



For the future you want

POLICY & RESOURCES COMMITTEE

DRAFT MINUTES OF MEETING OF 19 FEBRUARY 2019

15:00 Boardroom, Milton Road Campus

Present: Niki McKenzie; Nigel Paul; Ian Young (Chair)

In attendance: Sue Clyne; Nick Croft; Audrey Cumberland; Jonny Pearson; Lindsay Towns; Marcus Walker (Clerk); Alan Williamson

1 WELCOME AND APOLOGIES

- 1.1 Apologies were received from Ian Diamond, Ann Landels and Fiona Riddoch.
- 1.2 The Committee NOTED that the Committee did not have a quorum of members present. The Committee Chair informed members that, in line with the Standing Orders of the Edinburgh College Board of Management, the meeting would proceed and decisions taken by the Committee would require ratification at the next meeting of the Board on 19 March.
- 1.3 The Committee Chair welcomed the new Head of HR & OD, Sue Clyne, to the meeting as an observer.

2 DECLARATIONS OF INTEREST

- 2.1 No declarations of interests were received.

3 MINUTES OF PREVIOUS MEETING

- 3.1 The Committee APPROVED the minutes from 27 November 2018 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:

4.1.2 *FUTURE OF EDUCATION IN THE WEST OF EDINBURGH CORRIDOR (Minute 4.2.2/ 22.05.18 refers)*

The Committee NOTED that the SFC had informed the College that they had no immediate plans to review education in the west of Edinburgh corridor. The Chief Operating Officer advised the Committee that the College had been asked instead to focus on further collaboration with regional university partners that moved beyond existing articulation agreements.

5 A FUTURE PROOFED COLLEGE - BLUEPRINT 2017-22 REPORT

5.1 The Committee NOTED an update on progress achieved to date in the delivery of the next phase of the Edinburgh College Blueprint 2017/22, which would focus on three new transformational themes: (i) A College with a curriculum for the future; (ii) A high performing digital College and (iii) A resilient, agile College with reach and potential to grow.

5.2 The Committee NOTED a summary of progress since November 2018, aligned to the three transformational themes. The Principal provided assurances to the Committee that the Blueprint 2017/22, and its individual projects, were moving forward in a positive manner.

5.3 The Committee NOTED that a skills survey of regional businesses, supported and endorsed by Edinburgh Chambers and the Edinburgh Capital City Partnership, would be undertaken by the College in due course. The Committee DISCUSSED how the survey fitted with the Integrated Regional Employability and Skills (IRES) Programme led by the Chair of the Edinburgh and South-East Scotland City Region Deal, and how the survey could further enhance the College's profile and engagement with employers.

6 RECRUITMENT & RETENTION DASHBOARD

6.1 The Committee NOTED an update from the Assistant Principal, Recruitment and Retention, on the performance of the College against its 2018/19 recruitment and retention targets. The Assistant Principal informed the Committee that the SFC had set the College an activity target of 187,969 for current academic year.

6.2 The Committee NOTED that, in spite of a 7.9% reduction in the number of full-time FE students and a 29% increase in the number of PT students, the College was projected to reach its 2018/19 credits target. The Committee Chair, on behalf of

members, welcomed the assurances provided by the Assistant Principal that the College would achieve this important milestone.

- 6.3 The Committee NOTED that the average credit claim for a full-time student was 16.25 credits whereas the average credit claim for a part-time student was 5 credits. The Committee DISCUSSED the potential impact of the shift from full-time to part-time study on the overall credit score of the College going forward. The Assistant Principal advised the Committee that the weighting of part-time enrolments was an important matter and had been raised at a national level by the college sector.
- 6.4 The Committee NOTED that the Recruitment & Retention Dashboard it received did not include any information on attainment levels. The Committee DISCUSSED and AGREED that a brief overview of attainment figures would be included in future reportage.

Niki McKenzie joined the meeting via conference call

7 FINANCE REPORT

7.1 FINANCE REPORT

- 7.1.1 The Committee NOTED that as a result of the required interim three years valuation of Land and Buildings in the 2018 Annual Accounts (which resulted in an increase of 15% in the value of Buildings) recurring depreciation had increased by £0.5m from 2018/19. The Head of Finance informed the Committee that the increase had been incorporated into the current year Income and Expenditure forecast. The Committee DISCUSSED the impact of recurring depreciation, and NOTED that it would not affect the underlying operating position, the new basis of reporting required by the SFC and Audit Scotland.
- 7.1.2 The Committee NOTED that the College was party to a 25 year contract involving a commitment to let 99 rooms in its student residence at the Granton Campus. The Head of Finance advised the Committee that the contract included a clause relating to annual room rates which had made it increasingly difficult to let all the rooms over recent years. The Committee DISCUSSED the efforts of the College to mitigate the costs of unfilled rooms over the remainder of the contract (a further six years), and NOTED that the original contract signed by the legacy college could not be undone.
- 7.1.3 The Committee NOTED a verbal update from the Chief Operating Officer on the outsourcing of the College catering function to Gather & Gather. The Committee DISCUSSED progress to date, and AGREED that it would welcome an opportunity to consider a six month review of the implementation of the Gather & Gather contract the 2019/20 academic year.

