

**From:** Edinburgh College Freedom of Information

**Sent:** 19 October 2018 15:44

**To:** [REDACTED]

**Subject:** RE: Freedom of Information request - Brexit planning

Dear [REDACTED]

**Our Ref: 047/18**

As of 1 October 2012, Edinburgh's Telford College, Jewel & Esk College and Stevenson College merged to create a single college called Edinburgh College.

We refer to your request for information dated 22 September 2018. The College has considered your requests as requests for information under section 1 of the Freedom of Information (Scotland) Act 2002 ("FOISA"):

**047/18: 1** How much has been spent on external consultants or support to advise on the implications and consequences of brexit, or recommend actions to mitigate any possible brexit impacts? £0

**047/18: 2** If spend has occurred, please confirm the name of the supplier or suppliers and copies of any material produced by this process. N/A

**047/18: 3** Please supply copies of any brexit planning documentation held by the organisation or consumed by senior management. This may include, but should not be limited to, Risk Assessments, Action Plans, Meeting minutes, Reports and presentations.

The Risk Management & Assurance Group noted the following on 16 January 2018: "agreed to include a new emerging risk associated with BREXIT and its potential impact to the college in the Top Level Risk Register."

Please find attached a paper presented to the Policy and Resources Committee (20 February 2018) on the Impact of Brexit. The minutes from this meeting are available online:  
<http://doc.edinburghcollege.ac.uk/welcome/governance/minutes/policy%20and%20resources%20minutes%2020-02-18.pdf>

The Risk Management & Assurance Group noted on the 13 March 2018 that the 'Impacts of Brexit on College Business' risk narrative would be updated "with further details including impact on: hospitality sector, staff, local community, students, ESF funding".

The Board held a Development Day on 01 May 2018 and received the attached presentation on Brexit. The Board Development Day Report is available online:  
<http://doc.edinburghcollege.ac.uk/welcome/governance/papers/bom%20papers%2012-06-18.pdf>

Please note, the credit income figure provided in the Board Development Day presentation includes both EU and International students.

The Risk Management & Assurance Group noted the following on 08 May 2018:

“ ‘Impacts of Brexit on College Business’ - Head of Corporate Development advised the risk narrative should be updated to reflect Board discussions. He AGREED to update the risk narrative with the following mitigations:

- Keep risk up-to-date with ongoing Brexit negotiations;
- Investigate assumption that school/college partnership and increase in under 18 year olds will bridge funding gap;
- Learning analytics project / early intervention for those at risk of withdrawal;
- Half day for SMG to review Brexit implications;
- Equality Officer contacting non-UK staff;
- ECSA run consultation with students at the beginning of the next Academic Year;
- Outline college responses to Brexit over the next 5 years.”

The Policy and Resources Committee received the following update on 21 August 2018:

<p><b>BREXIT</b> <a href="https://www.bbc.co.uk/news/politics/uk_leaves_the_eu">https://www.bbc.co.uk/news/politics/uk_leaves_the_eu</a></p> <p>Negotiations continue on the UK leaving the EU. BBC political analysts are identifying four possible options in response to negotiations to date (i) leave with a deal (ii) leave without a deal (iii) stay in the EU or (iv) hold another referendum. A recent Colleges Scotland event held on BREXIT was attended by college staff, an outcome report is due soon. This event also identified possible further interest rate rises, in addition to BoE base rate increases announced during early August. The College has variable rate borrowing, and with BoE forecasts of much higher interest rates in the next one to two years, this could have an effect (1% increase would equate to an additional £25k p.a.). This would also affect exchange rates with consequent impacts on international income. In addition, an EU Settlement Scheme Communications Toolkit has been developed by the Home Office (communications toolkit), which is part of the package of support for employers, industry sector bodies, and community groups on the EU Settlement Scheme.</p>	<p>The College continues to monitor impacts of BREXIT on college business through a new strategic group, and will report any significant impacts to the Board and its committees.</p>
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The risk ‘Impacts of Brexit on College Business’ is detailed below:

#### Current Mitigations/Controls

- Analysis of this risk is based on continued negotiations on the UK leaving the EU. BBC political analysts are identifying four possible options in response to negotiations to date (i) leave with a deal (ii) leave without a deal (iii) stay in the EU or (iv) hold another referendum.
- Risk of loss of euro social Funding – grow commercial income.
- Loss of non-UK EU students (approx. 4000) – grow the school/college pipeline of students.
- Loss of non-UK EU staff (approx. 120) – engaging with staff so that they fully understand their rights after March 2019 - Initial engagement work with staff with EU ethnicities and nationalities was delivered through the college update. Little response to date.
- ROA 18/19 is placing more emphasis on SCP work, as is community planning partnership activity, a continued focus on DYW delivery, and the Blueprint project delivery. Risk limited while college continues to over achieve, as we currently are, as the over delivery of credits last session was more than the number of EU national student credit count. Applications from non UK domiciled students is up in 2018, including outside EU.
- Equality Officer contacting non-UK staff.

#### Monitoring/Assurance

- Assistant Principal: Income and Product Development is now lead of assessing college wide impacts.
- P&R, SMG and Exec Teams will regularly review impacts of Brexit.

#### Risk Scoring

- Inherent (Gross) Risk – 20
- Residual (Net) Risk – 15

#### Further Actions/Mitigations Planned

- Discussions with SFC and Colleges Scotland planned to understand effect of BREXIT on college.
- Consideration of safeguards the college can put in place to protect withdrawal of non UK EU staff - Further targeted engagement work with staff is planned led by the Widening Access and Equalities Group.
- Analysis on EU funding sources for the college and the effect the loss of these will have.
- Political stakeholder engagement.
- Learning analytics work will be progressed to complete a full business case with data protection and equalities impact assessment. The improved use of learning analytical tools in the College could lead to significant reductions in early student withdrawals, with consequent positive impacts on credit related income. The learning analytics blueprint project is currently progressing a business case.
- ECSA run consultation with students at the beginning of the next Academic Year.
- A new working group has been established to map out impacts based on the 4 possible Brexit outcomes identified in the EC Horizon Scanning Report. The recent UK Government No Deal document will form part of that analysis, as will a recent publication by Colleges Scotland on BREXIT Impacts on Scotland's Colleges. Working group will analyse Outline college responses to Brexit over the next 5 years.
- Report of actual enrolment figures to forecast credit expectations.

#### Contingency

- ESF Funding - ESF funding is secure for another 3 years (2022/23).
- National negotiation to mitigate against BREXIT impacts.

**047/18: 4** Please supply technical or advisory briefing documentation on brexit that has been produced by the organisation and supplied to other government agencies or bodies. N/A

**047/18: 5** Please supply copies of any technical or advisory documentation that has been supplied to the agency from other public bodies that relates to Brexit contingency planning.

Please see briefing produced by Colleges Scotland: <https://collegesscotland.ac.uk/briefings-and-publications/briefings/745-colleges-scotland-briefing-impact-of-brexit-26-july-2016/file>

**047/18: 6** Please supply details of any assessment that has been made of the financial impact on the organisation, either positive or negative, of the brexit process.

Please see response to **047/18: 3**.

**047/18: 7** Has the organisation set-aside a contingency fund or invested as a direct consequence of the brexit process? No

**047/18: 8** If so, please provide summary details. N/A

Edinburgh College is subject to the provisions of the Freedom of Information (Scotland) Act (FOISA) 2002. If you are dissatisfied with this response, you may ask the college to review this decision. To do this, please contact the Head of Corporate Development at the postal address below or e-mail the Head of Corporate Development at [governance@edinburghcollege.ac.uk](mailto:governance@edinburghcollege.ac.uk) describing your original request and explaining your grounds for dissatisfaction. (Please include in your review request, your name and home address for correspondence).

You have 40 working days from receipt of this letter to submit a review request to:

Head of Corporate Development

4th Floor

Edinburgh College (Milton Road Campus)

24 Milton Road East

Edinburgh

EH15 2PP

When the review process has been completed and if you are still dissatisfied, you may ask the Scottish Information Commissioner to intervene.

The Commissioner's online appeal service is available from their website:

[www.itspublicknowledge.info/Appeal](http://www.itspublicknowledge.info/Appeal)

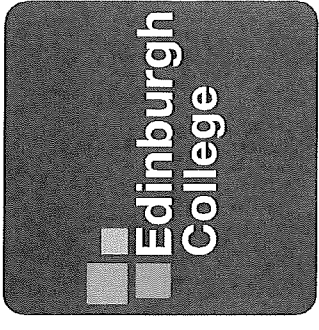
The online appeal service is available 24/7 and offers you real time help and advice about your appeal.

