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POLICY & RESOURCES COMMITTEE

AGENDA

A meeting of the Policy & Resources Committee will be held at 15:00 hours on Tuesday 19 May 2020 via Skype for Business.

		Lead Speaker	Paper
1	WELCOME & APOLOGIES	Chair	
2	DECLARATIONS OF INTEREST	Chair	
3	MINUTES OF PREVIOUS MEETING <i>for approval</i>	Chair	A
4	MATTERS ARISING REPORT	Chair	B
5	CORONAVIRUS PANDEMIC / 'A FUTURE PROOFED COLLEGE' UPDATE	A Cumberford	C
<i>Item 5 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs</i>			
6	RECRUITMENT & RETENTION DASHBOARD	J Pearson	D Attached
7	FINANCE REPORT		
	7.1 Management Accounts to March 2020	L Towns	E Attached
	7.2 Indicative College Budget 2020/21	L Towns	F
	7.3 Financial Forecast 2020/21 to 2023/24	A Williamson	G
<i>Item 7.2 and 7.3 are presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 27, Information Intended for Future Publication</i>			
8	HUMAN RESOURCES REPORT	S Clyne	H
<i>Item 8 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.</i>			
9	ANY OTHER COMPETENT BUSINESS		
	9.1 Review of Committee Operation 2019/20	Chair	I Attached
10	FOR INFORMATION		
	10.1 Outline Business Case for Construction Update		J
	10.2 Horizon Scanning Report		K Attached

10.3 Committee Programme of Work 2020/21

L

11 DATE OF NEXT MEETING: To be confirmed

FOR INFORMATION / DISCUSSION			
Meeting	Policy & Resources Committee 19.05.20		
Presented by	Lindsay Towns		
Author/Contact	Lindsay Towns	Department / Unit	Finance
Date Created	04.05.20	Telephone	
Appendices Attached	<i>Appendix 1: Management Accounts to March 2020 (with commentary)</i>		
Disclosable under FOISA		Yes	

MANAGEMENT ACCOUNTS TO MARCH 2020

1. **PURPOSE**
To provide the Policy & Resources Committee with an update on the financial performance of the College.
2. **BACKGROUND**
The Policy & Resources Committee are asked to review the management accounts at each meeting, in order to assess the College's current financial position.
3. **DETAIL**
Contained within Appendix 1.
4. **BENEFITS AND OPPORTUNITIES**
The Board is responsible for the financial sustainability of the College, and it is considered good practice to monitor all areas of performance that can impact on the College's viability.
5. **STRATEGIC IMPLICATIONS**
Content inherent within strategic objectives.
6. **RISK**
Content assists monitoring College's financial performance.
7. **FINANCIAL IMPLICATIONS**
Inherent within content.
8. **LEGAL IMPLICATIONS**
Some content may cover legal issues.
9. **WORKFORCE IMPLICATIONS**
Some content may cover workforce issues.

10. REPUTATIONAL IMPLICATIONS

None.

11. EQUALITIES IMPLICATIONS

None.

CONCLUSIONS/RECOMMENDATIONS

The Policy & Resources Committee are asked to DISCUSS and NOTE the Management Accounts to March 2020.



FINANCIAL REPORT

8 MONTHS TO 31 MARCH 2020

CONTENTS

Report from Chief Operating Officer

1. Executive Summary
2. Credit Activity
3. Income Analysis
4. Expenditure Analysis
5. Staff Costs Analysis
6. Trading Department
7. Cash-flow
8. SFC Reporting
9. Balance Sheet
10. Key Performance Data

Appendices:

1. Income and Expenditure Account Summary and Detail.
2. Balance Sheet
3. Cash-flow

DISTRIBUTION

Executive Team
Board of Management P&R Committee
Senior Management Group

1. EXECUTIVE SUMMARY

Introduction

1.1 Due to the outbreak of Covid-19 and following Government instructions, the College campuses closed on 23 March 2020. Following this closure the College undertook a financial review of this decision on its financial forecasts. These management accounts show reduced income and expenditure related to COVID-19. The financial impact on Edinburgh College and indeed the sector as a whole, is considerable, particularly those Colleges with high levels of international & commercial exposure. Forecasts are in line with our mid-year Financial review sent to the Scottish Funding Council (SFC) on 20th April 2020.

Credits and SFC Grants

1.2 Edinburgh College's activity target for academic year 2019/20 is **186,612** credits, together with an ESF target of **1,335** credits. The College's total target is therefore **187,947** credits. The College has achieved **182,909** credits at 22nd April 2020. As a result of COVID-19 the **SFC confirmed that** 100% of the main Grant-in-Aid funding would be received despite a shortfall in credits. SFC guidance indicates that ESF funding will be received in proportion to credits achieved. Therefore ESF income has been reduced by 3%.

1.3 Adjusted Operating Position

As per SFC Measurement basis	<u>Annual Budget</u> <u>2019/20</u>	<u>YTD Budget</u> <u>2019/20</u>	<u>YTD Actuals</u> <u>2019/20</u>	<u>YTD Variance</u> <u>2019/20</u>	<u>Previous YTD</u> <u>2018/19</u>	<u>Full Year Forecast</u> <u>2019/20</u>
	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>
I&E Operating Position	(1,735)	(1,722)	(1,650)	72	2	(2,177)
Add:						
Depreciation net of deferred capital grant release	2,509	1,669	1,626	(43)	1,695	2,445
Deduct:						
Revenue funding allocated to loan repayments **	774	516	516	-	753	1,006
Adjusted Operating Position	-	(570)	(541)	29	944	(737)

** the 2019/20 projection includes Lennartz and Granton accommodation provision adjustments totalling £232k

The College's adjusted operating position excludes non-cash items included in the income and expenditure account (pension, depreciation net of deferred capital grant release, and gain / loss on disposal of assets, as well as any repayments of SFC Grant funding) and capital loan repayments (which are not included in the income and expenditure account).

1.4 Income and Expenditure

	<u>Annual Budget</u> <u>2019/20</u>	<u>YTD Budget</u>	<u>YTD Actuals</u>	<u>YTD Variance</u>	<u>Previous YTD</u>	<u>Full Year Forecast</u>
	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>
Funding Council Grants	48,695	30,041	30,120	79	28,901	49,006
Tuition Fees and Commercial & Other Income	15,676	13,742	11,544	(2,198)	13,358	11,997
Deferred Income	2,974	2,066	2,056	(10)	2,265	2,959
Total Income	67,345	45,849	43,720	(2,129)	44,524	63,962
Staff Costs	48,970	32,512	31,874	638	30,221	48,013
Other Costs	14,627	11,324	9,815	1,510	10,341	12,721
Depreciation	5,484	3,734	3,681	53	3,960	5,405
Total Expenditure	69,080	47,570	45,370	2,201	44,522	66,139
Operating (Deficit) / Surplus	(1,735)	(1,722)	(1,650)	72	2	(2,177)

The College's annual budgeted operating position for the year shows a deficit of £1.735m, which results in an adjusted operating budget position for the year of break-even (refer para 1.3 for details).

Based on current performance, the full year forecast operating deficit is £2,177k, which is equates to an adjusted operating deficit position of £737k. High-level movements in March 2020 affecting the full year operating forecast are as follows:

	<u>£k - Fav /</u> <u>(Adv)</u>
Tuition fees & educational contracts (inc SAAS)	(537)
Commercial & International income	(1,677)
Other income generating activities	(439)
Staffing (fewer additional hours claims and temporary staff cost)	100
Other operating expenditure (aligned with income contractions)	2,166
Total movements during March affecting operating position:	(387)

The full year adverse forecast of £737k compared to B/E budget (an adverse movement of £626k, in total, from last month) comprises the following:

	<u>£k - Fav /</u> <u>(Adv)</u>
Recurrent Grant Income (JE funding deferred from 2018/19)	19
Other SFC Grants	292
Tuition Fees and Education contracts	(1,214)
Commercial & International income	(1,533)
Other income (incl Nursery)	(308)
Staffing (vacancy churn / unfilled posts)	957
Net other operating expenses (energy, cleaning etc.)	1,282
Lennartz & Granton accommodation provision movements	(232)
Total YTD movement affecting cash:	(737)

The net adverse movements are mostly attributable to Covid-19, on the College's current year-end operating projection, are summarised below:

	<u>Revised</u> <u>Annual</u> <u>Budget</u> <u>£000s</u>	<u>YTD Actuals</u> <u>£000s</u>	<u>Year End</u> <u>Projection @</u> <u>end Feb 20</u> <u>£000s</u>	<u>Movements in</u> <u>month (largely</u> <u>associated with</u> <u>Covid-19)</u> <u>£000s</u>	<u>Current Year</u> <u>End Projection</u> <u>£000s</u>
Funding Council Grants	48,695	30,120	49,013	(7)	49,006
Deferred Capital Grant Releases	2,974	2,056	2,959		2,959
Tuition Fees and Education Contracts (inc SAAS)	7,709	6,425	7,028	(537)	6,491
Commercial and International Contracts	6,256	3,913	5,846	(1,677)	4,169
Other Income	1,711	1,206	1,776	(439)	1,337
Total Income	67,345	43,720	66,622	(2,660)	63,962
Staff Costs	48,970	31,874	48,113	(100)	48,013
Other Operating Expenses	14,040	9,419	14,300	(2,166)	12,134
Depreciation for the year	5,484	3,681	5,405		5,405
Debt Interest & Other Finance Costs	587	395	587		587
Total Expenditure	69,080	45,370	68,405	(2,266)	66,139
Operating (Deficit) / Surplus	(1,735)	(1,650)	(1,783)	(394)	(2,177)

1.5 The operating position to March shows a deficit of £1,650k, against a profiled budgeted deficit of £1,722k. The main variances are:

