



POLICY AND RESOURCES COMMITTEE

10 September 2020 (Videoconference)

Web Version

Minute

Present: Alan Johnston, Co-opted Member (Convener)
Frank Armstrong, Co-opted Member
Sarah Cooper, Senate Assessor
Doreen Davidson, General Council Assessor
David Law, Co-opted Member
Ellen MacRae, President, Students' Association
Peter Mathieson, Principal & Vice-Chancellor
Jock Millican, General Council Assessor
Jonathan Seckl, Senior Vice-Principal
Sarah Smith, Vice-Principal Strategic Change & Governance; and
University Secretary

In attendance: Hugh Mitchell, Co-opted Member
Janet Legrand, Senior Lay Member
Lee Hamill, Director of Finance
Gary Jebb, Director of Place
Catherine Martin, Vice-Principal (Interim) Corporate Services
Rachael Robertson, Deputy Director of Finance
James Saville, Director of Human Resources
Tracey Slaven, Deputy Secretary, Strategic Planning
Barry Neilson, Director (for Items 6 and 12)
Mark Parsons, Associate Dean for e-Research, College of Science &
Engineering (for Item 10)
Lewis Allan, Head of Court Services

1 Minute Paper A1

The Minute of the meeting held on 1 June 2020 was approved subject to minor amendment.

2 Matters Arising & Review of Action Log Paper A2

There were no matters arising and the action log was noted.

3 Principal's Communications Verbal

The Principal reported on:

- Final preparations for the new semester, with Welcome Week taking place the following week. One important area of uncertainty that remains is the proportion of international students that will take up places and the proportion of these who will arrive in Edinburgh for the start of the new semester or at a later date;
- Unwelcome media coverage ahead of the new academic year on the risks posed by student movement and behaviour – students are assets to their university and

their city of study and a joint statement from all Scottish university principals is being drafted to welcome all students to Scotland;

- Face coverings: high levels of compliance are expected on campus and given that many who do not wear face coverings have good reason, staff are not expected to challenge those not wearing face coverings.
- Reassurance for those staff who may be nervous about returning to campus is aided by a rigorous assessment before each building is re-opened;
- The Adaptation & Renewal Team is moving towards medium and longer term thinking as initial work on preparing for the new semester completes; and,
- The Scottish Government's 'Rule of 6' will apply on campus to social activities.

Members thanked all staff for their work to prepare for the new semester. Students and staff are treated as any other resident within Scotland in terms of public health rules and the University is following Scottish Government guidance for higher education institutions. Whether examples from other sectors may be helpful in preparing for the new semester was discussed, noting that while similarities exist, specific government guidance for universities must be followed and the particular complexity of students from all parts of the country and the world travelling to one location is unique to the sector.

SUBSTANTIVE ITEMS

4 Student Recruitment Cycle 2020/21 Entry

Paper B

An overview of performance to date for the 2020/21 recruitment cycle was reviewed. The challenges brought about by the pandemic and the response to it, including the rapid and late move to teacher assessed grades for secondary school qualifications across the UK, were discussed. As a result, it is anticipated that UK undergraduate recruitment will be higher than initially planned and postgraduate recruitment lower. This may result in a more modest reduction in tuition fee income than articulated in the original scenarios but given the fee status distribution, the impact on surplus will remain significant. Members discussed whether the new cohort may have a greater rate of withdrawals than more typical years given the circumstances, with additional support being offered in the form of short courses on study skills, Mathematics and English for academic purposes as appropriate.

5 Director of Finance's Report

Paper C

The Director of Finance reported on the draft financial results for 2019-20, a Students' Association funding request and Universities Superannuation Scheme (USS) Technical Provisions consultation timeline. For the 2019-20 draft financial results, the underlying operating surplus has been negatively impacted by the pandemic, particularly in a lower than normal contribution from accommodation, catering and event income but one-off capital grant funding as part of the City Deal has helped to generate an overall underlying operating surplus. Given the likely long-lasting impacts of the pandemic, the intention is to reduce operating costs in the current and future years to improve financial resilience. Members discussed whether to continue to use the budget approved by Court in April 2019 given the changed circumstances and the extent to which a weaker financial performance in one year will affect performance in future years. It was confirmed that the budget approved in

April 2019 is intended only as a baseline and that new income and expenditure projections and a 10 year forecast is in development. In the interim, it was agreed to circulate a 'trading update' to the Committee. It was noted that a weaker financial performance in one year can have longer term effects if, for example, it relates to weaker student recruitment on multi-year courses such as undergraduate degrees but this can be counter-balanced to some extent, e.g. demand for postgraduate study is often counter-cyclical.

