to the Board of Management at a future meeting.

***Alex Killick joined the meeting***

- 6.4 The Committee NOTED that in past years the SFC had ensured that guidance and funding allocations for the Young Persons Guarantee (YPG) and the Flexible Workforce Development Fund (FWDF) were published ahead of the start of the academic year. However, this had not been possible in 2022/23 due to continuing budget and policy discussions between the SFC and Scottish Government. The Principal highlighted that failure to confirm annual funding allocations led to the risk of colleges facing further in-year funding reductions.
- 6.5 The Committee DISCUSSED the FWDF and how different pathways of funding enabled colleges to increase their capacity to work directly with businesses, to upskill and reskill employees. The Principal advised the Committee that the sector continued to press for greater flexibility with funding pots such as YPG, in a bid to move away from the current credit-based model.

## **7. RECRUITMENT, RETENTION & CREDITS DASHBOARD**

- 7.1 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 a total activity target of 187,741 for the academic year.
- 7.2 The Committee NOTED that, subject to the completion of the annual FES audit, the College had accumulated 189,452 credits. The Vice Principal Education & Skills advised the Committee that even though the 2021/22 core activity target had been achieved for the sixth year running, performance against additional funding targets, including ESF and Foundation Apprenticeships (FA) credits, had proved challenging.
- 7.3 The Committee NOTED the 2022/23 activity target for the College was 183,714 credits, which included a minimal FA target and an increased credit value. The Vice Principal Education & Skills highlighted that the simplified activity target included no ESF, Early Years, or Deferred Student credits.
- 7.4 The Committee NOTED that Full-Time (FT) enrolments for 2022/23 were down by almost 6% compared to the same time last year. The Vice Principal Education & Skills advised the Committee that fewer FT students could have financial implications as course fees, as well as credits, would be lower than projected.
- 7.5 The Committee DISCUSSED the following in the relation to 2022/23 enrolments and credit activity:
- (i) The size and shape of faculties / schools within the College, and the changes undertaken to shift resources to where they were needed most to meet demand and future growth potential.
  - (ii) The development of the Curriculum Strategy, currently being monitored by the Learning, Teaching & Student Experience Committee.
  - (iii) The current SFC funding model and the changing nature of the regional job market, as evidenced by current data.
  - (iv) The work done to understand why individuals chose not to apply for college, and the need to change perceptions around what it means to be an FT student.

- 7.6 The Committee NOTED that although there were significant issues with the current funding mechanism it was unlikely to change within the academic year. The Chair highlighted the need for the Senior Management Team to use innovative approaches to tackle recruitment and retention challenges, which were likely to be exacerbated by the Cost-of-Living Crisis.

## **8. FINANCE REPORT**

### **8.1 MANAGEMENT ACCOUNTS TO JUNE 2022**

- 8.1.1 The Committee NOTED the financial performance of the College as outlined in the Management Accounts to June 2022.
- 8.1.2 The Committee NOTED that the College had received confirmation from the SFC that they did not have funds to support colleges' voluntary severance schemes. The Chief Operating Officer advised the Committee that the SFC had offered colleges liquidity support (- if needed) to ensure that suppliers received payments and staff received their salaries.
- 8.1.3 The Committee NOTED that liquidity support was in effect an advance of cash which meant, for example, that SFC funding set aside for months 9 to 12 could be brought forward to earlier months. The Committee DISCUSSED the current cash position of the College and the mitigations in place to reduce anticipated pressures on cash flow towards the end of the 2022/23 academic year.

### **8.2 COLLEGE BUDGET 2022/23 UPDATE**

- 8.2.1 The Committee NOTED the College Budget 2022/23 had been approved by the Board of Management (via correspondence) on 27 July 2022. The Chief Operating Officer provided the Committee with a verbal update on the initial positive movements towards the in-year savings target, as achieved via the initial phase of the Voluntary Severance Scheme 2022.
- 8.2.2 The Committee NOTED that both the Vice Principal Education & Skills and the Director of HR & OD had met with the Chief Operating Officer to discuss preparations for the next phase of the Voluntary Severance Scheme.