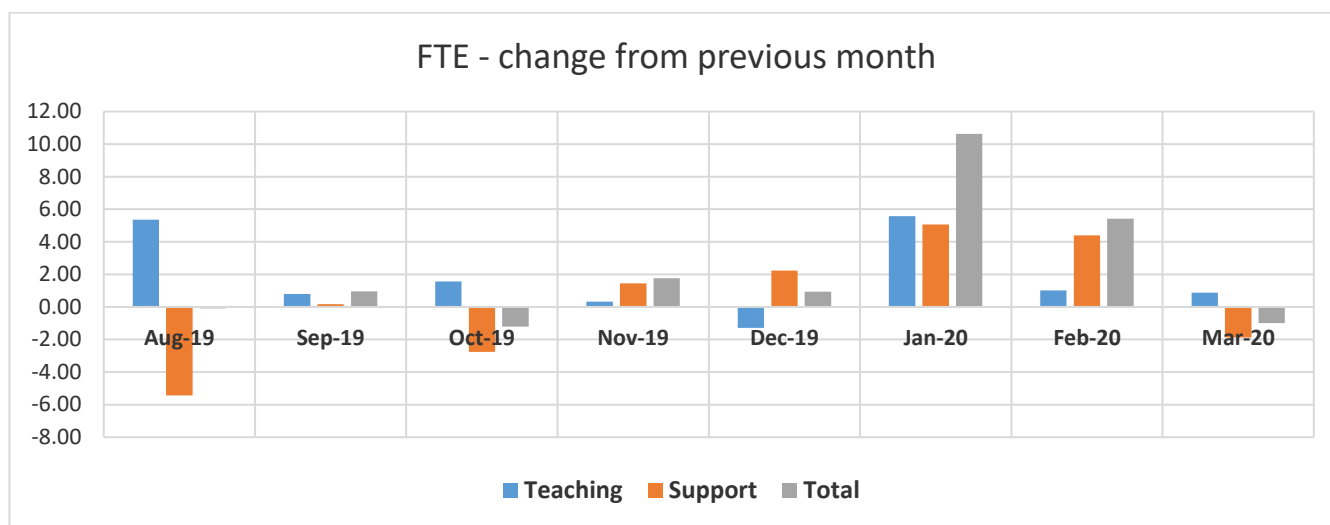
- An adverse income variance within tuition fees of £736k (mainly managing agents, net SAAS and associate degree fees).
- An adverse income variance within commercial & international income of £1,378k (mainly international, scheduled and bespoke income).
- An adverse 'other' income variance of £83k (mainly net Nursery income).
- A favourable variance of £1,514k within other operating expenses, largely due to savings aligned to lower running costs due to campus closures.
- A favourable variance in staff costs of £638k as a result of posts relinquished and vacancy churn.

- 1.6 The annual budget includes cost of living increases for support staff of £0.6m and lecturing staff of £1.1m. The increased STSS employer pension contribution (from 17.2% to 23%) commenced on 1st September 2019 is also included; this is fully funded (£1.3m) by the SFC. The cost of the pension rate increases and associated funding (for the year) have both been included in the College's budget.

1.7 **Staff (Full Time Equivalent)**

FTE	31/07/19	31/03/20	YTD Movement	31/03/19
Teaching	477.8	492.1	14.3	491.9
Support	534.5	537.7	3.2	551.7
	1,012.3	1,029.8	17.5	1,043.6

Staff numbers have reduced by 1.0 FTE in total during March (minor reductions across a number of functions). Recruitment has been put on hold since Mid-March following the Covid-19 outbreak. The FTE Staff movements by month are shown below:



1.8 **Cash**

Opening cash	Month-end cash	Forecast year-end cash	Comments
01/08/2019	31/03/2020	31/07/2020	
£'m.	£'m.	£'m.	
0.9	1.3	(0.3)	The opening cash and month-end cash balance includes £0.2m of 2018/19 underspent student support funds. This will be repaid in April 2020 when it is netted off against additional current year student funding that will be received through in-year redistribution.

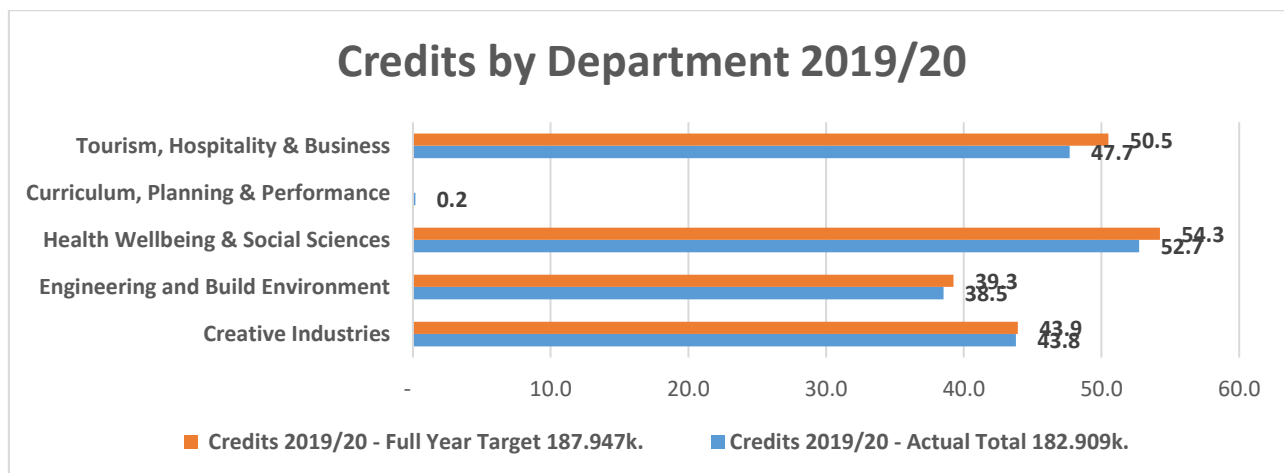
1.9 **Capital Expenditure**

In the current financial year, £1.45m has been spent against a budget of £1.455m, with £5k of commitments in the pipeline. The main areas of expenditure are: rooms refurbishment & furniture / lighting replacements (£0.6m), buildings critical works (£0.5m), lifts (£0.15m) and cctv works (£0.13m). The fixed asset values are as follows:

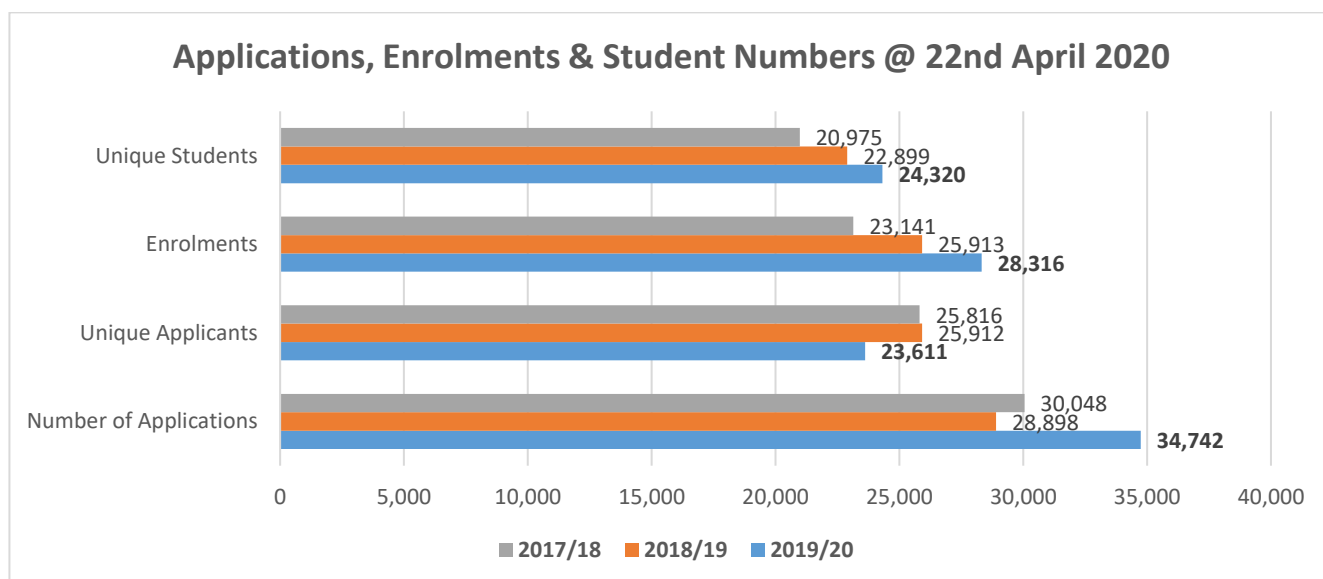
Opening Fixed Assets	Additions YTD	Depreciation YTD	Closing Fixed Assets	Comments
01/08/2019	31/03/2020	31/03/2020	31/03/2020	
£'m.	£'m.	£'m.	£'m.	
159.7	1.4	(3.7)	157.4	£1.45m of funds, in total, have been assigned for capital priorities and backlog maintenance works for 2019/20.

2. CREDIT AND STUDENT ACTIVITY

- 2.1 The activity target for the 2019/20 academic year is 187,947 credits, which includes an additional 1,335 credits for ESF funding (subject to our core credit target being achieved in the year).
- 2.2 Latest enrolment figures show lower full-time students partly offset by an increased number of part-time students. Curriculum plans to increase Semester 2 activity has stopped due to COVID-19.
- 2.3 The College has achieved **182,909 credits** at 22nd April 2020. The "Credits by Department" table (below) shows a comparison of faculty performance for the year to date against full year targets.



- 2.4 The table below shows Applications, Enrolments and Student No's from 2017/18 to 2019/20 (to date).

