



**POLICY AND RESOURCES COMMITTEE**

**31 August 2015**

**Minute**

**Present:** Dr Anne Richards (Convener)  
The Principal  
Vice-Principal Professor Jonathan Seckl  
Dr Chris Masters  
Ms Doreen Davidson  
Dr Marialuisa Aliotta  
Mr David Bentley  
Ms Alison Grant  
Lady Susan Rice  
Mr Jonny Ross-Tatam  
University Secretary, Ms Sarah Smith

**In attendance:** Senior Vice-Principal Professor Charlie Jeffery  
Mr Gary Jebb, Director of Estates and Buildings  
Mr Phil McNaull, Director of Finance  
Ms Tracey Slaven, Deputy Secretary, Strategic Planning  
Ms Zoe Lewandowski, Director of Human Resources  
Ms Kirstie Graham, Deputy Head of Court Services

**Apologies:** Mr Hugh Edmiston, Director of Corporate Services

**1 Minute**

**Paper A**

The Minute of the meeting held on 8 June 2015 was approved as a correct record.

The Committee welcomed Lady Susan Rice and Ms Alison Grant to their first meeting.

**2 Principal's Communications**

**Verbal**

The Principal reported on the following: the HE Governance Bill, including the widespread concerns regarding the proposed secondary legislation and his offer to give evidence; a good recruitment round; the success of the University's involvement in the various Edinburgh Festivals, including an honorary degree for Rev Jesse Jackson at the Book festival; over £305m awarded in research grants with a 40% success rate; Professor Higgins sustainability MOOC, which had led to an approach from the British Council offering financial support and which had been adopted by the Scottish Government and UNESCO; the NSS results, which showed an upward trend although there remained work to be done.

## **SUBSTANTIVE ITEMS**

### **3 Planning Timetable**

**Paper B**

The Deputy Secretary Strategic Planning, Ms Tracey Slaven, outlined revisions to the planning timetable to align it with the revised Court Committee cycle. It was noted that the process was the same as previous years and there was discussion of the tone to set in the planning round, with agreement that the message should be that the University was continuing to invest for growth through a challenging period but it was expected that there would be efficient use made of existing resources.

The Committee approved the planning timetable for 2015/2016.

### **4 City Deal**

**Paper C**

The Convener reminded members of discussion at the Court seminar in February around the vision for the University and its estate. Discussions were now taking place at an accelerated timescale with the City of Edinburgh Council on a proposed City Deal for the Edinburgh and South East Scotland City Region in which significant elements of the planned capital spending programme could form part of the initial investment activity.

The Committee noted that City Deals have been a significant feature of recent UK Government policy and generally involve some initial investment/co-investment by the local authority/ies and other partners aimed at boosting local GDP, with enhanced tax revenues from increased GDP being allocated by the UK Government to support further investments.

The University's planned capital programme could feed into the City of Edinburgh's planned City Deal bid and so open up a pathway towards other investments that would benefit the University and direct funding for other aspects of the capital spending programme, notably for infrastructure as well as public and industrial engagement facilities.

The new Chief Executive of Edinburgh City Council, Mr Andrew Kerr had advised on his arrival in late July that the effective deadline was 4 September. The City Council would like to agree a form of words to use in the submission expressing the University's commitment to work in partnership with the local authorities should the City Deal be accepted.

There was discussion of the potential benefits of involvement in the City Deal, noting that the planned investments in the estate would

unlock additional investment in the University's capital programme from the Infrastructure Fund and that the timescale for its capital programme would continue to be led by the University. A partnership approach was a model that was supported by members.

The Committee agreed it was content with the direction of travel and proposed wording of the submission for 4 September and noted that an update on subsequent developments would be provided to the September Court meeting.

## **5 Commercialisation Updates**

### **Edinburgh BioQuarter**

**Paper D**

The Committee noted that the BioQuarter Commercialisation team was established to support the College of Medicine and Veterinary Medicine in business development/industry engagement following a successful £6m grant from Scottish Enterprise. With the grant expiring in March 2015 a comprehensive review had been undertaken to develop a sustainable model for BioQuarter which had now expanded to include the College of Science and Engineering, necessitating a new name.

The Committee noted the progress report and that a PRC Sub-Group had been established to consider any draft agreements between the company and the University, which would then require Court approval.

### **Industry Engagement and ERI**

**Paper E**

The Committee noted that there had recently been a review of ERI to drive up research contracts income which had resulted in plans to refresh and refocus the work of ERI on industry engagement with other aspects of the organisation returning to the University.

There was discussion around the potential for overlap between ERI and the proposed new BioQuarter company and members wished more information and clarity to ensure there would be no duplication or competition between the two bodies. The need for clear deliverables to measure success was also noted.