You must appeal to the Commissioner within six months of receiving the review decision.

You also have the right to appeal to the Court of Session on a point of law following a decision of the Commissioner.

Regards

FOI Team



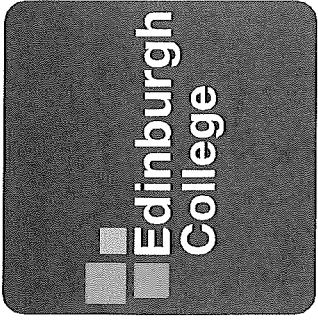
For the future you want

# BREXIT

Board Development Day  
01 May 2018

For the future you want

# What it means for Edinburgh College

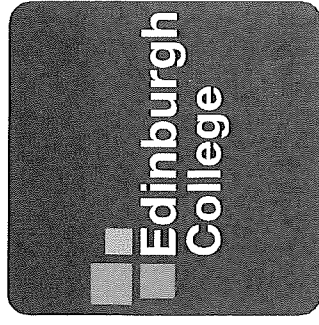


For the future you want

- What % of core students are EU national?
- Total number of EU national students?
- Total number of EU national staff?

For the future you want

# EU Nationals (Students & Staff)



For the future you want

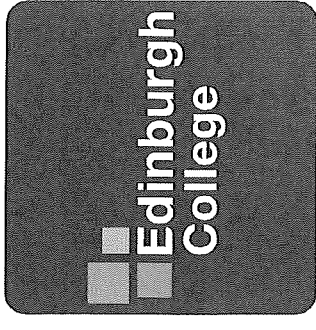
Student numbers	Sub-Total
EU Countries	2920
EEA	4
EU Other (Switzerland)	8
International	1173
Total	4105
Breakdown of top 5 EU countries of origin (comprising 78.34% of total EU students):	
Poland	1227
Spain	537
Italy	296
Hungary	128
Lithuania	109
Total	2297

Income Stream	Totals
Credits	43,264
Credit Income (circa)	£ 9,500,000
International	£231,826

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Credits	43,264
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For the future you want

# What can Edinburgh College do?

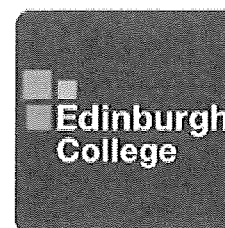


For the future you want

What does the college need to do to address the challenges and shape the opportunities presented by Brexit?

For the future you want





For the future you want

FOR DISCUSSION / DECISION			
Meeting	Policy & Resources Committee 20.02.18		
Presented by	Michael Jeffrey / Nick Croft		
Author/Contact	Michael Jeffrey / Nick Croft	Department / Unit	Executive Team / Corporate Development
Date Created	30.01.18	Telephone	-
Appendices Attached	None.		
Disclosable under FOISA		Yes.	

## BREXIT IMPLICATIONS - EDINBURGH COLLEGE

### 1. Purpose

This report provides the Committee with an initial analysis of the implications of Brexit on Edinburgh College business.

### 2. Background

#### 2.1 EU Referendum Vote

On Thursday 23 June 2016, the UK held a referendum to vote on whether or not it should leave or remain in the European Union. The leave vote won by 51.9% to 48.1%. The referendum turnout was 71.8%, with more than 30 million people voting.

#### 2.2 Article 50 and Phase 1 Negotiations

For the UK to leave the EU it had to invoke Article 50 of the Lisbon Treaty, which provides for two years to agree the terms of the split. Article 50 was triggered on 29 March 2017, meaning the UK is scheduled to leave the EU on 29 March 2019. Brexit negotiations officially started on 19 June 2017. On the 8 December 2017, phase 1 of those negotiations led to an agreement on three main 'separation issues', (i) rights of EU citizens in the UK and UK citizens in the EU; (ii) the 'separation bill' the UK pays the EU (currently reported at £44bn, although there are no official estimates), and (iii) arrangements for the Northern Ireland border.