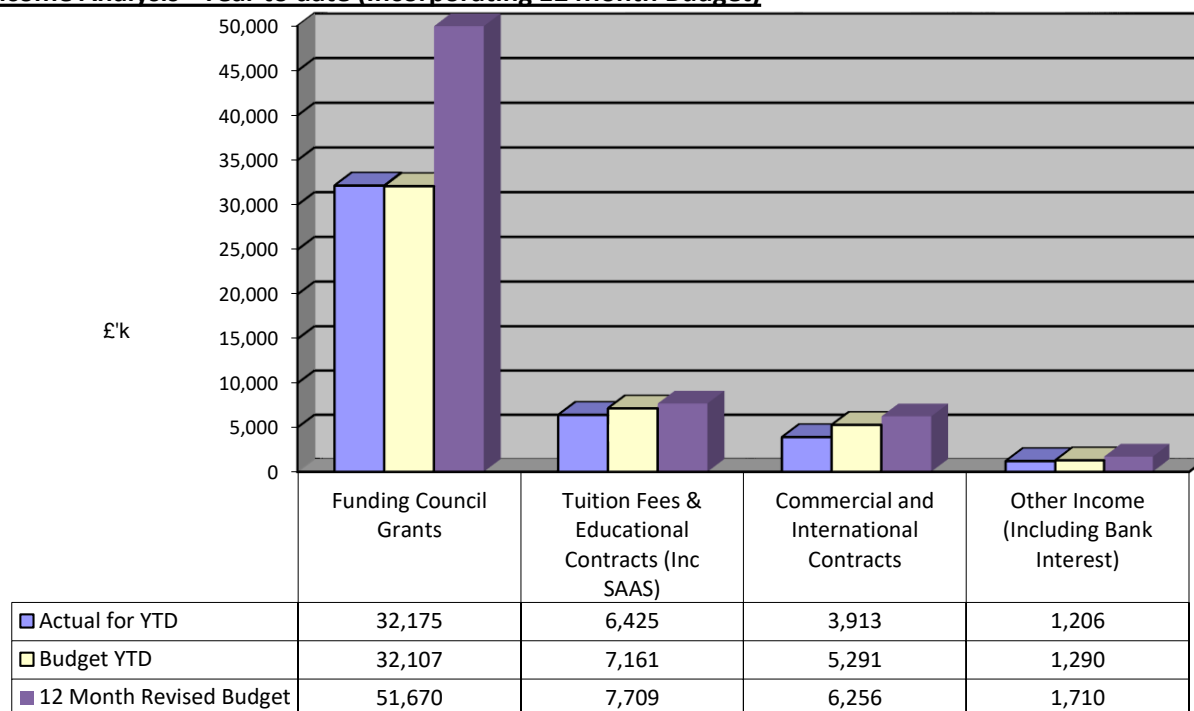


3. INCOME ANALYSIS

Income Expanded Account Detail for the 8 Months to 31st March 2020

	<u>Original Annual Budget £000s</u>	<u>Revised Annual Budget £000s</u>	<u>YTD Budget £000s</u>	<u>YTD Actuals £000s</u>	<u>YTD Variance £000s</u>	<u>Previous YTD £000s</u>	<u>Year End Projection £000s</u>
INCOME							
Funding Council Grants	51,670	51,670	32,107	32,175	69	31,166	51,966
Tuition Fees & Education Contracts	7,709	7,709	7,161	6,425	(736)	7,318	6,491
Commercial & International	6,256	6,256	5,291	3,913	(1,378)	4,009	4,169
Other Income	1,711	1,711	1,290	1,206	(83)	2,030	1,337
Total Income	67,345	67,345	45,849	43,720	(2,129)	44,524	63,962

Income Analysis - Year to date (Incorporating 12 Month Budget)



- 3.1 Total income for the year to date is £43.7m, which is £2.1m lower than the profiled budget year to date of £45.8m.
- 3.2 Grant-in-Aid income across all credit-bearing areas has been brought to account in line with SFC guidance that the College will receive its full funding allocation for the year, even though overall credit targets will not be achieved due to COVID-19. As a result of the overall credits shortfall, the full year forecast for ESF income has been reduced by £7k (using credit achievement as a proportion of full year target). The Grant-in-Aid forecast has been increased by £19k to reflect deferred support staff Job Evaluation (JE) funding from 2018/19, which remains in progress.
- 3.3 Following the latest review of student numbers and the reduction in activity (together with possible refunds) owing to the effects of Covid-19, the annual forecast for total tuition fee income shows a shortfall on budget of £1,214k (a net deterioration of £537k compared to last month). This relates to SAAS, FE/ HE full-time and part-time, self-payer fees and exam fee income (lower by £677k in total) together with a reduction in managing agents income (£500k) and lower associate degrees (£41k). The table below illustrates the effects of Covid-19 and other movements on the year-end projection:

Tuition Fees Expanded Account Detail for the 8 Months to 31st March 2020

	Revised Annual Budget £000s	YTD Budget £000s	YTD Actuals £000s	YTD Variance £000s	Year End Projection @ end Feb 20 £000s	Movements in month (largely Covid- 19 income contractions) £000s	Current Year End Projection (inc the effects of refunds) £000s
Tuition Fees & Education Contracts							
FE - UK & EU	50	50	77	27	68	8	76
HE - UK & EU	359	322	283	(39)	402	(115)	287
PT Self Payers	438	438	546	108	503	19	522
Examination Fee Income	20	20	16	(4)	20	(4)	16
SAAS	4,455	4,212	3,742	(470)	3,728	14	3,742
SAAS - Commercial	47	47	49	2	47	2	49
Associate Degree Fees	805	791	764	(27)	725	39	764
Managing Agents	1,535	1,281	948	(333)	1,535	(500)	1,035
	7,709	7,161	6,425	(736)	7,028	(537)	6,491

Mitigating net savings of £296k (including £200k of examination fees) associated with the above forecast loss of income, are likely to be achieved and are included within the College's full year forecast.

- 3.4 Commercial UK revenue streams for the remainder of the year have been severely curtailed following the effects of Covid-19 (illustrated in the table below). It has been assumed that little more income will be earned after the March College closure.

Commercial UK Expanded Account Detail for the 8 Months to 31st March 2020

	<u>Revised Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actuals</u>	<u>YTD Variance</u>	<u>Year End Projection @ end Feb 20</u>	<u>Movements in month (largely Covid-19 income contractions)</u>	<u>Current Year End Projection</u>
	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>
<u>Commercial UK</u>							
SDS	715	629	475	(154)	715	(231)	484
EH15 and The Apprentice Restaurants	48	41	26	(14)	38	(12)	26
Bliss SPA and Employability Salons	100	86	65	(21)	100	(35)	65
Gym	332	292	212	(80)	332	(120)	212
Residences	541	459	328	(131)	541	(213)	328
Bespoke Contracts for Employers	611	532	375	(157)	611	(237)	375
Scheduled Short Courses	654	574	412	(162)	454	(42)	412
Flexible Workforce Development Fund	1,622	1,340	1,272	(67)	1,622	(100)	1,522
	4,623	3,952	3,166	(786)	4,413	(989)	3,424

Mitigating savings of £248k associated with the above loss of income have been included within the College's full year forecast. This includes external trainer costs, trainee allowances and teaching activity costs.

The full year forecast for International income has been reduced this month by £688k (to £0.746m), leaving a full year income shortfall for the year, compared to budget, of £0.9m. This follows the strong likelihood of lost income from a number of sources (within the UK and from in-country delivery, particularly from contracts with China and Panama), whilst all upcoming development trips have been cancelled. Summer school contracts are also unlikely to take place. Mitigating savings (including staffing), associated with international delivery, of £553k are forecast to be achieved,

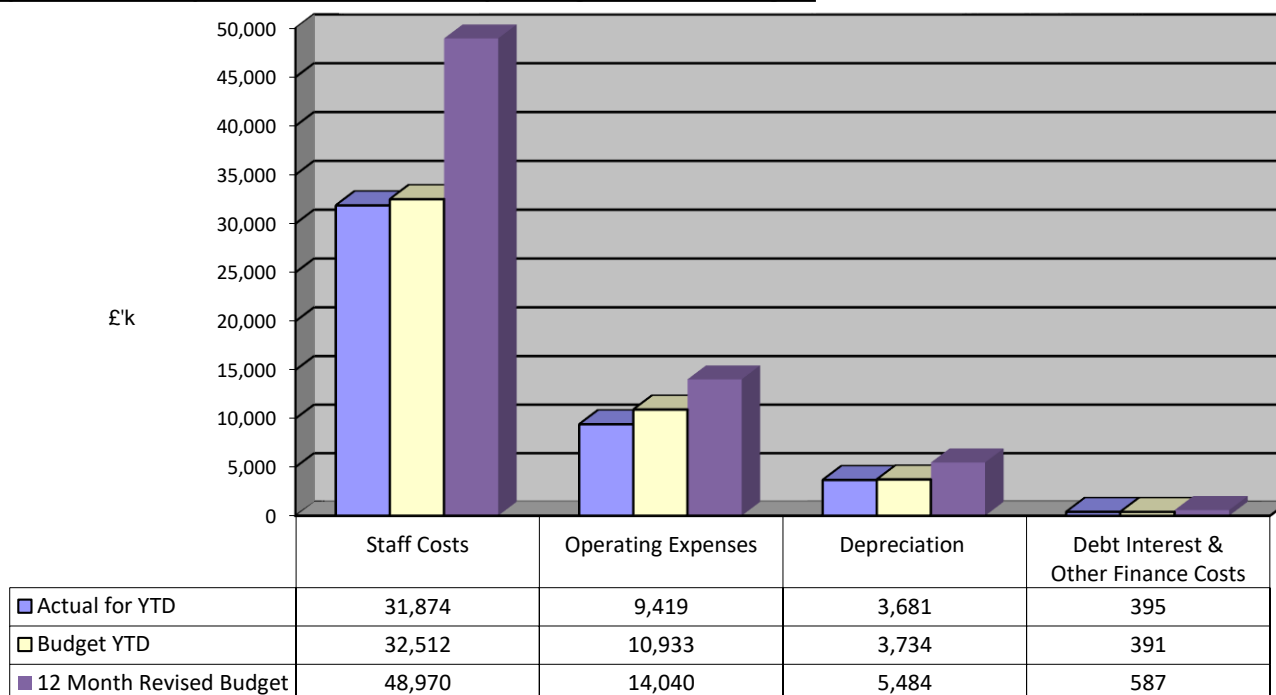
There is optimism that a Network Rail contract will be signed in the coming months, generating bespoke course income of £10k per month from August 2020 onwards. In addition, there are indications that the College's SDS modern apprentices tender for 2020/21 has been successful, providing an allocation of 155 student places. Finally, new opportunities have been identified and are being progressed by our International development team, with much of this pipeline work for 2020/21 and beyond.

4. EXPENDITURE ANALYSIS

Expenditure Expanded Account Detail for the 8 Months to 31st March 2020 (Ex Staff Costs)

	<u>Original Annual Budget</u>	<u>Revised Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actuals</u>	<u>YTD Variance</u>	<u>Previous YTD</u>	<u>Year End Projection</u>
	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>	<u>£000s</u>
Other Operating Expenses	14,040	14,040	10,933	9,419	1,514	9,939	12,134
Depreciation for the year	5,484	5,484	3,734	3,681	53	3,628	5,405
July 2018 Additional Revaluation Depreciation						332	
Debt Interest & Other Finance Costs	587	587	391	395	(4)	402	587
Total Expenditure (Ex Staff Costs)	20,110	20,110	15,058	13,495	1,563	14,301	18,126

Expenditure Analysis - Year to date (Incorporating 12 Month Budget)



- 4.1 Total expenditure for the year to date is £45.4m, which is £2.2m lower than the profiled budget of £47.6m.
- 4.2 Many operating expense areas will achieve savings as the year progresses as a by-product of the forecast income contractions in relation to Covid-19. These mainly relate to energy, cleaning, academic expenditure and VAT. The saving on the cleaning contract resulted from the contractor 'furloughing' their staff in accordance with HMRC's Job Retention Scheme.

