



POLICY & RESOURCES COMMITTEE

MINUTES OF MEETING OF 26 NOVEMBER 2015

13:00 Boardroom, Milton Road Campus

Present: Alan Johnston; Ian McKay; Nigel Paul; Robin Stimpson; Ian Young (Chair).

In attendance: Annette Bruton, Penny Davis; Ray McCowan; Marcus Walker (Clerk); Alan Williamson; Craig Wilson.

1 WELCOME AND APOLOGIES

1.1 Apologies were received from Sandra Cairncross and Jan Cutting.

2 DECLARATIONS OF INTEREST

2.1 The Committee Chair declared an interest in Item 11, as a Member of the Edinburgh College Development Trust. The Committee NOTED that Non-Executive Board Member, Alan Johnston, would act as the Chair for this single item.

3 MINUTES OF PREVIOUS MEETING

3.1 The Board APPROVED the Minutes from 26 August 2015 as an accurate record of the meeting.

4 MATTERS ARISING

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

5 DEVELOPMENT PLAN REPORT

Ken Rutherford and Seamus Spencer, SFC Regional Outcome Agreement Managers, joined the meeting

5.1 The Committee NOTED a progress report in regard to the implementation of the College Development Plan. The Deputy Principal informed the Committee that from a total of 76 milestones, 62 (82%) were now complete.

- 5.2 The Committee NOTED that although a significant portion of the Development Plan had been complete, work was still required to: (a) deliver a breakeven budget in 2015/16; (b) meet the 2015/16 credit and student recruitment targets; and, (c) further improve industrial relations. The Deputy Principal informed the Committee that it may now be appropriate to consider refocusing the Development Plan to concentrate on these ongoing matters.
- 5.3 The Committee DISCUSSED progress on the development plan, and the need for greater focus on areas of urgency and key importance. The Chair informed the Committee that although progress on the development plan had been positive, the current status of actions provided an appropriate opportunity to recalibrate before moving forward. The Committee AGREED that further attention would be given to recent developments in relation to the Environmental Scanning exercise, Curriculum Healthcheck and updated student enrolment and financial information.
- 5.4 The Committee AGREED that the remaining 14 milestones would be progressed through a new plan for the College.

6 REGIONAL OUTCOME AGREEMENT (ROA)

Sarah-Jane Linton, the Head of Performance of Planning, joined the meeting.

- 6.1 2014/15 ROA SELF-EVALUATION REPORT
 - 6.1.1 The Committee NOTED the first combined ROA and Institution-led Self-Evaluation Report, submitted to the SFC on 13 November.
 - 6.1.2 The Committee NOTED that the initial expectation was that the ROA Self-Evaluation Report would be presented to the Academic Council on 30 November for approval, however, the SFC requested the report's submission earlier than expected. The Head of Planning & Performance informed the Committee that as a vehicle for sign-off, the Chair and the Chairs of the Academic Council, Audit & Risk Assurance and Policy & Resources Committees had considered and approved the report.
 - 6.1.3 The Committee NOTED the Academic Council's feedback on the submitted report, and welcomed the suggestion for the wider circulation of a shorter and more easily readable document.
 - 6.1.4 The Committee NOTED that the SFC were content with the submitted Self-Evaluation Report. The College's ROA Manager informed the Committee that the Self-Evaluation Report now included the Annual Quality Report, and was part of the SFC efforts to further integrate reporting in the college sector. The Committee welcomed the combined report, and indicated that it would support further integration in this manner.
 - 6.1.5 The Committee Chair thanked the Head of Performance & Planning for drafting and submitting the ROA Self-Evaluation Report.