#### 2.3 Phase 2 Negotiations

Brexit talks have now entered phase 2, and negotiations continue to try and secure a deal on future relations, including trade, between the UK and EU after Brexit. These talks will likely also focus on the terms of a 'transition period', of around two years after 29 March 2019, to enable a smooth change in relations between the UK and the EU. However, the possibility of a 'no deal' outcome must also still be considered, the consequences of which would need to be further analysed by the College.

#### **2.4 Analysis of Potential Areas of Impact on Edinburgh College Business**

At this stage, as indicated above, it is still unclear what the outcomes and full details of the Brexit negotiation position will be for the UK, and for Scotland. Until more detail is known, it is difficult to predict the potential impact on the College's business. However, in the interim, the Executive Team has identified some areas of potential impact for consideration at this time:

- Commercial and international students, and related income.
- Direct European Social Fund (ESF) income.
- Indirect ESF related funding, such as through Skills Development Scotland or other public bodies.
- Student mobility via Erasmus.
- Potential impact on mainstream student numbers.
- Potential impact on number of school children from EU backgrounds progressing to College.
- Impact on existing staff from EU countries.
- Retaining and recruiting new staff from EU countries.
- Procurement rules and processes.
- Possible extension of VAT rules (greater coverage of VAT items).

#### **2.5 Specific Analysis of Possible Impacts on Edinburgh College Student Numbers**

Edinburgh College currently (2017/18) has 4105 students who are Non-UK Nationals, from 124 countries. A summary of the EU/Non EU breakdown is indicated below.

EU Countries	2932
International	1173
Total	4105

The breakdown of top five EU countries of origin is indicated below:

Poland	1227
Spain	537
Italy	296
Hungary	128
Lithuania	109
Total	2297

Currently, the 2932 EU students make up around 40,000 credits of the College's core business. At an average of £218 per credit, this equates to £8.7M.

Initial analysis indicates that non UK EU students are predominantly studying in the Tourism, Hospitality and Business Faculty, and the Health Wellbeing and Social Sciences Faculty. Further analysis is underway to identify which specific curriculum areas non UK EU students are studying. As Brexit phase 2 negotiations continue, the College will monitor recruitment and retention of students from EU, and report this to Committee.

In addition, feedback from College staff and ECSA has indicated concerns expressed by College students from the EU about Brexit. As a consequence of this feedback, it is proposed that further specific engagement take place with students to inform the College's analysis, and address any concerns where possible.

## **2.6 Edinburgh College EU National Staff**

Currently, Edinburgh College has an estimated 104 non UK EU nationals on the staffing establishment. This is around 9% of the total workforce, covering both academic and support staff.

The table below provides a breakdown of the top five areas where non UK EU nationals work in the College:

<b>Department</b>	<b>No of Staff</b>
Estates Services	22
Health, Wellbeing & Social Services	16
Hospitality, Tourism & Business	15
Student Experience	10
Creative Industries	10

As above, feedback from these staff members has indicated concerns about the Brexit process. As a consequence, it is proposed that further specific engagement take place with staff to inform the College's analysis, and address any concerns where possible.

## **2.7 Impact on International and Commercial Business**

Currently, the College focuses on the following international development opportunities:

- Direct student recruitment.
- Teacher training both in Edinburgh and overseas.
- Professional training both in Edinburgh and overseas.
- TVET Consultancy overseas.
- In-country delivery of programmes.

This work could be affected, if the UK withdraws from the European Single Market, and consequently opts out of freedom of movement for EU citizens. As talks develop, the College will continue to assess the impact on these areas of business.

The College will also assess the impact on emerging international trade agreements, predicted to take years, particularly in key markets such as China, MENA, Europe, Eastern Europe, the Americas, and South East Asia.

## **2.8 National Impacts - Colleges Scotland Initial Assessment**

From a national perspective, Colleges Scotland indicate that 'it is vital that both the Scottish and UK Governments pursue every possible avenue and option to enable staff, students and projects to continue to flourish and excel in the new landscape, following Brexit'.

Colleges in Scotland receive European funding which helps to deliver courses that benefit students, the wider society, and the economy. There are two main projects which are funded by the EU and which make up the bulk of college income derived from the EU:

- Developing Scotland's Workforce (DSW), excluding transitional funding for the Highlands and Islands; and
- Youth Employment initiative (YEI).

