



For the future you want

POLICY & RESOURCES COMMITTEE

MINUTES OF MEETING OF 14 NOVEMBER 2017

14:00 Boardroom, Milton Road Campus

Present: Stephen Dunn; Niki McKenzie; Nigel Paul; Fiona Riddoch; Ian Young (Chair).

In attendance: Jon Buglass, Jonny Pearson; Ken Rutherford (SFC); Seamus Spencer (SFC); Marcus Walker (Clerk); Alan Williamson.

1 WELCOME AND APOLOGIES

- 1.1 Apologies were received from Alan Johnston and Ian McKay.
- 1.2 The Committee Chair welcomed Ken Rutherford and Seamus Spencer, SFC Outcome Agreement Managers, to the meeting to consider the transformation plan and other relevant items of business.

2 DECLARATIONS OF INTEREST

- 2.1 No declarations of interests were received.

3 MINUTES OF PREVIOUS MEETING

- 3.1 The Committee NOTED comments from the SFC Regional Outcome Agreement Manager relating to *Minute 5.1.4/22.08.17* of the previous meeting, and continued importance of the college realising a financial breakeven position by the end of 2018/19. The Committee Chair, on behalf of the Committee, reinforced the college's commitment to achieving a breakeven position.
- 3.2 The Committee APPROVED the minutes from 22 August 2017 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, with the exception of the following:

Future of Education in the 'West Corridor' (Minute 11.2/18.04.17 refers)

The Committee NOTED an update on communications with Edinburgh Napier University on the college estates strategy, and progress towards promoting a discussion on the future of education in the Edinburgh 'west corridor' with partners in the region. The Regional Outcome Agreement Manager advised the Committee that the SFC were supportive of discussions in order to develop further the learner journey within the region.

Policy & Resources Committee Review of Remit (Minute 12.1.1/28.08.17 refers)

The Committee NOTED that the Committee Chair had met with the Depute Principal, Chief Operating Officer and Governance Advisor, on 17 October 2017, to discuss the wider operation of the Committee.

The Committee NOTED that the remit would continue to focus on key policy matters including; the Business Transformation Plan, the Strategic Plan 2017-22 and Blueprint, and strategic progress against the Regional Outcome Agreement. Further to this, the Committee Chair advised members that the Committee would also receive reports on major policy initiatives with impact of the college, the sector and the wider economy.

The Committee NOTED its terms of reference would require further review in the context of other committee remits, to ensure that appropriate cross-linkages were maintained.

5 BUSINESS TRANSFORMATION PLAN

5.1 BUSINESS TRANSFORMATION PLAN REPORT

5.1.1 The Committee NOTED an update on the Business Transformation Plan, which included individual overviews of progress on the four transformation programmes. The Chief Operating Officer advised the Committee that the majority of projects within the transformation plan had either closed or were in their final stage of analysis, prior to their flow through to the Edinburgh College Blueprint 2017-22.

5.1.2 The Committee DISCUSSED the transition of transformation plan projects into the Blueprint 2017-22, and the college sectors movement into a period of intensification around the Outcome Agreement process (as outlined by the Minister for Further Education, Higher Education and Science in her letter to the Chair of the SFC on 18 October 2017).

5.1.3 The Committee DISCUSSED progress relating to the Workforce Development Programme, specifically voluntary severance Phase 3 arrangements relating to the 'Teaching & Corporate Staff Realignment' project. The Chief Operating Office confirmed that the college would meet with the SFC to discuss unspent voluntary severance and how it could be utilised further.

5.2 RECRUITMENT & RETENTION DASHBOARD

5.2.1 The Committee NOTED an update from the Assistant Principal, Recruitment and Retention, on the performance of the college against its 2017/18 recruitment and retention targets. The Assistant Principal informed the Committee that the SFC had set the college an activity target of 187,742 for current academic year, which included 1,714 additional childcare credits.

5.2.2 The Committee DISCUSSED the following aspects of the Recruitment and Retention Dashboard:

- (i) The drop in university entry requirements and the impact of this on colleges;
- (ii) the enhancement of partnerships between universities and colleges as part of the Outcome Agreement intensification process;
- (iii) the need for greater clarity on student pathways as not to hamper transitions between college and university;
- (iv) the vocational opportunities available to university students at college;
- (iv) the impact of barriers to student funding on retention figures, and the action plans implemented by the college;
- (v) the impact of increased student numbers on the college's estates, maintenance and equipment costs.

5.2.3 The Committee welcomed the positive report and the continued development of the key comparative data it contained.

6 EDINBURGH COLLEGE BLUEPRINT 2017-22 UPDATE

6.1 The Committee NOTED an update on the development of the Edinburgh College Blueprint, following the approval of the Strategic Plan 2017-22 by the Board on 19 September 2017. The Assistant Principal, Recruitment and Retention, informed the Committee that following the Board Development Day on 01 November, the Executive had held their own strategy day to consider further developments to the 19 strategic programmes contained within the Blueprint.