7.2 MANAGEMENT ACCOUNTS TO DECEMBER 2018

- 7.2.1 The Committee NOTED the financial performance of the College as outlined in the Management Accounts to December 2018.
- 7.2.2 The Committee NOTED adverse income variances within tuition fees, a pre-employability contract, SAAS and associate degree courses, and DISCUSSED the adverse variance to date against the 2018/19 College Budget. The Head of Finance advised the Committee that departmental performance review meetings and a mid-year performance review with the Executive Team and Heads of Department were currently taking place. The Committee NOTED that at these meetings full year forecasts of income and expenditure would be discussed, and it was expected that this could reduce the current forecast negative budget outturn.
- 7.2.3 The Committee NOTED that the Draft 2019/20 College Budget would be presented to its next meeting on 21 May for consideration, along with a three year financial forecast.
- 7.2.4 The Committee NOTED that Flexible Workforce Development activity was forecast to generate additional revenues for the year, however, positive movements in this areas would be wholly offset by a projected shortfall for the year within scheduled short courses. The Principal advised the Committee that an operational working group had been set-up to refocus efforts on short courses in order to mitigate such losses.

8 HUMAN RESOURCES REPORT

- 8.1 The Committee NOTED a Human Resources Report which included updates on employee relations, HR operations and organisational development.
- 8.2 The Committee NOTED that following a national ballot, EIS had started a programme of four one day strikes to reject the 2018/19 pay offer. The Head of HR & OD informed the Committee that the first day of strike action took place on 16 January, and three further days of action were planned in February and March.
- 8.3 The Committee NOTED Terms & Conditions changes that allowed staff on temporary contracts to gain permanency after two years. The Head of HR & OD advised the Committee that lecturers would gain permanency without any conditions, whereas support staff were not eligible for permanency after two years if they were in post to cover long-term leave of a permanent post - or if the temporary post was linked to fixed-term funding.
- 8.4 The Committee DISCUSSED the need for a future flexible workforce, especially with regards to the continued development of the College's commercial offering and future cost of living increases. The Committee AGREED that it would welcome an update on the Career Transition Policy (which the Board had agreed to progress towards implementation at its meeting on 20 June 2017), at its next scheduled meeting.

9 WATERFRONT NURSERY REPORT

- 9.1 The Committee NOTED an update on the current position of the Waterfront Nursery based at the Granton Campus. The Chief Operating Officer informed the Committee that, although the nursery was considered a beacon of good practice in relation to its daily operation, it had been trading with a deficit for the last three years and was forecast to end the financial year with a deficit in 2018/19.
- 9.2 The Committee NOTED that the Estates Team had improved the nursery facilities over the past year to increase child numbers, increase income and reduce costs. Further to this, the Chief Operating Officer advised the Committee that from reviewing the nursery's financials and its daily operations a number of areas had been identified that required addressing.
- 9.3 The Committee DISCUSSED the Waterfront Nursery's current position and AGREED that a strategic review, which considers how the College deals with childcare and associated barriers to learning, should be brought back to a future meeting of the Committee - to allow members to consider the best business model for the nursery going forward.

10 HORIZON SCANNING REPORT

- 10.1 The Committee NOTED a Horizon Scanning Report which outlined major political, economic, social, technological, legal and/or environmental developments that could impact on the five strategic plan aims of the college. The Head of Corporate Development advised the Committee that further to this, the report also indicated what the college was doing to address these impacts.
- 10.2 The Committee NOTED that the UK Government had produced a Brexit Partnership Pack, which provided a high-level guide to processes and procedures that were likely to apply to activity between the UK and the EU in a no-deal Brexit scenario. The Principal advised the Committee that an update on the College's preparations for Brexit would be provided to the Board on 19 March, as part of the Principal & Chief Executive Report.
- 10.3 The Committee NOTED that the Chair of the Board, Professor Sir Ian Diamond, was to chair a new Association of Colleges' led commission on the future of colleges. The Principal, who would be representing the Scottish Principals' Group on the commission, informed the Committee that a more detailed update would be provided at the next Board meeting.

11 ANY OTHER COMPETENT BUSINESS

11.1 CONSTRUCTION INDUSTRY TRAINING BOARD (CITB) UPDATE

- 11.1.1 The Committee NOTED that Colleges Scotland had received a proposed variation to the CITB contract, which aimed to provide sufficient reassurance to allow colleges to sign a contract for 2018/19 only. The Principal advised the Committee that colleges were working towards a

position where they would become managing agents, and that Edinburgh College welcomed such developments.

- 11.1.2 The Committee NOTED that a further update on this matter would be provided to the Board in due course.

11.2 GOOD COLLEGE GOVERNANCE CONSULTATION UPDATE

- 11.2.1 The Committee NOTED that a letter (dated 18 February) from Richard Lochhead MSP, Minister for Further Education, Higher Education and Science, to the Convenor of the Scottish Parliament's Education and Skills Committee outlining his decisions following the Good Governance Consultation which was published in April 2017. The Head of Corporate Development advised the Committee that the changes proposed by the Minister would include the addition of trade union representatives to the Board of Management.

- 11.2.2 The Committee NOTED that an update on the Minister's letter and the response of the College to actions arising would be provided to the Board on 19 March, as part of the governance report.

11.3 DEPARTURE OF THE CHAIR OF THE POLICY & RESOURCES COMMITTEE

- 11.3.1 The Committee NOTED that the Vice Chair of the Board, Ian Young, would be standing down as a Non-Executive Board Member on 01 March 2019. The Principal, on behalf of the Committee, thanked Mr Young for his significant contribution to development of the Policy & Resources Committee as Committee Chair.

- 11.3.2 The Committee Chair thanked Committee members and Executive colleagues for their support of the Committee since its first meeting in October 2014, and welcomed the significant progress made by the College in recent years.

12 DATE OF NEXT MEETING

- 12.1 The next meeting of the Policy & Resources Committee shall take place on 21 May 2019, in the Boardroom, Milton Road Campus.

Meeting closed at 16:45