Funding for both these projects in academic years is outlined below:

<b>Funding Project</b>	<b>2016/17 £m</b>	<b>2017/18 £ M</b>	<b>2018/19 £M</b>
DSW	4.3	4.3	13.3
YEI	13.9	14.9	0
<b>Total</b>	<b>18.2</b>	<b>19.2</b>	<b>13.3</b>

It is important to note that the figures for 2018/19 are Scottish Funding Council (SFC) calculations, and are based on a number of assumptions, including SFC match funding staying at the same level. The DSW funds are subject to a mid- programme review as required by the EU, this may also have an impact on that final figure for 2018/19. In addition, this funding translates into the provision of additional student places for Scottish learners of around 4,200 full-time equivalent (FTE) students.

## **2.9 National Impacts - Indirect EU funding**

There are many elements of EU funding received indirectly, which are difficult to quantify. For example, colleges can be contracted by local authorities to provide employability training, which is in part funded from EU funding. However, some indirect funding sources are more obvious, for example, the current Foundation Apprenticeship funding is from an EU source. The totality of indirect funding from the EU therefore requires further analysis at a national level.

## **2.10 National Impacts - EU Funding Programmes – Capital**

The various capital funding programme arrangements administered by the EU have, over a considerable period of time, provided a resource for capital projects throughout Scotland. However, in some rural areas, most of the capital work undertaken over recent decades has included at least some form of EU funding. It is important not to under estimate the impact of the loss of EU capital funding would be. It is also important to note that historic funding from EU programmes has been higher than recent years, so care needs to be taken to ensure the true level of capital work that has been supported is understood.

## **2.11 National Impacts - Staff in Colleges**

Non-UK EU Nationals make up approximately 3% of total staffing in Scottish colleges, which is a similar figure to England and Wales, covering both lecturers and support staff. The subject areas that have most current non-UK EU Nationals are languages, and leisure and tourism. New and additional safeguards to protect a withdrawal of EU staffing talent from colleges in Scotland should be considered.

## **3. BENEFITS AND OPPORTUNITIES**

A number of benefits and opportunities are indicated above in the main report, and these will become clearer as Brexit negotiations continue and conclude.

## **4. STRATEGIC IMPLICATIONS**

The impact of Brexit on Edinburgh College business is likely to be substantial, and therefore will impact on the delivery of the Strategic Plan 2017/22, the Blueprint 2017/22, and other strategic documents.

## **5. RISK**

There are numerous potential risks identified in the report related to Brexit. Initial analysis indicates that the predominant current risk is to the welfare and wellbeing of the College's EU students and staff. Consequently, specific engagement is proposed to ascertain the views and address any concerns where possible.

## **6. FINANCIAL IMPLICATIONS**

As indicated above, there are numerous potential financial implications as a result Brexit. These will be regularly monitored by the Executive Team and reported to the Committee.

**7. LEGAL IMPLICATIONS**

The impact of Brexit on the legal framework in which the College operates will be substantial. Again, this will be monitored closely by the Executive Team and reported to the Committee.

**8. WORKFORCE IMPLICATIONS**

As identified above an estimated 9% of College staff come from EU backgrounds, and Brexit is undoubtedly affecting them. As a result, it is recommended that specific engagement takes place with staff from EU backgrounds to ascertain their views and concerns.

**9. REPUTATIONAL IMPLICATIONS**

Reputational impacts have not been identified at this stage, but will be closely monitored by the Executive Team and reported to the Committee.

**10. EQUALITIES IMPLICATIONS**

As indicated above, the impact of Brexit on staff and students from Non UK EU backgrounds (technically BME communities) has been noted. Under the terms of the Equality Act 2010, the College has a legal duty to promote good relations. Consequently, engagement will take place with staff and students to ensure good relations are maintained.

**RECOMMENDATIONS**

It is recommended that the Policy and Resources Committee:

- (i) NOTE the initial analysis of potential implications of Brexit on College business.
- (ii) NOTE that the Executive Team will continue to monitor closely the impacts on College business as the Brexit negotiations phase 2 progress, and will report this to Committee.
- (iii) AGREE to specific engagement events with staff and students from Non UK EU backgrounds to inform the analysis of impacts and address any urgent concerns.

