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## **POLICY & RESOURCES COMMITTEE**

### **MINUTES OF MEETING OF 18 APRIL 2017**

**14:00 Boardroom, Milton Road Campus**

**Present:** Alan Johnston; Ian McKay; Nigel Paul; Fiona Riddoch; Ian Young (Chair).

**In attendance:** Annette Bruton; Jon Buglass; Jonny Pearson; Ken Rutherford (SFC); Seamus Spencer (SFC); Marcus Walker (Clerk); Richard Whetton; Alan Williamson.

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

- 1.1 Apologies were received from Stephen Dunn and Niki McKenzie.
- 1.2 The Committee NOTED that Niki McKenzie, as the newly appointed Chair of the Remuneration Committee, had joined the membership of the Policy & Resources Committee.
- 1.3 The Committee Chair welcomed Ken Rutherford and Seamus Spencer, SFC Outcome Agreement Managers, to the meeting to consider the Business Transformation Plan and the Draft Regional Outcome Agreement 2017-20.

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

- 2.1 No declarations of interests were received.

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

- 3.1 The Board APPROVED the minutes from 24 January 2017 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 BUSINESS TRANSFORMATION PLAN

### 5.1 BUSINESS TRANSFORMATION PLAN REPORT

5.1.1 The Committee NOTED an update on the Business Transformation Plan, which included improvement/progress plans for all four transformation programmes. The Head of Corporate Development informed the Committee that a high-level plan collating all recommendations from the 2017 Scott-Moncrieff review had been developed, in line with the auditors request, and outlined progress (to date) in the establishment of a Programme Management Office.

5.1.2 The Committee NOTED updates on each of the transformation plan programmes. The Head of Corporate Development advised the Committee that Programme 3 (Workforce Development) had progressed since the report was drafted, and the Programme Board were satisfied with the improvements outlined.

5.1.3 The Committee welcomed the level of detail provided in the reports, and DISCUSSED the following matters:

- (i) Positive progress relating to Programme 3, and the processes implemented to move key projects' RAG status to 'Green';
- (ii) the potential for a post-implementation review of the transformation plan, to consider benefits going forward;
- (iii) the need to monitor interdependencies and connections between programmes and key risks.

5.1.4 The Committee NOTED members' gratitude to the SFC for their funding of Phase 3 of the voluntary severance scheme, a key area within Programme 3 of the transformation plan. The SFC Outcome Agreement Manager informed the Committee that whilst he was pleased the funding had been secured, there remained challenges for the scheme to be successful.

5.1.5 The Committee NOTED a brief update on the High-Level Estates Feasibility Study, which was recently undertaken with support from the SFC. The Committee AGREED that it would welcome further support from the SFC to explore viable options in more detail.

### ***The Chair of the Board joined the meeting***

### 5.2 RECRUITMENT & RETENTION DASHBOARD

5.2.1 The Committee NOTED an update from the Assistant Principal, Recruitment & Retention, on the performance of the College against its 2016/17 credit targets. The Assistant Principal informed the Committee that the credit position of the college (as of 28 March) was 185,174, which was over 10,000 more credits than at the same point in 2015/16.

- 5.2.2 The Committee NOTED that full-time recruitment for 2017/18 had shown a marked improvement on the previous year, with (year to date) 1,356 more offers made and 1,278 offers accepted.
- 5.2.3 The Committee welcomed reassurances provided by the Assistant Principal that the college would successfully meet its 2016/17 credits target.
- 5.2.4 The Committee DISCUSSED the following matters related to future student recruitment:
- (i) The Scottish Government's new childcare initiatives and the developments made by the college to meet increased demands in these areas;
  - (ii) the areas of potential growth for the college in the future, including non-SFC income;
  - (iii) the college's curriculum planning activity and identifying future growth.
- 5.2.5 The Committee AGREED that it would welcome a dashboard report which outlined areas of growth within the region, and placed developments in the context of curriculum planning going forward.

## **6 DRAFT REGIONAL OUTCOME AGREEMENT 2017-20**

### ***The Head of Policy, Performance & Planning joined the meeting***

- 6.1 The Committee NOTED a draft of the college's Regional Outcome Agreement (ROA) 2017-20. The Head of Performance, Policy & Planning informed the Committee that key areas for its consideration included: Quality; Curriculum Planning; STEM; Access & Inclusion; and, Developing Scotland's Young Workforce.
- 6.2 The Committee NOTED that a draft version of the ROA 2017-20 had been reviewed and endorsed by the Academic Council on 17 March.
- 6.3 The Committee DISCUSSED the following matters relating to the ROA 2017-20:
- (i) The Business Transformation Plan and the level of aspiration outlined within the document;
  - (ii) the presentation of the document, which was considered attractive and engaging by members;
  - (iii) the means by which the college can monitor its future performance through the ROA;
  - (iv) the minor amendments required to reflect developments in the Scottish Government's childcare initiatives.
- 6.4 The Committee AGREED to endorse the draft ROA 2017-20 to the Board for approval at its next meeting. The Committee Chair, on behalf of the Committee, thanked the Head of Performance, Policy & Planning and her team for their work in developing an engaging ROA document for the college.