Other Operational Expenditure Expanded Account Detail for the 8 Months to 31st March 2020

	Revised Annual Budget £000s	YTD Budget £000s	YTD Actuals £000s	YTD Variance £000s	Year End Projection @ end Feb 20 £000s	Movements in month (largely savings associated with Covid-19 related income contractions) £000s	Current Year End Projection £000s
Other Operating Expenses							
Premises	4,734	3,553	3,140	412	4,880	(646)	4,234
Teaching Activity & Support	1,437	1,268	1,256	12	1,691	(350)	1,341
Childcare Costs	1,500	1,158	1,158		1,500		1,500
Transport Costs	101	81	77	4	101		101
IT Costs	1,023	733	675	58	1,023	4	1,027
Telecomms Costs	134	125	107	18	134		134
Equipment	73	62	70	(8)	73		73
Health & Safety	37	31	20	12	37		37
Travel & Subsistence	542	423	206	217	542	(300)	242
Admin Costs	141	116	107	10	141	(30)	111
Corporate, Consultancy, Professional	883	637	460	177	753	(150)	603
Staff Welfare	16	14	11	4	16		16
Catering	509	424	273	152	499	(100)	399
Training & Development	187	130	60	69	187	(90)	97
VAT	1,224	1,112	887	225	1,224	(260)	964
Marketing & PR	145	110	93	17	145	(44)	101
Partnership Costs	39	26	26		39		39
Overseas Agents Commission	77	77	77		77		77
Registration & Exam Fees	1,199	827	691	136	1,199	(200)	999
Bad Debt	41	27	27		41		41
	14,040	10,933	9,419	1,514	14,300	(2,166)	12,134

5. STAFF COSTS ANALYSIS

Staffing Expanded Account Detail for the 8 Months to 31st March 2020

	<u>Original</u> <u>Annual</u> <u>Budget</u> <u>£000s</u>	<u>Revised</u> <u>Annual</u> <u>Budget</u> <u>£000s</u>	<u>YTD Budget</u> <u>£000s</u>	<u>YTD Actuals</u> <u>£000s</u>	<u>YTD</u> <u>Variance</u> <u>£000s</u>	<u>Previous</u> <u>YTD</u> <u>£000s</u>	<u>Year End</u> <u>Projection</u> <u>£000s</u>
Staff Costs							
Senior Management	1,594	1,594	1,024	1,038	(15)	985	1,594
Academic Departments	25,987	25,987	17,231	16,260	971	14,787	25,291
Academic Services	5,132	5,132	3,417	3,278	139	3,023	5,022
Admin & Central Services	12,191	12,191	8,109	8,154	(45)	8,024	12,141
Premises	1,467	1,467	978	926	52	959	1,447
Catering & Residences	34	34	22	22	0	567	34
Temporary, Agency & Staff Bank Costs	1,615	1,608	1,088	1,359	(271)	1,183	1,527
Other Staffing Expenditure	950	958	643	837	(194)	692	958
	48,970	48,970	32,512	31,874	638	30,221	48,013

- 5.1 Staff costs are currently £0.6m lower than the profiled budget, as a result of relinquished posts and vacancy churn. Following a review of forecast staffing costs for the remainder of the year, staffing is currently projected to settle the year at £48m, which is £1m below full year budget (a favourable movement of £100k compared to last month's projection due to lower forecast additional hours claims and fewer temporary staff). College staff are continuing to be paid in line with Scottish Government guidance and their contractual terms, on the basis that the SFC Grant-in Aid funding is received at 100%.

6. TRADING DEPARTMENT

	Nursery			
	YTD Mar 20			
	Full Year Budget (£000)	YTD Revised Budget (£000)	Actuals (£000)	Full Year Forecast (£000)
Income	990	680	640	750
Staffing Expenditure	(964)	(643)	(601)	(899)
Non Staffing Expenditure	(47)	(37)	(37)	(47)
Net (Deficit) Contribution Towards Associated Costs	(21)	0	2	(196)

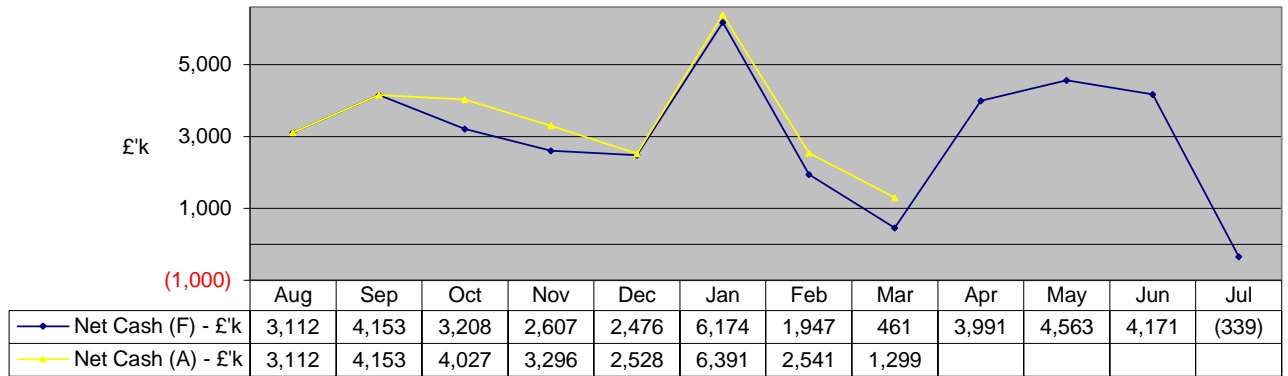
- 6.1 The above information provides an overview of the current nursery trading position.
- 6.2 Following the latest reviews of projected children intake for the remainder of the year due to COVID-19, the full year forecast for nursery income has been reduced by £224k compared to last month. Income has been curtailed after 17 March 2020, now reflecting providing child places for key workers. The College is still receiving student support and Edinburgh council funding. The full year forecast includes the effects of a grant of £20k from CoEC, which has been used to fund Nursery refurbishment works.

7. CASH-FLOW

- 7.1 The cash balance at the end of March is £1.3m, which includes £0.2m of student support funds.
- 7.2 The closure of the College has exerted considerable pressure on the College's 2019/20 cashflows. The cashflow position now shows a cash shortfall at July 2020 of £339k. The College is doing what it can to mitigate this risk, including staggering annual contract payments, deferring VAT, and potentially deferring 6 months of the capital element of the College's mortgage. Should the College open earlier than 1 August, there could be a further cash cost of £0.5m.
- 7.3 The College provided £70k of financial support to its catering contractor who had little cash and their catering staff faced redundancy. This payment enabled the staff to be paid for April 2020, which gave the contractor time to apply to HMRC for support under the Job Retention Scheme. This payment will be repaid over the duration of the contract – 22 months.

The chart below shows the forecast (blue) cash position through the year compared to the actual (yellow) cash position.

Cash Position - Forecast versus Actuals to March 2020



8. SFC REPORTING

- 8.1 The forecast Underlying Operating position and cashflow are in line with the mid-year Financial Forecast return submitted to the SFC in April.

9. BALANCE SHEET

Balance Sheet as at 31 March 2020		<u>At 31</u> <u>March 2020</u>	<u>At 31 July</u> <u>2019</u>	YTD Mvmt
		<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Fixed Assets	Land and Buildings	148,733	151,268	(2,535)
	Fixtures, fittings and Equipment	8,688	8,384	304
		<u>157,421</u>	<u>159,652</u>	<u>(2,231)</u>
Current Assets	Stock	91	54	37
	Debtors	2,189	3,699	(1,510)
	Cash - Main	1,120	586	534
	Cash - Student Support	<u>179</u>	<u>350</u>	<u>(171)</u>
Total		3,579	4,689	(1,110)
Creditors		(64,100)	(65,222)	1,122
Bank Loans		(9,419)	(9,692)	273
Provisions		(30,770)	(31,066)	296
		<u>56,711</u>	<u>58,361</u>	<u>(1,650)</u>
Funded by:				
Reserves		56,711	58,361	(1,650)
		<u>56,711</u>	<u>58,361</u>	<u>(1,650)</u>

- 9.1 The movements in Cash and Fixed Assets are detailed in sections 1.8 and 1.9 above. Creditors include £1m of Grant-in-Aid receipts which have not yet been recognised within the Income Statement and £1.5m of capital formula grants which have not yet been released to support corresponding capital expenditure.