It was agreed it would be useful to receive a paper setting out the current roles in relation to the University structure and what was planned for the future and that these relationships needed to be clearly understood and communicated internally and externally.

**Paper F**

## **Roslin Technologies**

The Committee considered a progress update on the joint venture between JB Equity and the Roslin Institute (Roslin Technologies) and proposed Heads of Terms for the relationship. It noted that further work was planned on developing the financial model and legal arrangements.

There was discussion of the potential benefits to the student experience from industry engagement as well as potential issues of reputation around animal husbandry. It was noted that a more formal proposal would be presented to the next meeting for consideration and, if appropriate, approval by Court.

### **6 Tier 2 Migrant Visa and Health Surcharge Support Mechanism**

**Paper G**

The Committee noted that since 6 April 2015, the UK Government has required all non-EEA visa applicants coming to the UK for more than six months to pay a fee to allow them to access NHS healthcare. The Immigration Health Surcharge must be paid 'up-front' and in total, along with visa fees, at point of visa application. This could lead to significant up front costs for new appointments from non- EEA visa countries and following discussion, the Central Management Group had agreed that a loan mechanism should be developed to cover these costs, to be recovered through salary.

Members were supportive of the proposal but concerned about potential exposure in relation to FCA regulations concerning loans to the public, if the new appointee subsequently did not take up post. It was agreed that CMG would discuss this issue in order to identify a solution that could be approved by Chairs action, with a confirmatory note circulated to the Committee.

### **7 HMRC Research & Development Expenditure Credits (RDEC) claim**

**Paper H**

Members were updated that the tax credit had been received and considered a paper proposing its use to pump-prime immediate strategic priorities in expanding the cohort of early career researchers, postgraduate taught student growth, the distance education initiative and previously unforeseen strategic opportunities for rapid investment in the estate.

Whilst supportive of the proposal, it was noted that the credit may have to be accounted for in the year it was generated. The Committee therefore gave contingent approval for the proposals as set out in the paper, depending on the accounting treatment agreed with external audit.

**8 Outcome of Committee Effectiveness Review** **Paper I**

The Committee noted the outcome of the recent effectiveness review and that no changes were required to the Committee's terms of Reference as a consequence of this.

**9 Outcome Agreement – Draft Self-Evaluation of 2014-15 Agreement** **Paper J**

The Deputy Secretary Strategic Planning, Ms Tracey Slaven explained that this draft Self-Evaluation against the 2014-145 Outcome Agreement with SFC was coming to the Committee for consideration at an earlier stage than previously. The guidance documents for the 2016 Cycle had not yet been received from SFC, but it is anticipated that the timetable will be unchanged and the submission date for the Self-Evaluation will be 31 October.

The Committee considered this early draft of the proposed Self-Evaluation and noted that the University had overachieved within a context of significant challenges in relation to SFC funding and that the tone of the document should reflect this. It would also be appropriate to note the University's concerns regarding recent consultations, particularly in relation to knowledge transfer funding. There was further discussion of the extent to which the Self Evaluation should be a public document which concluded that this would merit further consideration when a further draft had been developed.

Based on the feedback received from the Committee, a revised document would go to the September Court meeting for consideration.

**ROUTINE ITEMS**

**10 Finance Director's Update** **Paper K**

The Director of Finance, Mr Phil McNaull, provided a verbal update on the year end position, which indicated a surplus of £25-£27m against a budget of £21m.

The Committee considered the Ten Year Forecast, noted that there would be further work on this and also noted the updates from subsidiary companies.

There was discussion of a recent productive meeting with the European Investment Bank to discuss the University's plans to enter into a long term external loan to progress its ambitions estates programme.

The Committee wished to see a clear link between the return expected from this investment and the Ten Year Forecast. A refreshed Forecast would be presented to the September Court meeting alongside an update on the loan proposal which would provide this explicit link.

**11 Summary Research and Commercialisation Report Paper L**

The Committee noted the Research and Commercialisation activity of the University for the year to 31 July 2015, commended the 13% increase in awards and congratulated all involved in the positive outcome.

**12 People Report Paper M**

The Committee noted the new People report, which it had requested to supplement the regular report from the People Committee and welcomed the broader overview of people related activity across the University.

**13 Report from Investment Committee Paper N**

The Committee noted the update.

**14 Insurance Renewal Paper O**

The Committee considered the paper and approved the proposed insurance cover and associated premiums for 2015/2016.

**ITEMS FOR FORMAL APPROVAL/NOTING**

**15 Date of next meeting**

The next meeting of the Committee will be held on Monday, 16 November 2015 at 2.30pm in the Elder Room, Old College.