6.2 2016/17 ROA REVIEW PLAN

- 6.2.1 The Committee NOTED a report on the planned review of the College's ROA, and its 'refresh' for AY 2016/17 (the final year of the College's current 2014/17 ROA).
- 6.2.2 The Committee NOTED that the ROA review plan, approved by Senior Management, which aimed to ensure that all internal and (where appropriate) external stakeholders had the opportunity to review the outcome of the 2014/15 KPIs, the College's progress against the current 2015/16 KPIs, and to collectively agree a way forward to achieving the 2016/17 'refreshed' ROA.
- 6.2.3 The Committee DISCUSSED the project plan as presented by the Head of Performance & Planning. The College's ROA Manager informed the Committee that due to the Scottish Government's ongoing Comprehensive Spending Review, the submission deadline had been pushed back to April/May 2016.
- 6.2.4 The Committee NOTED that the Board would sign-off the refreshed for 2016/17, at its meeting on 19 April 2016.

7 ENROLMENTS, SUMS AND CREDITS 2014/15 AND 2015/16

- 7.1 The Committee NOTED a significant development in relation to shortfalls in student numbers, credits and the financial impacts of these matters on the College.
- 7.2 The Committee NOTED that in recent weeks the College had been challenged by the SFC in-relation to its SUM's claim for 2014/15. The Principal informed the Committee that the College had failed to take account of last year's SFC Guidelines which changed the amount of learning activity that could be claimed for each student, and had been asked to reduce its SUM's claim for 2014/15 from 254,760 to 249,833. Further to this, the Committee NOTED that the College would be required to re-adjust and reduce the basis of its claim for 2015/16.
- 7.3 The Committee NOTED the following reasons for the SFC request for the College to return almost 5000 SUM's in-relation to its 2014/15 target, as outlined by the Executive:
 - (i) In 2012/13, the newly merged College failed to reach its aggregated SUMs target by over 10,000 SUMs, and the continued challenges faced by the College in recruiting sufficient student numbers;
 - (ii) In order to achieve its SUM's target in previous years, the College had compensated for low student numbers by adding more activity to each student it recruited. The achievement of the College's target therefore centred on more activity per student, rather than a growth in student numbers (a practice used across the three legacy colleges and the wider sector).
- 7.4 The Committee NOTED that faced with a shortfall in student number again in 2014/15, the College added additional activity to a number of courses in order to achieve its targets. Subsequently, the level of additional activity exceeded the allowable limits set by the SFC, who were now in the process of recovering excess funds.

- 7.5 The Committee NOTED that for 2015/16, the student number were broadly the same (year to date) as for 2014/15. The Vice Principal advised the Committee that the College could no longer bridge this gap through additional activity, therefore, the SFC had been informed that the credit target for 2015/16 would not be achieved. The Committee NOTED that in-order to achieve its activity targets, and for the College to become as sustainable institution, it needed to be rebased at a lower activity threshold.
- 7.6 The Committee DISCUSSED the difficult position arising from the shortfall, and the need for guarantees on the College's financial status. The College's ROA Manager informed the Committee the SFC were currently in talks with the Scottish Government regarding the matter, and hoped to provide clarification on a way forward to the Principal within 10 working days.

Ken Rutherford, Seamus Spencer and Sarah-Jane Linton left the meeting

- 7.7 *Paragraph 7.7 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*
- 7.8 *Paragraph 7.8 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*

8 CORPORATE SOCIAL RESPONSIBILITY STATEMENT

- 8.1 The Committee NOTED a report outlining the College's work to meet its Corporate Social Responsibility (CSR), as outlined in the Code of Good Governance for Scotland's Colleges.
- 8.2 The Committee NOTED that CSR was fundamental to the core purpose of the College as an education provider and a public body serving its regional community. The Governance Director informed the Committee that CSR had been embedded within the College's five key aims and the strategies through which they were articulated.
- 8.3 The Committee DISCUSSED the following matters concerning the College's activity and the ways in which it actively fulfills its responsibilities:
- (i) the definition of CSR, and its role in the public sector;
 - (ii) the need for the Committee to review an annual paper on CSR matters;
 - (iii) the current carbon management plan, and the need for the Committee to see carbon number and KPIs;
 - (iv) the use of CSR as a means to promote positive behaviors within the College.
- 8.4 The Committee AGREED that an annual statement would be provide to the Committee for its review. Further to this, the Committee AGREED that it would consider at a future meeting how to implement CSR further within the College, through Organisation Development.

