



POLICY AND RESOURCES COMMITTEE

14 November 2016

Minute

- Present:** Ms Anne Richards (Convener)
Ms Sarah Smith, University Secretary
Mr David Bentley
Ms Doreen Davidson
Dr Chris Masters
Lady Susan Rice
Mr Alec Edgecliffe-Johnson
Professor Sarah Cooper
- In attendance:** Senior Vice-Principal Professor Charlie Jeffery
Mr Hugh Edmiston, Director of Corporate Services
Ms Tracey Slaven, Deputy Secretary, Strategic Planning
Ms Zoe Lewandowski, Director of Human Resources
Mr Phil McNaull, Director of Finance
Mr Gary Jebb, Director of Estates
Dr Lewis Allan, Head of Court Services
Professor David Hume, Director, Roslin Institute (for Item 7)
Mr Gavin McLachlan, Chief Information Officer and Librarian to the University (for Item 8)
- Apologies:** The Principal
Vice-Principal Professor Jonathan Seckl
Ms Alison Grant

1 Minute Paper A

The Minute of the meeting held on 5 September 2016 was approved.

2 Matters Arising Verbal

There were no matters arising.

3 Principal's Communications Verbal

On behalf of the Principal, the Senior Vice-Principal reported on: meetings with student representatives in Schools to discuss the student experience; the planned submission of a Court paper regarding the Teaching Excellence Framework; evidence delivered by the Principal to the UK Parliament's Scottish Affairs Committee for the 'Scotland's place in Europe' inquiry; continued good engagement with the Scottish Government following the EU Referendum vote; progress with the Edinburgh and South-East Scotland City Region Deal; participation in a £7M healthcare and science initiative for the Chinese city of Shenzhen; international visits by the Senior Vice-Principal to India as part of a UK

Ministerial delegation and a University visit to higher education institutions and alumni in Singapore.

The University Secretary provided an update on a Home Office Audit of Tier 2, 4 and 5 visas undertaken at the University in the preceding week, with a report expected in January.

SUBSTANTIVE ITEMS

4 Strategic Plan: Targets and KPIs Progress Report Paper B

The final annual report measuring progress made against targets and Key Performance Indicators (KPIs) within the Strategic Plan 2012-16 was reviewed. The following points were considered:

- The intention had been for targets and KPIs to be challenging, with the expectation that not all would be met against the context of a volatile environment during the plan period; and,
- The importance, assuming ongoing volatility, of ensuring that our indicators for learning and research have clear owners, reflect the breadth of outcomes required (graduate employment, PhDs awarded, international engagement) and relative performance in the sector.

The Committee agreed that the University has broadly made substantial progress against the Strategic Plan 2012-16 targets and KPIs.

5 Finance Paper C1

- **Finance Director's Update**

The Director of Finance summarised the financial update report, including changes to the Annual Report and Accounts to reflect the new Financial Reporting Standard (FRS 102), the University Group Analytical Review for 2015/16 and the Analytical Review of Subsidiary Company Performance in 2015/16. The calculation of comprehensive unrestricted income, the importance of cash generation, sensitivity testing against changes in bond price yields and the financial performance of subsidiary company FloWave TT Ltd was discussed.

- **Draft Annual Report and Accounts 2015/16 Paper C2**

The draft Annual Report and Accounts were considered, noting that Audit & Risk Committee would provide detailed scrutiny prior to presentation to Court. Members suggested the addition of explanatory text to the Key Performance Indicators section and various minor amendments to improve the consistency of the document.

6 Roslin Technologies Ltd Paper F

The Director of the Roslin Institute presented a revised business plan for the establishment of a joint venture commercialisation company, Roslin Technologies, with the aim of developing and commercialising

Intellectual Property (IP) from the Roslin Institute and the Royal (Dick) School of Veterinary Studies.

The Committee agreed to recommend to Court that authority is delegated to the:

- Director of Corporate Services to complete the commercial diligence process and finalisation of the necessary legal agreements, so that the Joint Venture can be constituted, the investment received and the University take its 50% equity in the company.
- University Secretary for signing the legal agreements.

7 Industry Engagement

Paper E

The Committee received a progress update on the University's Industry Engagement plan, including the establishment of an umbrella structure with Edinburgh Research & Innovation (ERI) to become the University's internal industry engagement body. The direction of travel towards a single funding system was supported and opportunities for further streamlining and encouraging staff 'buy-in' discussed. The integration of Sunergos Innovations in the new ERI funding model, collaboration with venture capital firm Epidarex Investments and developing a role for Old College Capital to improve the 'venture-readiness' of spin-outs was noted.