10. KEY PERFORMANCE DATA

Financial Performance Monitoring Template							
	2018/19 Annual Target			2019/20 Annual Target	2019/20 YTD Actuals		2018/19 Annual Out-turn
Credits	186,612			186,612	182,909		186,674
Credits ESF	1,356			1,335	-		1,356
	2018/19 Annual Budget	2019/20 Annual Budget	Revised Annual Budget	2019/20 YTD Budget	2019/20 YTD Actuals	YTD Variance	Previous YTD
	£k	£k	£k	£k	£k	£k	£k
Adjusted Operating Position	1,394	-	-	(570)	(541)	29	944
Commercial & International Contracts	5,706	6,256	6,256	5,291	3,913	(1,378)	4,009
Income	67,320	67,345	67,345	45,849	43,720	(2,129)	44,524
Expenditure	67,320	69,080	69,080	47,570	45,370	2,201	44,522
Operating Surplus / (Deficit) pre SSAP24	-	(1,735)	(1,735)	(1,722)	(1,650)	72	2
Net Cash Inflow / (Outflow)	(263)	(1,589)	(1,589)	363	363	-	2,548
Bank Balance	681	(563)	(563)	1,299	1,299	-	3,492
Fixed Assets	158,032	154,565	154,565	157,421	157,421	-	160,698
Net Current assets / (liabilities)	(5,702)	(4,957)	(4,957)	(7,075)	(7,075)	-	(5,984)
Creditors and Provisions	(75,876)	(91,807)	(91,807)	(93,635)	(93,635)	-	(78,258)
Net Assets	76,454	57,801	57,801	56,711	56,711	-	76,456
Pay costs % of Income	% 69.9	72.7	72.7	70.9	72.9	2.0	67.9
Current Ratio	0.33	0.57	0.57	0.34	0.34	-	0.55
Cash Days in Hand	(29)	(31)	(31)	(41)	(41)	-	(36)
Borrowings as % of reserves	% 7.7	8.0	8.0	8.5	8.5	-	7.5

I&E Account for the 8 Months to 31st March 2020

	<u>Original Annual Budget £000s</u>	<u>Revised Annual Budget £000s</u>	<u>YTD Budget £000s</u>	<u>YTD Actuals £000s</u>	<u>YTD Variance £000s</u>	<u>Previous YTD £000s</u>	<u>Year End Projection £000s</u>
Funding Council Grants	48,695	48,695	30,041	30,120	79	28,368	49,006
Deferred Capital Grant Releases	2,974	2,974	2,066	2,056	(10)	2,265	2,959
Debt Support Grant						533	
Tuition Fees and Education Contracts (inc SAAS)	7,709	7,709	7,161	6,425	(736)	7,318	6,491
Commercial and International Contracts	6,256	6,256	5,291	3,913	(1,378)	4,009	4,169
Other Income	1,711	1,711	1,290	1,206	(83)	2,030	1,337
Total Income	67,345	67,345	45,849	43,720	(2,129)	44,524	63,962
Staff Costs	48,970	48,970	32,512	31,874	638	30,221	48,013
Other Operating Expenses	14,040	14,040	10,933	9,419	1,514	9,939	12,134
Depreciation for the year	5,484	5,484	3,734	3,681	53	3,628	5,405
July 2018 Additional Revaluation Depreciation						332	
Debt Interest & Other Finance Costs	587	587	391	395	(4)	402	587
Total Expenditure	69,080	69,080	47,570	45,370	2,201	44,522	66,139
Operating (Deficit) / Surplus pre SSAP24 Enhanced Pension Provision Charge	(1,735)	(1,735)	(1,722)	(1,650)	72	2	(2,177)
Adjusted Operating Position:							
Operating (Deficit) / Surplus pre SSAP24 Enhanced Pension Provision Charge	(1,735)	(1,735)	(1,722)	(1,650)	72	2	(2,177)
Add:							
Depreciation net of deferred capital grant release	2,509	2,509	1,669	1,626	(43)	1,695	2,445
Deduct:							
Revenue funding allocated to loan repayments	774	774	516	516		753	1,006
Adjusted Operating Position	0	0	(570)	(541)	29	944	(737)

I&E Account Detail for the 8 Months to 31st March 2020

	Original Annual Budget £000s	Revised Annual Budget £000s	YTD Budget £000s	YTD Actuals £000s	YTD Variance £000s	Previous YTD £000s	Year End Projection £000s
INCOME							
Funding Council Grants							
Recurrent Grant Inc Fee Waiver	45,591	45,591	27,775	27,789	14	26,022	45,610
Childcare Funds	1,500	1,500	1,158	1,158		1,271	1,500
Deferred Capital Grants	2,974	2,974	2,066	2,056	(10)	2,265	2,959
Debt Support Grants						533	
Other SFC Grants	1,604	1,604	1,108	1,172	64	1,074	1,895
	51,670	51,670	32,107	32,175	69	31,166	51,966
Tuition Fees & Education Contracts							
FE - UK & EU	50	50	50	77	27	57	76
HE - UK & EU	359	359	322	283	(39)	320	287
PT Self Payers	438	438	438	546	108	487	522
Examination Fee Income	20	20	20	16	(4)	23	16
SAAS	4,455	4,455	4,212	3,742	(470)	4,019	3,742
SAAS - Commercial	47	47	47	49	2	46	49
Associate Degree Fees	805	805	791	764	(27)	805	764
Managing Agents	1,535	1,535	1,281	948	(333)	972	1,035
Edinburgh Council - Pre Emp Contract						589	
	7,709	7,709	7,161	6,425	(736)	7,318	6,491
Commercial & International							
International	1,634	1,634	1,338	746	(592)	1,006	746
SDS	715	715	629	475	(154)	430	484
EH15 and The Apprentice Restaurants	48	48	41	26	(14)	29	26
Bliss SPA and Employability Salons	100	100	86	65	(21)	72	65
Gym	332	332	292	212	(80)	244	212
Residences	541	541	459	328	(131)	277	328
Bespoke Contracts for Employers	611	611	532	375	(157)	1,289	375
Scheduled Short Courses	654	654	574	412	(162)	250	412
Flexible Workforce Development Fund	1,622	1,622	1,340	1,272	(67)	411	1,522
	6,256	6,256	5,291	3,913	(1,378)	4,009	4,169
Other Income							
Catering	16	16	14	11	(3)	773	11
Nursery	990	990	680	629	(52)	576	750
Access Centre Provision	150	150	148	145	(4)	159	145
Other Income Generating Activities	545	548	442	420	(22)	514	428
	1,701	1,704	1,285	1,204	(80)	2,022	1,334
Endowment & Investment							
Bank Interest	10	6	5	2	(3)	8	3
	10	6	5	2	(3)	8	3
TOTAL INCOME	67,345	67,345	45,849	43,720	(2,129)	44,524	63,962
EXPENDITURE							
Staff Costs							
Senior Management	1,594	1,594	1,024	1,038	(15)	985	1,594
Academic Departments	25,987	25,987	17,231	16,260	971	14,787	25,291
Academic Services	5,132	5,132	3,417	3,278	139	3,023	5,022
Admin & Central Services	12,191	12,191	8,109	8,154	(45)	8,024	12,141
Premises	1,467	1,467	978	926	52	959	1,447
Catering & Residences	34	34	22	22	0	567	34
Temporary, Agency & Staff Bank Costs	1,615	1,608	1,088	1,359	(271)	1,183	1,527
Other Staffing Expenditure	950	958	643	837	(194)	692	958
	48,970	48,970	32,512	31,874	638	30,221	48,013
Other Operating Expenses							
Premises	4,734	4,734	3,553	3,140	412	3,143	4,234
Teaching Activity & Support	1,437	1,437	1,268	1,256	12	1,005	1,341
Childcare Costs	1,500	1,500	1,158	1,158		1,271	1,500
Transport Costs	101	101	81	77	4	61	101
IT Costs	998	1,027	733	675	58	590	1,027
Telecomms Costs	134	134	125	107	18	106	134
Equipment	73	73	62	70	(8)	33	73
Health & Safety	37	37	31	20	12	24	37
Travel & Subsistence	581	542	423	206	217	345	242
Admin Costs	141	141	116	107	10	111	111
Corporate, Consultancy, Professional	883	883	637	460	177	539	603
Staff Welfare	16	16	14	11	4	8	16
Catering	509	509	424	273	152	582	399
Training & Development	187	187	130	60	69	75	97
VAT	1,224	1,224	1,112	887	225	990	964
Marketing & PR	145	141	110	93	17	116	101
Partnership Costs	39	39	26	26		297	39
Overseas Agents Commission	38	77	77	77		15	77
Registration & Exam Fees	1,224	1,199	827	691	136	593	999
Bad Debt	41	41	27	27		36	41
	14,040	14,040	10,933	9,419	1,514	9,939	12,134
Depreciation	5,484	5,484	3,734	3,681	53	3,628	5,405
Depreciation for the year	5,484	5,484	3,734	3,681	53	3,628	5,405
July 2018 Additional Revaluation Depreciation						332	
Debt Interest & Other Finance Costs							
Interest On Bank Loans	557	557	371	371		383	557
Other Finance Charges	30	30	20	24	(4)	19	30
	587	587	391	395	(4)	402	587
TOTAL EXPENDITURE	69,080	69,080	47,570	45,370	2,201	44,522	66,139
Operating (Deficit) / Surplus pre SSAP24							
Enhanced Pension Provision Charge	(1,735)	(1,735)	(1,722)	(1,650)	72	2	(2,177)
Adjusted Operating Position:							
Operating (Deficit) / Surplus pre SSAP24							
Enhanced Pension Provision Charge	(1,735)	(1,735)	(1,722)	(1,650)	72	2	(2,177)
Add:							
Depreciation net of deferred capital grant release	2,509	2,509	1,669	1,626	(43)	1,695	2,445
Revenue funding allocated to loan repayments	774	774	516	516		753	1,006
Adjusted Operating Position	0	0	(570)	(541)	29	944	(737)

Balance Sheet

For the 8 Months to 31st March 2020

	<u>2019/2020</u> <u>YTD Actuals</u> <u>£000s</u>	<u>2018/19</u> <u>Year End</u> <u>£000s</u>	<u>2018/2019</u> <u>Previous YTD</u> <u>£000s</u>
Fixed Assets			
L&B	148,733	151,268	152,088
FFE	8,688	8,384	8,610
	<u>157,421</u>	<u>159,652</u>	<u>160,698</u>
Current Assets			
Stock	91	54	41
Debtors	2,189	3,699	3,738
Cash	1,299	936	3,492
	<u>3,579</u>	<u>4,689</u>	<u>7,272</u>
Creditors < 1yr			
Bank loans	(470)	(470)	(449)
Payments received in advance	(92)	(199)	(89)
Trade creditors	(2,313)	(1,909)	(2,093)
Taxes & social sec	(921)	(1,222)	(1,117)
Accruals, Def Inc & Other Creditors	(1,512)	(2,926)	(1,822)
Amounts owed to SFC	(2,371)	(19)	(4,755)
Deferred Capital Grants - Government	(2,974)	(2,901)	(2,931)
	<u>(10,653)</u>	<u>(9,646)</u>	<u>(13,256)</u>
Net current assets / (liabilities)	<u>(7,075)</u>	<u>(4,957)</u>	<u>(5,984)</u>
Total assets less current liabilities	150,347	154,695	154,714
Creditors > 1yr			
Bank loans	(8,949)	(9,222)	(9,434)
Deferred Capital Grants - Government	(53,917)	(56,046)	(54,520)
	<u>(62,866)</u>	<u>(65,268)</u>	<u>(63,955)</u>
Provisions			
Early retirement	(4,412)	(5,472)	(4,399)
Student Accommodation Provision	(763)		
	<u>(5,176)</u>	<u>(5,472)</u>	<u>(4,399)</u>
Net pension asset / (liability)	(25,594)	(25,594)	(9,905)
NET ASSETS	<u>56,711</u>	<u>58,361</u>	<u>76,456</u>
Reserves			
I&E account	41,095	42,046	44,102
Pension reserve	(25,594)	(25,594)	(9,905)
Revaluation reserve	41,210	41,909	42,259
RESERVES	<u>56,711</u>	<u>58,361</u>	<u>76,456</u>