9 MANAGEMENT ACCOUNTS TO SEPTEMBER 2015

- 9.1 The Committee NOTED the financial performance of the College, as highlighted in the Financial Accounts to September 2015.
- 9.2 The Committee NOTED that Priority Based Budgeting (PBB) would be implemented across the departments of Engineering, Estates and International, prior to its wider roll-out across the College.
- 9.3 The Committee DISCUSSED the financial impact of the shortfalls in student numbers and credits, as highlighted under Item 7. The Committee NOTED that further developments in the College's marketing practices might be required in order to address long-term issues around student recruitment.
- 9.4 The Committee DISCUSSED staffing levels across the College and the current process for approving the recruitment of new members of staff. The Chair informed the Executive that the College's financial position needed to be made clear to senior management when considering future staff recruitment.
- 9.5 The Committee AGREED that the Chief Operating Officer would provide a six-month mid-term review of the College Budget to the March 2016 meeting of the Committee.

10 HUMAN RESOURCES REPORT

Beth Dickson, the Interim Head of HR, joined the meeting.

10.1 JOB EVALUATION UPDATE

- 10.1.1 *Paragraph 10.1.1 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*
- 10.1.2 *Paragraph 10.1.2 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*
- 10.1.3 *Paragraph 10.1.3 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*

10.2 NATIONAL BARGAINING

- 10.2.1 The Committee NOTED a circular from the National Joint Negotiating Committee for College Staff (NJNC-CS), which summarised the policy areas reserved at a national level. The Interim Head of HR informed the Committee that the NJNC-CS role related to policy, and they would not take responsibility for the development of procedures.

10.2.2 *Paragraph 10.2.2 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*

10.3 EMPLOYEE RELATIONS

10.3.1 *Paragraph 10.3.1 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*

10.4 PROTECTION OF VULNERABLE GROUPS (PVG)

10.4.1 The Committee NOTED that the policy of the three legacy colleges towards Enhanced Disclosure through Disclosure Scotland. The Interim Head of HR informed the Committee that whilst this was the case, all staff are still required to complete clearance through the PVG Scheme.

10.4.2 The Committee NOTED that the Human Resources Team had embarked on a process to comply, and a plan was in place to complete this by March 2016.

10.4.3 *Paragraph 10.4.3 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*

10.4.4 The Committee NOTED that a further update on the processing of PVGs across the College would be provided at its next meeting.

Beth Dickson left the meeting.

11 CAPITAL AND INFRASTRUCTURE REPORT

Mike Jeffrey, Head of Engineering, joined the meeting

11.1 *Paragraph 11.1 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 33, Commercial Interests and the Economy.*

11.2 *Paragraph 11.2 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 33, Commercial Interests and the Economy.*

11.3 *Paragraph 11.3 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 33, Commercial Interests and the Economy.*

11.4 *Paragraph 11.4 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 33, Commercial Interests and the Economy.*

11.5 The Committee AGREED that the Executive should accelerate the development of the Estates Strategy. Within the context of the overall Estates Strategy, the Committee AGREED that the two options recommended by the Executive should be progressed to 'outline business case' stage, to provide the Board with the ability to proceed quickly should funding become available.

12 DEVELOPMENT TRUST: MEMORANDUM OF AGREEMENT

Committee Member, Alan Johnston, took the role of Committee Chair (Paragraph 2.1 refers).

- 12.1 The Committee NOTED a proposed 'Memorandum of Agreement between the Board of Management of Edinburgh College and the Edinburgh College Development Trust'.
- 12.2 The Committee DISCUSSED the Memorandum of Agreement and Audit Scotland's current position on arm's length bodies nationally.
- 12.3 The Committee AGREED that the Memorandum of Agreement should be recommended to the Board for approval, subject to its review by the College's External Auditors.

The Vice Chair resumed the role of Committee Chair.

13 ANY OTHER COMPETENT BUSINESS

- 13.1 None.

14 DATE OF NEXT MEETING

- 14.1 The next meeting of the Policy and Resources Committee will take place on Monday, 18 January in the Boardroom, Milton Road Campus.

Meeting closed at 15:50