6.2 The Committee DISCUSSED the importance of project leadership and the broad timescales for individual programmes going forward. The Assistant Principal, Recruitment and Retention, advised the Committee that the Executive would seek consensus from the Senior Management Group on the appointment of project leads in due course.

7 CAPITAL & INFRASTRUCTURE REPORT

The Head of Estates and IT Services joined the meeting

7.1 SFC CONDITION SURVEY

- 7.1.1 The Committee NOTED an SFC Condition Survey Report on the Edinburgh College estates. The Head of Estates and IT Services informed the Committee that, from March to August 2017, the SFC had appointed consultants Gardner and Theobald to carry out condition surveys of college estates throughout Scotland.
- 7.1.2 The Committee NOTED an overview of works that the consultants had highlighted as required across college campuses, and an overview of the main areas where development/maintenance would be required (with associated costs). The Head of Estates and IT Services advised the Committee that the report's findings were in line with a full condition survey undertaken by the college in 2013.
- 7.1.3 The Committee NOTED that the SFC Condition Survey covered Marine Drive and Forthside, two buildings that are currently leased from Edinburgh Council. The Head of Estates and IT Services informed the Committee that limits were placed on the college in terms of the works that could be carried out on these sites.
- 7.1.4 The Committee DISCUSSED the following aspects of the SFC Condition Survey:
- (i) The potential for any health and safety issues arising from delays to any required maintenance, and the reassurances provided by the Head of Estates and IT services;
 - (ii) the value of development/maintenance work classified as 'critical', and the need to focus on these areas;
 - (iii) the capital funding formula, and how the college will target priority areas relating to estates and IT;
 - (iv) points highlighted in the survey relating to the Sighthill tower block and Forthside.
- 7.1.5 The Committee AGREED that it would be appropriate to reconvene its Estates Sub-Group to consider matters relating to the Estates Strategy, including the business case for the future development of the engineering and construction facilities, in further detail. The Committee AGREED that the Sub-Group's membership would include the Chair of the Policy and Resources Committee, the Chair of the Audit & Risk Assurance Committee and Stephen Dunn, a non-executive member with appropriate expertise.

The SFC Outcome Agreement Managers left the meeting

7.2 COLLEGE ENERGY EFFICIENCY PARTNERSHIP (CEEP)

- 7.2.1 The Committee NOTED an update on the progress of the College Energy Efficiency Partnership (CEEP) and the works undertaken on behalf of the college by its project partner, Ameresco. The Head of Estates and IT Services advised the Committee that the college had accepted an offer of funding for the CEEP project which amounted to £2.1m, and would provide reports on future carbon emissions as part of the outcome agreement from 2018 until 2020.
- 7.2.2 The Committee NOTED the energy saving measures introduced by the college, including the installation of LED lights and the replacement of the main boiler at the Milton Road Campus. The Committee DISCUSSED the numerous benefits for the college, which included a number of immediate benefits and the strong platform created for further improvements to the college estates in future years.
- 7.2.3 The Committee Chair, on behalf of members, welcomed the improvements outlined and their numerous benefits relating to finances, staff/student wellbeing and climate change.

7.3 COMMERCIAL CATERING REPORT

- 7.3.1 The Committee NOTED a review of the commercial catering strategy at Edinburgh College. The Head of Estates and IT Services advised the Committee of potential options for change in order to mitigate the trend of financial deficits within the catering facility.
- 7.3.2 The Committee DISCUSSED the report and NOTED that further clarification was required from the Executive. The Committee AGREED that, in order to progress this matter in a timely manner, a proposal should come forward to the next meeting of the Board for consideration.

The Head of Estates and IT Services left the meeting

8 PERFORMANCE MONITORING DASHBOARD UPDATE

- 8.1 The Committee NOTED a verbal update on the development of a performance monitoring dashboard for the Board and its committees. The Assistant Principal, Curriculum Design and Development, advised the Committee that a 'Summary of Targets' had now been developed, which included key Regional Outcome Agreement targets and workforce planning and innovation targets.
- 8.2 The Committee NOTED that, in terms of key performance indicators (KPIs), a key focus of the college would be towards improving its 'completion / partial completion' success rates. The Assistant Principal, Curriculum Design and Development, informed the Committee that the college had performed disappointingly in this area during 2016/17 and would aim for significant improvements going forward.

8.3 The Committee DISCUSSED the matters in relation to continued performance monitoring:

- (i) The KPI information currently provided to the Academic Council and the continued refinement of the Summary of Targets;
- (ii) the role of the Policy & Resources Committee and other committees of the Board in monitoring performance;
- (iii) the visibility of KPIs at Board level and the need for a clearer overview of the college in terms of its key metrics;
- (iv) the potential going forward to project KPIs for the duration of the five year strategic plan.