Cumulative Cashflows (2019/20)

	<u>Original Budget £000s Total</u>	<u>Revised Budget £000s Total</u>	<u>Aug 19 £000s Actuals</u>	<u>Sep 19 £000s Actuals</u>	<u>Oct 19 £000s Actuals</u>	<u>Nov 19 £000s Actuals</u>	<u>Dec 19 £000s Actuals</u>	<u>Jan 20 £000s Actuals</u>	<u>Feb 20 £000s Actuals</u>	<u>Mar 20 £000s Actuals</u>	<u>Apr 20 £000s Forecast</u>	<u>May 20 £000s Forecast</u>	<u>Jun 20 £000s Forecast</u>	<u>Jul 20 £000s Forecast</u>	<u>YTD Cumulative £000s Total</u>	<u>Annual Forecast £000s Total</u>	<u>Var From Budget - Fav / (Adv) £000s Total</u>
SFC Grants - Core	45,746	45,746	5,873	4,761	3,761	3,761	3,762	3,762	579	2,662	6,464	5,299	4,876	190	28,918	45,746	0
SFC Grants - ESF	350	350	22	22	109	22	22	22	22	22	22	22	22	21	261	348	(2)
SFC Grants - FWDF	1,622	1,622	0	0	406	0	0	406	406	404	0	0	0	0	1,622	1,622	(0)
SFC Grants - Other	4,053	4,053	455	369	461	517	485	491	469	710	152	289	171	21	3,955	4,588	535
SAAS Funds	4,502	4,502	0	0	0	0	0	3,746	0	0	41	0	0	0	3,746	3,787	(715)
Tuition Fees / Education Contracts	3,208	3,208	336	396	237	167	331	1,083	312	0	0	0	0	0	2,862	2,862	(346)
Commercial / International	4,634	4,634	458	472	407	298	147	309	236	313	7	0	0	0	2,640	2,647	(1,987)
Other Income	1,711	1,711	190	89	99	182	219	96	183	490	57	57	57	57	1,548	1,776	65
Operational Income	65,826	65,826	7,334	6,108	5,479	4,946	4,965	9,914	2,206	4,600	6,743	5,667	5,125	289	45,552	63,376	(2,450)
Staff Costs	48,970	48,970	4,127	3,865	4,002	3,993	4,034	4,027	4,041	4,134	4,062	4,008	3,975	3,942	32,223	48,210	760
Purchase Ledger / Other Expenditure	8,393	8,393	941	1,176	763	918	439	610	372	573	583	371	429	386	5,792	7,559	834
Childcare Expenditure	1,500	1,500	0	83	180	217	187	193	136	163	138	157	157	7	1,159	1,618	(118)
Premises Costs	4,734	4,734	371	332	385	408	387	488	385	384	246	249	249	348	3,140	4,234	500
Operational Expenditure	63,597	63,597	5,439	5,456	5,330	5,536	5,047	5,318	4,934	5,254	5,029	4,785	4,810	4,683	42,314	61,621	1,976
Net Income Generated From Operations	2,229	2,229	1,895	652	149	(590)	(82)	4,596	(2,728)	(654)	1,714	882	315	(4,395)	3,238	1,755	(474)
Capital Expenditure	1,874	1,874	419	84	101	105	248	86	55	152	623	0	0	0	1,250	1,873	1
Pensioners (against enhanced provision)	300	300	24	24	24	24	24	24	23	23	23	23	23	23	190	282	18
Capital Loan Repayments	474	474	0	38	79	0	38	80	0	38	81	37	0	83	273	474	0
Granton Provision	0	0	0	0	0	0	0	0	104	0	0	77	0	0	104	181	(181)
VAT Repaid - Lennartz	0	0	0	65	0	0	0	0	0	0	0	0	0	0	65	65	(65)
Non-Operational Expenditure	2,648	2,648	443	211	204	129	310	190	182	213	727	137	23	106	1,882	2,875	(227)
Net Income Generated From Op and Non-Op Activities	(419)	(419)	1,452	441	(55)	(719)	(392)	4,406	(2,910)	(867)	987	745	292	(4,501)	1,356	(1,120)	(701)
Student Funds Inflow	9,625	9,625	729	1,379	1,122	1,043	1,027	916	116	942	2,462	825	182	36	7,274	10,779	1,154
Student Funds Outflow	10,705	10,705	5	779	1,194	1,055	1,403	1,458	1,056	1,317	757	998	866	46	8,267	10,934	(229)
	(1,080)	(1,080)	724	600	(72)	(12)	(376)	(542)	(940)	(375)	1,705	(173)	(684)	(10)	(993)	(155)	925
Total Cash In	75,451	75,451	8,063	7,487	6,601	5,989	5,992	10,830	2,322	5,542	9,205	6,492	5,307	325	52,826	74,155	(1,296)
Total Cash Out	76,950	76,950	5,887	6,446	6,728	6,720	6,760	6,966	6,172	6,784	6,513	5,920	5,699	4,835	52,463	75,430	(1,520)
Net Inflow / (Outflow)	(1,499)	(1,499)	2,176	1,041	(127)	(731)	(768)	3,864	(3,850)	(1,242)	2,692	572	(392)	(4,511)	363	(1,275)	224
Opening bank balance	936	936	936	3,112	4,153	4,027	3,296	2,528	6,391	2,541	1,299	3,991	4,563	4,171	936	936	0
Closing bank balance	(563)	(563)	3,112	4,153	4,027	3,296	2,528	6,391	2,541	1,299	3,991	4,563	4,171	(339)	1,299	(339)	224
Ledger balances																	
Main accounts	0	0	2,166	2,607	2,553	1,834	1,442	5,847	2,173	1,120	3,207	3,402	3,694	(339)	1,120	(339)	(339)
Term Deposit accounts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Student Funds accounts	0	0	946	1,546	1,474	1,462	1,086	544	368	179	784	1,161	477	0	179	0	0
Subsidiary accounts	0	0	3,112	4,153	4,027	3,296	2,528	6,391	2,541	1,299	3,991	4,563	4,171	(339)	1,299	(339)	(339)
Loan balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

£550k transferred from main account to SSF account in Feb above until Apr to stop account going in to overdraft
£50k of VAT deferred into 2020/21 per Covid 19 arrangement of deferral

POLICY & RESOURCES COMMITTEE
18 AUGUST 2020
PAPER #



FOR INFORMATION			
Meeting	Policy & Resources Committee 18.08.20		
Presented by	Ann Landels		
Author/Contact	Marcus Walker	Department / Unit	Governance
Date Created	30.06.20	Telephone	-
Appendices Attached	<i>Appendix 1: Review of Committee Operation Form 2019/20 – Final</i>		
Disclosable under FOISA		Yes.	

REVIEW OF POLICY & RESOURCES COMMITTEE OPERATION 2019/20

1. PURPOSE

The Committee is asked to review its annual operation as part of the Board of Management's annual evaluation activity.

2. BACKGROUND

The attached Review of Committee Operation Form has been designed to align with the key principles of the Code of Good Governance: Oversight; Strategy-setting; Decision-making and Relationships.

3. DETAIL

The attached (Appendix 1) Review of Committee Operations Form is split into two parts.

Part 1 focuses on whether the Committee's operation has been compliant with its terms of reference and the Standing Orders over the course of the year.

The twelve questions in Part 2 seek to focus Members' thinking on how the Committee currently performs in relation to its performance monitoring and strategic roles, the effectiveness of its decision-making and its key relationships.

The same approach will be used for all committees, although some Part 2 questions may be less applicable to the Nominations and Remuneration Committees.

4. BENEFITS AND OPPORTUNITIES

The Review of Committee Operation provides an opportunity for committees to reflect on their practice and consider improvements going forward.

5. STRATEGIC IMPLICATIONS

All committees of the Board are required to review their operation and performance annually.

6. RISK

Failure to review committee operations and performance on an annual basis can lead to a risk of governance failure.

7. FINANCIAL IMPLICATIONS

Not applicable.

8. LEGAL IMPLICATIONS

Not applicable.

9. WORKFORCE IMPLICATIONS

Not applicable.

10. REPUTATIONAL IMPLICATIONS

Failure to ensure that good governance procedures are in-place may have reputational implications.

11. EQUALITIES IMPLICATIONS

Not applicable.

CONCLUSIONS/RECOMMENDATIONS

The Committee is asked to NOTE its 2019/20 Review of Committee Operation Form.

Review of Policy & Resources Committee Operation 2019/20 - Part 1

Membership	Y/N	Comments
<p>Has the Committee's membership been compliant with its terms of reference during the past year?</p>	Y	<p>The resignation of the Regional Chair, Sir Ian Diamond, on 30 October 2019 led to interim governance arrangements being implemented by the Board. The Vice Chair of the Board was subsequently appointed as Interim Chair of the Board and, in order to main continuity, it was agreed by the Board that the Interim Chair would remain as Chair of the Policy & Resources Committee.</p> <p>The Committee membership includes the Interim Chair and the Interim Vice Chair, plus the Chairs of the following committees:</p> <ul style="list-style-type: none"> - Audit & Risk Assurance Committee - Academic Council - Corporate Development Committee - Remuneration Committee <p>Sam Hogrefe, a non-executive member with legal expertise served on the Committee from March 2019 to May 2020.</p>
<p>Are there any skills gaps that the Committee would bring to the attention of the Policy & Resources Committee?</p>	Y	<p>The importance of HR matters both locally and nationally, and the need to develop the organisation and skills as the College deals with sector wide financial pressures and continues to drive forward the digital agenda.</p> <p>Additionally, following the departure of Sam Hogrefe from the Board on 08 May 2020, the Committee highlighted the need to recruit a new member with relevant legal expertise.</p> <p>N.B. The Board is currently seeking to appoint two new non-executive members with both HR and legal expertise.</p> <p>The Committee will continue to keep this matter under review.</p>

Has the committee met in accordance with its terms of reference and often enough to fulfil its remit?	Y	<p>The Committee convened four times in 2019/20, in each of the following months: August, November, February and May.</p> <p>Due to the Coronavirus pandemic leading to a nationwide lockdown and social distancing guidance, the May 2020 meeting of the Committee was held via Skype.</p> <p>The Committee is required by its terms of reference to meet (at minimum) on a quarterly basis.</p>
Have all meetings been quorate?	Y	All meetings have had at least four members in attendance.
Have pre-meetings assisted in the planning of Committee business?	Y	The Interim Chair, Chief Operating Officer and the Clerk to the Board met in advance of all scheduled P&R meetings to agree an appropriate agenda.
Have papers been issued sufficiently in advance of meetings?	Y	Papers are normally circulated five working days in advance of the Committee meeting. On occasions where urgent information has been requested, late papers have been tabled with the approval of the Committee Chair.
Have minutes and actions been distributed in good time after meetings?	Y	The minutes and actions of the meeting are monitored as a matter of course within the Committee cycle.
Are there any other points Members would like to raise?	N	No further comments were raised by members at the P&R Committee meeting on 19 May 2020.