8 Digital Transformation

Paper D

The Chief Information Officer presented an initial tranche of underpinning Digital Transformation projects to support the Service Excellence Programme for approval under the 'digitalisation envelope' agreed during the 2016-19 Business Planning Round. Noting that the projects had been examined and supported by Knowledge Strategy Committee and an affordability assessment positively completed by the Vice-Principal Planning, Resources & Research Policy, Director of Finance and the Deputy Secretary, Strategic Planning, the initial tranche of projects (priority 1A bids, £805k expenditure in 2016-17, total expenditure £2.62m) were approved.

9 Estates

- **Building a New Biology**

Paper G1

The updated Business Case to provide new and redeveloped research and teaching facilities for the School of Biological Sciences was endorsed and the Committee agreed to recommend to Court the approval of £46.3m funding from University Corporate Resources to complete the redevelopment of the Darwin Tower and Hive and £28.6m funding from University Corporate Resources to complete the new Biology Biomedical Research Facility.

- **Central Bioresearch Services Estates Strategy**

Paper G2

An update on the outcome of the Central Bioresearch Services (CBS) Estates Strategy and the programme of capital projects to be delivered as part of the strategy was considered. Noting that the CBS underpins £170M of research income and that the Business Plan has been subject to external review, the Committee:

- Noted that the programme of works ranges in total cost between £108.7m-£113.0m;
- Noted the status of the Western General Hospital Biomedical Research Facility (BRF), Central Breeding Hub BRF, Chancellor's BRF and the QMRI BRF projects, all of which received funding approved by Estates Committee in September 2016 to allow the designs to be progressed for each facility and submission of a detailed business case; and,
- Endorsed the overarching Business Case for the CBS Estates Strategy and recommended this for approval by Court.

- **Biological Research Facility at the Institute for Regeneration and Repair**

Paper G3

The progress of the Biological Research Facility (BRF), part of the new Institute for Regeneration and Repair (IRR) at the Edinburgh BioQuarter Campus was reviewed. The Committee noted the updated Business Case and recommended to Court the approval of £12.7m funding from University Corporate Resources to finance the IRR BRF and to move the project to main contractor procurement and thereafter to completion on site.

- **St Leonard's Street Student Accommodation**

Paper G4

A proposal to sign a 15 year Nominations Agreement commencing September 2017 for a 579 bed student accommodation building on St Leonard's Street was considered. The affordability of the accommodation was discussed, with members noting the recent announcement of a significant increase (80%) in the provision of University managed undergraduate rooms priced below £105 per week from September 2017. The Committee agreed to recommend to Court that approval is granted to sign a 15 year Nominations Agreement for the 579 rooms.

- **Analysis of Project Expenditure**

Paper G5

An analysis of estates projects completed within the last three years comparing the original approved budget (£202.4m) with actual expenditure (£193.6m), showing a net underspend of £8.8m or 4.3% of the approved budget was noted and welcomed.

- **Strategic Acquisition**

Paper G6

The Committee strongly supported the submission of an offer to acquire a property.

ITEMS FOR NOTING OR FORMAL APPROVAL

10 Procurement Strategy

Paper H

The University's Procurement Strategy 2016 was approved. It was noted that annual reviews of the Strategy and an annual report will be published.

11 Delegated Authority Schedule – Annual Review and Update

Paper I

The annual review and proposed updates to the Delegated Authority Schedule were recommended to Court for approval.

12 People Report

Paper J

The People Report was noted, with a proposed employee loan facility and likely date for the first Reader to be appointed under revised criteria to recognise achievement in learning and teaching discussed.

13 Estates Committee Report

Paper K

The report was noted.

14 Rosalind Franklin Institute

Paper N

A briefing note regarding on-going discussions with four UK research councils, led by the Engineering & Physical Sciences Research Council and seven partner universities to establish the Rosalind Franklin Institute – a national research centre to work at the interface between the physical, engineering and life sciences – was received. The opportunity presented by the proposed Institute without a requirement for the use of University resources was welcomed and the expected joint venture model based on the Alan Turing Institute noted.

15 Research and Commercialisation Statistics

Paper L

An update on research and commercialisation statistics for the year ending 31 July 2016 was noted.

16 PRC Commercialisation Sub-Group Report

Paper M

The report was noted.

17 Any Other Business

The Convener commented on the increase in volume of Committee papers and requested that stricter page limits be adhered to.

18 Date of next meeting

Monday, 23 January 2017 at 2.30pm