### **8.3 FINANCIAL FORECAST RETURN TO JULY 2022**

- 8.3.1 The Committee NOTED a presentation on the Financial Forecast Return (FFR) to July 2022 from the Chief Operating Officer. The Chief Operating Officer informed the Committee that the Return had been completed following the approval of the College Budget 2022/23 by the Board of Management.

## **9. HUMAN RESOURCES REPORT**

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

- 9.2 The Committee NOTED an update on the continued affiliation of the College with the Black Leadership Group (BLG). The Director of HR & OD advised the Committee that a ‘train the trainer’ session would be held for all middle managers on 14 October 2022, which aimed to provide managers with the tools to embed anti-racism provisions into all areas of the College.
- 9.3 The Committee DISCUSSED the position of the College as the first in Scotland to be affiliated with the BLG, as part of the movement towards being recognised as an anti-racist provider of education and employment. The Chair informed the Committee that, whilst the BLG affiliation was an important milestone, the College, and its Board of Management, must continue to demonstrate leadership on matters of equality, diversity, and inclusion.
- 9.4 The Committee NOTED employment data for 2021/22 (Quarter 4), including current Headcount and FTE statistics. The Director of HR & OD advised the Committee that the impact of the recent Voluntary Severance Scheme 2022 was not included in Quarter 4 figures (or analysis) as the majority of VS leavers remained in employment at the College until 31 July 2022.
- 9.5 The Committee DISCUSSED the employment data provided and how key figures compared with other colleges in the sector. The Committee AGREED that the Director of HR & OD, through the national network of HR directors, should continue to encourage the sharing of benchmarking information to allow meaningful comparisons and analysis.

## **10. ESTATES & DIGITAL INFRASTRUCTURE REPORT**

### **10.1 ESTATES & DIGITAL INSTRASTUCTURE UPDATE**

- 10.1.1 The Committee NOTED that, after almost a full year of legal activity and a potential court case, the College had signed a Minute of Agreement on 18 August 2022 with Granton Portfolio Holdings Ltd. and Panisera (UK) Ltd. to terminate its Nominations Agreement. The Chief Operating Officer advised the Committee that the agreed termination date was 3-years in advance of the contractual break-clause deadline of September 2025.
- 10.1.2 The Committee DISCUSSED the outcome of the Minutes of Agreement and welcomed the efforts of the Chief Operating Officer to ensure a satisfactory conclusion was achieved.
- 10.1.3 The Committee NOTED that the College’s outsourced catering contract with Gather & Gather was due to expire in January 2023, following a short extension in light of the Covid-19 Pandemic. The Chief Operating Officer informed the Committee that the College was currently engaging with a catering consultancy firm to support the completion of the tender specification.
- 10.1.4 The Committee DISCUSSED the tender and welcomed the involvement of both ECSA representatives and College staff in the consultation process.

## 10.2 DIGITAL STRATEGY 2020-25: PROGRESS UPDATE

- 10.2.1 The Committee NOTED progress against the Digital Strategy 2020-25, which was approved by the Board in December 2019. The Vice Principal Innovation, Performance and Planning advised the Committee that the implementation of the Strategy had been rapidly accelerated due to Covid-19, as the College repositioned itself to a blended learning model.
- 10.2.2 The Committee NOTED the strategic ambition of the College to become a 'High Performing Digital College', and acknowledged the excellent work undertaken to implement the Digital Strategy since its launch in February 2020. The Chair, on behalf of the Committee, commended the College on its shortlisting for two (of the three available) nominations for the Digital Award at the upcoming 2022 College Development Network (CDN) Awards.

***Janyce Holmes left the meeting***

## **11. ANY OTHER COMPETENT BUSINESS**

- 11.1 None.

## **12. FOR INFORMATION**

### 12.1 COMMITTEE PROGRAMME OF WORK 2022/23

- 11.2.1 The Committee NOTED its proposed programme of work for the 2022/23 academic year.

## **13. CLOSED ITEMS OF BUSINESS**

- 13.1 Items of business were considered by the Board as part of a closed session. Closed items were recorded under a separate minute (Closed Minutes 13 /01.09.22 refers).

## **14. DATE OF NEXT MEETING**

- 14.1 The next meeting of the Policy & Resources Committee will take place on 15 November 2022.

***Meeting closed at 11:30***