Review of Policy & Resources Committee Operation 2019/20 - Part 2

Performance Monitoring Role

1. Is the Committee monitoring the KPIs it needs to in line with its remit or is there a need for review or change?

The Committee continues to monitor performance through the monthly Management Accounts which are considered at each meeting, and outwith the meeting are circulated to members (by the Clerk) on publication. The Management Accounts includes a Financial Performance Monitoring Template which outlines performance in the following areas: Credits, staff numbers (FTE), commercial & international contracts, cashflow/balance and Government Returns.

The Committee at every meeting receives a recruitment and retention update which includes a breakdown of performance against full-time, part-time and credit targets.

A 'Future Proofed College Update' has been received by the Committee at each of its meetings in 2019/20. The update outlines to progress of the College against the three transformational themes agreed by the Board, which build on the foundations and priorities set out in the College Blueprint 2017-22.

In addition to the areas of performance monitoring listed above the Committee has also regularly monitored updates on the HR dashboard, estates (inc. carbon emissions) and IT.

2. Does the Committee receive the information it needs to monitor performance effectively?

The Committee is content that it receives the information it requires to monitor performance effectively. As outlined above (Q1), the Committee receives performance information related to finance, human resources and the strategic blueprint, all of which are central to the Committee's remit.

3. Have there been any areas where the Committee has not been able to exercise its performance monitoring role effectively or where practice could be improved?

The Committee, in line with an outstanding action from a previous Internal Audit Report, agreed that a comprehensive set of KPIs covering all major areas of business should be presented to the P&R Committee and the Board. Finalised annual and quarterly KPIs, aligned to the Strategic Plan 2017/22, were approved by the Board on 30 March 2020, and (in line with its Improvement Plan) the Board at its meeting on 16 June will consider the monitoring of relevant KPIs by individual committees.

Strategic Role

4. How would the Committee define the key strategic issues within its remit?

The Committee received delegated responsibility from the Board in September 2017, to monitor developments related to the Strategic Plan 2017/22 and Blueprint 2017/22. Following Board agreement, three new transformational themes were proposed by the Principal to replace the College Blueprint. These three new themes comprised 'A Future

Proofed College', and the Principal has reported an update to each meeting of the Committee in 2019/20.

On 19 May 2020, the Committee received a 'Future Proofed College' Report from the Principal which highlighted the College's response to the Covid-19 pandemic and its potential impact on the college sector, and the wider region, going forward. Further to this, the Committee considered the immediate and future financial impact of the crisis on both the College and the sector.

In 2019/20, the Committee also considered (and recommended to the Board) the following new strategies: (i) the Digital Strategy; (ii) the Environmental Sustainability Strategy and; (iii) a Procurement Strategy 2019/20). The Committee agreed in November 2020 that an annual update on progress against key strategies within its remit would be presented to members - and that this would come forward to the first meeting of the academic year.

The Committee's strategic role also includes the preparation of the annual College Budget for approval by the Board. This is in addition to the monitoring of financial performance through the monthly management accounts.

The Committee receives a standing report on human resources and organisational development matters, and has maintained an overview of ongoing industrial relations at the College.

The Committee receives a regular reportage on matters relating to capital and infrastructure, and continues to monitor to College's strategy towards estates/infrastructure and how these areas relate to ongoing curriculum planning.

A Horizon Scanning Report was presented to each meeting of the Committee in 2019/20. The report highlights strategic matters which may impact on the College's strategic aims going forward.

5. In what ways has the Committee influenced strategy in its area of remit in the last year?

The Committee (and the wider Board) has actively participated in the development of the Digital Strategy and the Environmental Sustainability Strategy, and will continue to monitor progress against these strategies going forward.

Due to the cancellation of the Board Strategy Day in April 2020, in light of the coronavirus outbreak, the Committee has not had an opportunity to consider the development of a new Strategic Plan for the College.

6. Are there particular areas in which the Committee might improve practice in relation to its strategic role?

The 2019 Board Effectiveness Review outlined the need for the Board to develop a consistent approach to strategy development in order to ensure that members have final ownership of strategy approval. The Review suggested that this should include:

- Early Board engagement with the development of key strategies, with later versions brought back to the Board for a second view after further development;*
- Inviting opinion on a range of strategic options (and how these might be implemented) rather than feedback on a well-developed plan;*
- The function and role of committees in strategy development, particularly Policy and Resources.*

The Review highlighted that the many boards were now focussing on 'deep dives' on a single pillar of a strategy or strategic KPI at each meeting, therefore ensuring that each dimension of a strategy was considered in full. Further to this, the Review proposed that the P&R Committee undertake more detailed development/deep dive work, and considers the more demanding agendas of Board meetings.

Decision-Making

7. Has decision-making been "transparent, informed, rigorous and timely"¹ in the past year?

The Committee has exercised its authority in relation to the approval of tuition fees for the upcoming academic year.

The Committee has received appropriate papers relating to matters within its remit and deals with them in a timely manner.

8. Are there ways that the Committee could strengthen its practice in relation to decision-making?

The Committee is content with current arrangement and shall continue to keep this matter under review.

9. Are there examples that show how the student experience has informed and been central to the Committee's decisions?

The Committee sought assurances from the Executive that students were appropriately consulted with on tuition fees, prior to the approval of the 2020/21 fees.

Relationships

10. Has the Committee's relationship with the Board been effective in the past year, and are there any examples of where it could have been more effective?

The Committee, through its Chair, reports its minutes to each Board meeting along with papers on key items of Committee business which the Committee wish to bring to the Board's attention.

The membership of the Committee includes the Interim Chair of the Board and the chairs of the five Board committees.

11. Has the Committee's relationship with the Executive been effective in the past year, and are there any examples of where it could have been more effective?

Regular pre-meeting takes place with the Committee Chair, the Chief Operating Officer and the Clerk, where the agenda for the upcoming meeting is considered and agreed.

The Principal and Chief Operating Officer are invited to all meetings of the Committee, whilst additional members of the Executive and Senior Management Team may be invited to speak to specific items of business, for instance the Head of Finance and Head of HR & OD presenting the Finance Report and the Human Resources Report – respectively.

¹ This is a definition of effective decision-making given in the Code of Good Governance for Scotland's Colleges.

All papers presented to the P&R Committee are approved by the Executive Team prior to their circulation to Committee members.

12. Has the boundary between governance and management been effective in practice in the past year or are there examples of where it could have been more effective?

The Head of Communication, Policy & Research (/ Board Secretary) and the Clerk to the Board attend all meetings of the Policy & Resources Committee and provides reports and clarifications on matters of governance.

FOR INFORMATION			
Meeting	Policy & Resources Committee 19.05.20		
Presented by	Nick Croft		
Author/Contact	Nick Croft	Department / Unit	Corporate Development
Date Created	24 April 2020	Telephone	-
Appendices Attached	Appendix 1: Edinburgh College Horizon Scanning Report - Board of Management (Edition 8)		
Disclosable under FOISA		Yes	

EDINBURGH COLLEGE HORIZON SCANNING REPORT (EDITION 8) – COVID 19 PANDEMIC / ECONOMIC ANALYSIS AND RECOVERY

1. PURPOSE

This report seeks discussion on the College's eighth edition of the Horizon Scanning Report. As the Principal is presenting a detailed report on the impacts of the Covid 19 Pandemic on the College Sector and Edinburgh College business, this edition focusses specifically on impacts of the Pandemic on the global, national and regional economy. And, importantly, the Colleges role in planning for, and delivering, economic resilience and recovery.

2. MAIN REPORT

Background

Whilst it is acknowledged that the Covid 19 Pandemic is first and foremost a global economic crisis, which has led to large scale loss of life in many countries, with tragic consequences for many families and communities, this report focusses primarily on information relating to the global, national and regional economic impacts of the Covid 19 Pandemic.

It also indicates emergent work across Community Planning Partnerships in the region to develop 'Local Economic Recovery Plans' to address economic impacts, and the critical role the College is playing, and will play, in the development and delivery of such plans.

Global Analysis

As the College has numerous international connections, and the national and regional economy has many international links and dependencies, the Committee is encouraged to access global economic analysis from the following sources:

- United Nations - <https://www.un.org/en/coronavirus>
- Organisation for Economic Cooperation and Development - <http://www.oecd.org/coronavirus/en/>
- World Economic Forum - <https://www.weforum.org/agenda/archive/covid-19> and <https://www.weforum.org/agenda/2020/02/coronavirus-economic-effects-global-economy-trade-travel/>.

In summary, this analysis indicates that developed economies in China, USA and Europe will likely reduce by a third, and for every month of 'lockdown' arrangements, an estimated 2% of GDP growth will be lost.

In addition, there will be severe limitations to international trade and supply chains, instability in financial markets, growth in business failure rates and unemployment rates, and significant delays in research and innovation activity. In the developing world it is estimated that up to 0.5 Bn people may be plunged into poverty. Government and business borrowing and debt is also already at record levels, which will impact on tax receipts and public sector financing.

Whilst much of the analysis indicates the risks of a global recession and / or depression, some opportunities are identified for economic resilience, growth and renewal. For example, the benefit of coordinated crisis response actions between governments, businesses, and financial institutions, the opportunities to 're-boot' the global economy to be more sustainable, the need to accelerate the delivery of capital projects, and the need to drive forward digital innovation at a new scale.