The Students' Association request for £450k of additional financial support was reviewed. Noting that the response recommended is based upon an analysis of the Association's cashflow and that, while the Students' Association wish to receive the full amount of support requested in November, the response recommended by the Director of Finance would be accepted, it was agreed:

- To pay an additional grant of £300k to the Students' Association on 1 March 2021, subject to two conditions:
 - Acceptable progress is made in reshaping activity, with particular emphasis on evidenced engagement with the Director of Accommodation Catering & Events regarding potential synergies / most appropriate delivery of catering services;
 - The additional grant may be reduced to account for any further government schemes such as an extension of furlough or any other measures that may be implemented over the winter;
- That the additional £150k requested will be reviewed for agreement in February, subject to actual performance and updated information, assuming appropriate progress on the above conditions.

6 Adaptation and Renewal Update

Paper D

An update on the work of the Adaptation and Renewal Team and the four work-streams (Research & Innovation; Students; Estates & Digital Infrastructure; Re-shaping) over the summer period was reviewed. Members discussed recent announcements that two Russell Group universities would undertake internal Covid-19 testing of students and staff. The University has contributed its testing capabilities to the collective NHS effort, with the benefit that students and staff who wish to seek a test will use the NHS Test & Protect system which includes a contact tracing service and other services that internal testing would not provide.

7 People Report

Paper E

An update on people related matters being taken forward by Human Resources and other University departments was noted, including Covid-19 related staff matters and updates on staff coaching and mentoring schemes and expected future staff surveys. All applications for the voluntary severance scheme will be considered collectively after the closing date of 23 September. All staff will receive an extra day's leave on Christmas Eve and can carry forward up to 10 days' leave (normally 5) into the next calendar year in recognition of the difficulty many have faced in taking leave as usual this year. The number and roles of currently furloughed staff was discussed, noting that numbers furloughed have reduced and will reduce further as more buildings are re-opened. For some roles that will continue to be affected into the new

semester, e.g. some catering roles, opportunities for redeployment are being explored.

8 Research and Commercialisation

• Commercialisation Update

Paper F1

An update on commercialisation activities was discussed, covering:

- i) the structure of the teams contributing to this area of work;
- ii) the intended approach to supporting innovation;
- iii) brief updates on specific projects the Committee had previously been involved with; and,
- iv) inviting discussion of future communications to the Committee and the contribution of the Commercialisation Sub-Group.

Possible topics of future interest including updates on the City Deal Data-Driven Innovation Programme, the work of Edinburgh Innovations, a refreshed Innovation Strategy and the Commercialisation Sub-Group to consider future venture funding and encouraging a wider culture of industry engagement were noted, with the Sub-Group Convener and Vice-Principal (Interim) Corporate Services to discuss future utilisation of the Sub-Group.

• Research and Commercialisation Statistics Annual Report

Paper F2

The annual statistical report on research and commercialisation funding awards and activity for the 2019-20 academic year was noted. The overall performance for the year, with an award total of £330.9m, including a record year for industrial awards of £27.9m, was welcomed and information on data for patents awarded in comparison with other research intensive universities requested.

9 Global Open Finance Centre of Excellence

Paper G

An outline proposal to establish a Global Open Finance Centre of Excellence recently funded by a £22.5m UK Research & Innovation Strength in Places Fund grant, was reviewed. The opportunity for the centre to make a major contribution to the financial services/fintech element of the City Deal Data-Driven Innovation Programme was noted, with a further paper requesting approval for the incorporation of the company to follow.

10 Creation of Research Data Scotland

Paper H

The Scottish Government's intention to establish Research Data Scotland as a charitable organisation to manage access to public sector research data, with the University as one of the founding partners, was noted. As the intention is to launch the new organisation by the start of 2021, approval from Exception Committee or by correspondence from Policy & Resources Committee may be sought, should the business case not be finalised before the next meeting.

ITEMS FOR NOTING OR FORMAL APPROVAL

11 Review of Estates Capital Project Deferrals

Paper I

It was agreed to recommend to Court a further 12 months deferral of the projects set out in the paper, bringing the total deferral period to 24 months, in order to provide sufficient time to develop a new Capital Plan based on experience of the new financial circumstances of the pandemic.

12 People & Money System Financial Update

Paper J

A financial update on the People and Money System Programme (formerly known as Core Systems – the programme delivering core IT systems for HR, Finance, Payroll and Procurement) was noted.

11 Investment Committee Report

Paper K

The report was noted.

14 Any Other Business

There was no other business.

15 Date of Next Meeting

Monday, 16 November 2020, 2.30pm-5pm.