8.4 The Committee AGREED that further clarity and visibility around performance monitoring was required at Board level, and recommended that the Executive put forward a proposed performance monitoring dashboard for consideration at the next meeting of the Committee. Further to this, the Committee AGREED that, at an appropriate juncture, the Executive and Committee Chairs should hold a meeting to consider the KPIs presented to each committee of the Board.

The Assistant Principals left the meeting

9 HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT REPORT

The Head of HR & OD joined the meeting

- 9.1 The Committee NOTED that further to the resolution of the EIS dispute in relation to pay, the college had set a notational salary scale for all lecturers which would progress them through the harmonisation process to April 2019. The Head of HR & OD advised the Committee that the college had agreed with EIS a job mapping process for promoted lecturers (Curriculum Leaders) into the new pay scale, and the knock on effect against management salaries. The Committee NOTED that there were still unresolved elements of the dispute which related to the harmonisation of terms and conditions, and that negotiations remained ongoing.
- 9.2 The Committee NOTED current health & wellbeing initiatives taking place across the college, including personal safety events delivered by Policy Scotland. The Head of HR & OD informed the Committee that throughout the month of September specialist talks relating to 'life and work' had been held with the Health & Safety Manager and PAM Assist, the college's employee assistance programme.
- 9.3 The Committee DISCUSSED current healthy working lives initiatives and the positive work done by the college to support staffs' mental and physical wellbeing. The Committee AGREED that it would endorse a presentation from the Organisational Development Team highlighting such initiatives to the wider Board at a future date.
- 9.4 The Committee NOTED a verbal update on the development of a Career Transition Policy. The Head of HR & OD advised the Committee that a draft version of the Policy would be consulted on with staff and recognised trade unions in due course.

The Head of HR & OD left the meeting

10 FINANCE REPORT

The Head of Finance joined the meeting

10.1 FINANCE REPORT

- 10.1.1 The Committee NOTED an update on the college's Annual Accounts to July 2017, and how they compared with the most recent financial forecasts for the same period.

10.2 MANAGEMENT ACCOUNTS TO SEPTEMBER 2017

- 10.2.1 The Committee NOTED the financial performance of the college as outlined in the Management Accounts to September 2017.
- 10.2.2 The Committee DISCUSSED the college's financial performance in the first two months of the financial year, and the lower than expected forecast activity related to the IES educational contract.

10.3 TUITION FEES 2018/19

- 10.3.1 The Committee NOTED a proposal for the 2018/19 tuition fees, as endorsed by the Executive. The Head of Finance advised the Committee that the paper proposed a 3% 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 10.3.2 and 10.3.3 refer).
- 10.3.2 The Committee NOTED that commercial tuition fees could bare a further percentage increase as a number of the fees were lower than equivalent local providers of such courses. The Head of Finance highlighted four proposed courses where fees were proposed to increase above 3% in 2018/19.
- 10.3.3 The Committee NOTED that, following a benchmarking exercise, the International Team had recommended that full-time International fees were increased by approximately 10% for 2018/19. The Head of Finance informed the Committee that International fees had remained the same for several years, and during this time the value of the pound had decreased against many overseas currencies.
- 10.3.4 The Committee DISCUSSED the following aspects of the proposed 2018/19 tuition fees:
- (i) The thorough Equality Impact Assessment undertaken by the Finance Team;
 - (ii) the proposal to pay specific International course fees over an increased number of installments.

- 10.3.5 The Committee APPROVED the 2018/19 tuition fees as outlined by the Executive.

11 ANY OTHER COMPETENT BUSINESS

11.1 HORIZON SCANNING REPORT

- 11.1.1 The Committee NOTED that the LPS pension fund actuarial valuation would be completed shortly. The Head of Finance informed the Committee that if this showed an increased gap in funding between assets and liabilities there was the potential that there would be further increases in the employer pension contributions in future years.
- 11.1.2 The Committee NOTED an update on compliance preparations for the implementation of the General Data Protection Regulation (GDPR) on 25 May 2018.
- 11.1.3 The Committee DISCUSSED the risks associated with BREXIT and AGREED that a report from the Executive on the potential scenarios should come forward to its next meeting.
- 11.1.4 The Committee DISCUSSED the impact of recent lowering of entry requirements by some universities in the region, and AGREED that it would welcome a report highlighting the potential impact of this on the college.

The Head of Finance left the meeting

11.2 COMMISSION FOR ETHICAL STANDARD IN PUBLIC LIFE IN SCOTLAND (CESPLS) RESEARCH PROJECT UPDATE

- 11.2.1 The Committee NOTED and update on an ongoing CESPLS research project, which sought to review the difference that diversity (in its broadest sense), makes to the governance of Scotland's public body boards.
- 11.2.2 The Committee reviewed and DISCUSSED a 'Diversity in Governance - Personalised Self-Assessment' document and endorsed its submission to the CESPLS research project lead, via the Chair of the Board.

12 DATE OF NEXT MEETING

- 12.1 The next meeting of the Policy and Resources Committee will take place on 20 February 2017, in the Boardroom, Milton Road Campus.

Meeting closed at 16:45