***The SFC representatives left the meeting***

**7 EQUALITIES OUTCOME, MAINSTREAMING AND EQUAL PAY REPORT 2017**

- 7.1 The Committee NOTED a draft Equalities Outcome, Mainstreaming and Equal Pay Report 2017. The Head of Performance, Policy & Planning informed the Committee that the report outlined progress towards embedding equality as part of everyday practice at the college, and presented new equality outcomes that the college would aim to achieve over the next four years.
- 7.2 The Committee NOTED that a detailed action plan would be developed, outlining timescales and responsibilities, once the report had been approved. The Head of Performance, Policy & Planning advised the Committee that the Head of Student Experience and the Head of HR & OD had contributed significantly to the statutory report, and would continue to work with the Equalities Team to ensure actions were implemented appropriately.
- 7.3 The Committee welcomed the comprehensive equalities report, and DISCUSSED the positive work carried out by the College to advance equality. The Committee Chair, on behalf of the Committee, thanked the Equalities Team and colleagues across the college for producing a report which clearly demonstrated the college's commitment to equality.
- 7.4 The Committee, with the delegated authority of the Board<sup>1</sup>, APPROVED the Equalities Outcome, Mainstreaming and Equal Pay Report 2017 for publication – in compliance with the college's statutory reporting duties.

***The Head of Policy Performance & Planning left the meeting***

**8 STRATEGIC PLANNING UPATE**

- 8.1 The Committee NOTED an update on the development of the next Strategic Plan, including a first draft of the Edinburgh Strategic Plan 2017-2022. The Head of Corporate Development informed the Committee that the Strategic Plan proposed the broad layout of the document, including: Introductions from both the Chair and Principal; contextual information; vision options; a mission statement; values; and the five proposed draft strategic aims agreed by the Board.
- 8.2 The Committee NOTED an accompanying consultation plan which detailed the college's approach for consulting on the Draft Strategic Plan, and the key milestones.
- 8.3 The Committee DISCUSSED the following points in relation to the strategic planning update:

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<sup>1</sup> On 14 February, the Board of Management agreed to delegate approval of the 'Equalities Outcome, Mainstreaming and Equal Pay Report 2017' to the Policy & Resources Committee.

- (i) The breadth of the consultation process, and the initial feedback received;
- (ii) the potential to develop wording around specific aims further, in future drafts;
- (iii) the potential inclusion of more detail on how the college will ensure students are work/university ready;
- (iv) the need for further information on the context in which the strategic plan was created, to ensure it remains flexible to any future challenges.

8.4 The Committee welcomed the strategic planning update, and were supportive of the approach outlined by the Head of Corporate Development.

***The Assistant Principals left the meeting***

## **9 FINANCE REPORT**

***The Head of Finance joined the meeting***

### **9.1 FINANCE REPORT**

9.1.1 The Committee NOTED an update on the budget setting process for 2017/18, which began in March and would conclude with the presentation of the budget to the Board on 20 June. The Head of Finance advised the Committee that the main objective was to ensure the budget's alignment with the second year of the Business Transformation Plan, whilst incorporating: curriculum changes; Phase 3 of the voluntary severance scheme; and, Priority Based Budget (PBB) savings.

9.1.2 The Committee NOTED a best value review of the nursery was currently underway, to establish how its performance could be improved in order to minimise any future risk of financial loss.

9.1.3 The Committee NOTED a verbal update on the '2015/16 audit of Edinburgh College' which was due to be laid before parliament by Audit Scotland on 21 April.

### **9.2 RESOURCE RETURN TO FEBRAURY 2017**

9.2.1 The Committee NOTED an update on the financial performance of the college as illustrated through the Resource Return to February 2017.

### **9.3 COLLEGE BUDGET BI-ANNUAL REVIEW**

9.3.1 The Committee NOTED a report detailing the college's financial position and budget for six months to January 2017. The Head of Finance advised the Committee that it was expected that there could be a further reduction in the forecast of non-staff costs over the final five months of the year.

#### 9.4 MANAGEMENT ACCOUNTS TO FEBRUARY 2017

9.4.1 The Committee NOTED the financial performance of the College as outlined in the Management Accounts to February 2017.

9.4.2 The Committee Chair, on behalf of members, welcomed the comprehensive financial performance information received by the Committee, through the management accounts, the budget bi-annual review and the resource return.

#### 9.5 CATERING REPORT

##### ***The Head of Resources & Facilities and Catering Manager joined the meeting***

9.5.1 The Committee NOTED a report from the Head of Resources & Facilities outlining recent challenges, planned direction and new proposals for the in-house service.

9.5.2 The Committee NOTED the background to bringing the 'out-sourced' tender back in-house in 2014/15, and that the first year of operation for the in-house catering team had been positive. The Head of Resources & Facilities informed the Committee that in 2015/16, the implementation of job evaluation scheme and pay awards had presented significant challenges to the in-house catering team and their ability to operate at a breakeven trading position.

9.5.3 The Committee NOTED an update on developments following a review of the catering provision in 2015/16, and details of future planning activities to improve provisions going forward.

9.5.4 The Committee DISCUSSED the following strategic and operational matters in relation to the in-house catering report:

- (i) The demand for in-house catering from students across all four campuses;
- (ii) the ambience of the food courts and the availability of capital funding to enhance these areas;
- (iii) the timetabling of students, and the need for a more staggered approach in order to reduce staffing pressures at peak times;
- (iv) competition from local supermarkets and shops, and how the college sought to combat the loss of students to other outlets;
- (v) the variation across the four campuses in terms of food offerings, and the need to introduce a more consistent approach;
- (vi) external commercial activity undertaken by the in-house catering team;
- (vii) draft income and expenditure forecasts and how these informed the 2017/18 budgeting process.

9.5.5 The Committee AGREED that the Executive Team should continue to develop its strategic approach the catering provision, in order to ensure that the college maintained a sustainable catering service.

***The Head of Finance, Head of Resources & Facilities and Catering Manager left the meeting***

## **10 HUMAN RESOURCES REPORT**

### ***The Head of HR & OD joined the meeting***

- 10.1 The Committee NOTED that Phase 3 of the voluntary severance scheme had opened on 24 March, and was due to close at midday on 02 May.
- 10.2 The Committee DISCUSSED Phase 3 of voluntary severance and the difficulties faced by the college in achieving a reduction £2.4m saving, in line with the Business Transformation Plan. The Committee AGREED that, if appropriate, alternative options should be considered at its next meeting.
- 10.3 The Committee NOTED that in the wake of a recent industrial action by EIS-FELA a satisfactory resolution had been agreed through ACAS. The Head of HR & OD informed the Committee of positive developments in industrial relations, as work continued to re-launch partnership working proposals with both EIS-FELA and UNISON.
- 10.4 The Committee NOTED that following a meeting of the National Joint Negotiation Committee (NJNC), EIS had submitted a statutory ballot to all colleges in Scotland. The Head of HR & OD informed the Committee that the ballot was in relation to the 2015/16 pay award, and the trade union's request for pay to be agreed separately from Terms & Conditions.
- 10.5 The Committee NOTED that the ballot had closed on 10 April, and EIS members had voted in favour of 11 days of industrial action – taking effect from 27 April. The Committee DISCUSSED the significant impact of the proposed industrial action on students, and sought assurance from the Executive that appropriate measures were in place to mitigate its effects as best can be achieved.

### ***The Head of HR & OD left the meeting***

## **11 CAPITAL & INFRASTRUCTURE REPORT**

- 11.1 The Committee NOTED a verbal update on progress since an initial high-level feasibility review of the Edinburgh College Estate, which had focussed on improvements in campus efficiency and space utilisation across the college. The Chief Operating Officer advised the Committee that the SFC were currently in the process of considering estates funding priorities across the college sector.
- 11.2 The Committee, in the context of the Edinburgh College Estates Review and capital funding arrangements, DISCUSSED the nature of the college's provision within the west of Edinburgh. The Committee AGREED that it would be appropriate to promote a discussion on the future of education in the Edinburgh 'west corridor' with partners in the region.

## **12 ANY OTHER COMPETENT BUSINESS**

### 12.1 DRAFT BOARD CALENDAR 2017/18

12.1.1 The Committee NOTED a draft Board calendar for 2017/18, which took account of key decision dates for the Board over next academic year.

12.1.2 The Committee DISCUSSED the draft Board calendar and AGREED that proposed committee dates should be confirmed with committee chairs before being circulated to Board members for consultation.

## **13 DATE OF NEXT MEETING**

13.1 The next meeting of the Policy and Resources Committee will take place on 30 May 2017, in the Boardroom, Milton Road Campus.

***Meeting closed at 17:10***