National and Regional Analysis

With regard to national and regional economic analysis, the Committee can find relevant information at the following sources:

- Scottish Government - <https://www.gov.scot/news/covid-19-impact-on-scotlands-economy/>
- Office of Budget Responsibility – <https://obr.uk/coronavirus-reference-scenario/>
- Fraser of Allander Institute - <https://www.sbs.strath.ac.uk/feeds/news.aspx?id=2020>
- PWC – <https://www.pwc.co.uk/premium/covid-19/uk-economic-update-covid-19.pdf>
- New Economics Foundation - <https://neweconomics.org/campaigns/coronavirus-response>

Also, of specific interest is the recently published UK Governments five tests for lifting the 'lockdown' <https://www.bbc.co.uk/news/health-52374513>, and the Scottish Government's framework for lifting the 'lockdown' <https://www.gov.scot/publications/coronavirus-covid-19-framework-decision-making/>.

Both the UK and Scottish Governments acknowledge the risk of a 'W' shaped recovery, if 'lockdown' arrangements are removed and then re-introduced. In addition, the Scottish Government acknowledges the 'double hit' potential of BREXIT impacts, and the need to extend transition arrangements beyond the end of June 2020. In many aspects, the national and regional analysis mirrors that of the global analysis, and similarly indicates GDP falling by a third across Scotland and the rest of the UK.

In addition, differential impacts on different sectors are noted (aligned to labour market disruption, supply and service chain capacities, and product and service demand); as is a loss of productive capacity and export potential; increase in SME failure rates (around 70% of the Scottish economy consists of SMEs); big growth in unemployment (DWP in Scotland indicated 61,000 additional Universal Credit applications up to April 7 2020); and the longer term impacts on public finances (the UKG has to date borrowed £430 Bn, which equates to 20% of annual GDP).

Also of note is the significant local impact on the tourism (10% of the total Edinburgh economy) and hospitality sector, especially as a result of Edinburgh Festivals cancellation.

And, the recent Scottish Business Monitor reported that 51% of businesses had seen a reduction in the number of staff due to the pandemic, while 81% said they have reduced the number of hours staff are working.

Community Planning Partnership - Local Economic Recovery Plans

The Committee is being asked to note and consider the actual and proposed actions (identified at Appendix 1), developed in response to the economic impacts, and the important role the College is playing in developing and delivery such plans and actions.

3. BENEFITS AND OPPORTUNITIES

This report will enable the Board of Management and its committees to improve awareness of, and better respond to, the economic impacts of the Covid 19 Pandemic.

4. STRATEGIC IMPLICATIONS

All identified horizon scanning impacts, and local economic recovery actions, are well aligned to the five strategic aims of the Edinburgh College Strategic Plan 2017/22, and transformational themes of a 'Future Proofed College'.

5. RISK

This report will enable the College to better identify the economic risks arising from the Covid 19 Pandemic, which will be managed through the Top Level Risk Register (TLRR).

6. FINANCIAL IMPLICATIONS

Any financial implications for the College identified in this report will be managed by the Senior Management Team, and Executive Team.

7. LEGAL IMPLICATIONS

Any legal implications arising as a result of this report will be managed by the Senior Management Team, and Executive Team.

8. WORKFORCE IMPLICATIONS

Any workforce implications arising as a result of this report will be managed by the Senior Management Team, and Executive Team.

9. REPUTATIONAL IMPLICATIONS

The College's staff, students, and stakeholders expect the College to have good governance and management arrangements in place to respond to, and recover from, the Pandemic, and for the College to play its part in economic recovery.

10. EQUALITIES IMPLICATIONS

Any equalities implications arising as a result of this report will be managed by the Senior Management Team, and Executive Team.

RECOMMENDATIONS

The Committee is recommended to NOTE the implications for the College arising from the report.

COVID 19 PANDEMIC – PROPOSED LOCAL ECONOMIC RECOVERY PLAN ACTIONS**1. Background and context**

As indicated by the global, national and regional economic analysis in the main report, local Community Planning Partnerships are beginning to develop multi-agency Local Economic Recovery Plans in response to such analysis.

These plans are being appended to existing Economic Development Strategies, all of which were developed and agreed before the Covid 19 Pandemic.

Each plan broadly follows the same structure, indicating a range of actual and proposed multi-agency actions across four phases:

1. Crisis response actions – actions during ‘lockdown’ arrangements.
2. Short term actions – actions in the three months following the phased lifting of ‘lockdown’.
3. Medium term actions – actions three to six months following the phased lifting of ‘lockdown’.
4. Long term actions – actions after six months following the phased lifting of ‘lockdown’.

The range of actual and proposed actions are indicated below. This is not a definitive list, and further actions will emerge over time:

Phase 1 - Crisis Response Actions**Action 1 - Leadership, Governance and Partnership**

Utilising existing CPP economic development partnerships to provide leadership, governance and partnership working, working closely with CPP Boards and City Region Deal Boards, with the following members:

- Local Authority Economic Development Service, Planning Service and Trading Standards
- Business Gateway Service
- Federation of Small Businesses
- Edinburgh Chamber of Commerce
- Skills Development Scotland
- City Region Deal (PMO Manager)
- The Third Sector Interface
- Edinburgh College
- Universities in Edinburgh (TBC)
- Scottish Enterprise
- Tourism Representatives
- DWP and Scottish Social Security Agency
- Visit Scotland
- Banks (TBC)
- Individual agency communication and marketing teams
- HMRC

The above groups and partnerships are also working closely with the National Leadership Group, recently established by the Scottish Government, to coordinate the national response to economic

recovery. Specifically, local CPPs are engaging in discussion on new funding streams to stimulate business and economic activity post 'lockdown'.

Action 2 - Government Business Support

The above partnerships are utilising all communication channels to promote awareness of, and access to, UK and Scottish Government business and third sector support. In addition, they are monitoring the take up of such measures across the region, and recording the impacts of such measures. The range of business support measures are indicated at: <https://www.edinburghchamber.co.uk/covid-19-business-support/>

Action 3 - Unemployment Support

The DWP is processing new benefit applications ASAP, continues to report benefit take up, and continues with measures to maximise benefit income (e.g. reducing statutory payments or fines from benefit payments). The DWP is working with SDS, the College and Universities to improve awareness of job, and training and educational, opportunities for those out of work.

Action 4 - Urgent Labour Supply Issues - Agricultural + Health and Social Care Sector Opportunities

Partnerships are working with 'Option A' and 'Scottish Rural Network' to encourage benefit claimants, school leavers and ex-college and university students to take up seasonal employment opportunities in agricultural and food production sectors. In addition, work with the three local Health and Social Care Partnerships is underway to recruit new staff to meet labour supply shortages in the health and social care sector.

Action 5 - Skills Development Scotland (SDS) - My World of Work Jobs Hub

All agencies are promoting awareness of the national SDS Jobs Hub as the national portal for many employment opportunities.

Action 6 - School Pupils (S4, 5 + 6)

Specific plans for the above pupil cohorts are being developed to ensure as many as possible go onto positive destinations. This includes actions to encourage leavers into sectors where there are labour supply shortages, retain pupils into S5 and S6 to improve grades or study new subjects, expand the Virtual Learning Environment and on-line learning and teaching offer at schools, colleges and universities (enabling wider access to such resources), and, expanding the Schools College Partnership Programme.

Phase 2 - Short Term Recovery Actions

Action 7 - Sectoral Phased Return to Work (RTW)

Sector RTW decisions will be made by the UK and / or Scottish Government, in line with their respective tests and frameworks.

The experience of other EU countries indicates that if sectors are to RTW there will be demands for social distancing measures, PPE, additional travel to work requirements, an assessment of the availability of relevant supplies, services and workers, and assessments of demand for products and services.

None of the above has precluded each partnership considering and planning for a sector by sector phased RTW programme, based on the above assumptions and categories. As each sector returns, it will be incumbent upon the College to link ex-students, and prepare new students, for entry into these sectors that return and recover. Of specific note, will be the extent to which sectors recruit and retain apprenticeships and provide college student placements.

Action 8 - Targeted Business Gateway Support + College Commercial Team

Business Gateway services are delivering targeted support programmes to surviving businesses, and emergent start-ups, which include 1:1 coaching sessions, diversification opportunities, and others. Business contact data will be shared by HMRC, Chamber of Commerce, FSB, and Trading Standards. The College Commercial Team is already in discussion with Business Gateway Services to ascertain the possibility of co-location of staff members, to better coordinate the offer to the business sector.

Action 9 - Third Sector Support

Each Third Sector Interface is mapping out COVID 19 impacts on third sector activity, and is devising and delivering a SG funded third sector support and recovery programme. A specific focus is being placed on expanding the social enterprise sector in partnership with the College and local and national social enterprise bodies.

Action 10 - Partnership Action for Continuing Employment (PACE)

SDS is leading partnerships to establish and deliver relevant PACE initiatives and improve awareness of the national PACE support service, with a specific focus on sectors and organisations where there have been large scale redundancies:

<https://www.skillsdevelopmentscotland.co.uk/what-we-do/employability-skills/partnership-action-for-continuing-employment-pace/>

Action 11 - Public Sector Procurement, Supply Chain and Community Benefit

Public sector procurement, supply chain and community benefit project is being accelerated, with potential positive impacts on community benefit programmes, and support for apprenticeships in relevant sectors.

Action 12 - Upskilling, Reskilling, FE and HE Programmes

Edinburgh College and Universities, plus other training providers, continue to deliver marketing and communications recruitment activities for AY 2020/21, to target school leavers, and those who are unemployed. Social media channels will be utilised more widely. There will likely be additional SG funded programmes for Colleges and other partners, to address high levels of unemployment. In addition, there may be an increase in FT college applications, as witnessed after the last major economic recession in 2008.

Phase 3 - Medium Term Recovery Actions

Action 13 - Construction and Trades Sector RTW

Construction and trades sector to RTW relatively quickly, with proposed accelerated housebuilding and modernisation programmes, linking closely to construction and built environment educationalists, and trade bodies, to ensure qualified labour supply. Local authority planning and

building standards processes may accelerate to enable more development consents to be approved. And, the City Region Deal IRES construction work stream will be critical.

Action 14 - Retail + Hospitality Sector RTW

This sector return will depend on the extent of social distancing advice. When this sector does RTW, it may be phased, and at this point relevant businesses to be encouraged to re-start furloughed staff and recruit new staff, for defined start dates for city centre and town centre recovery. City Centre / Town Centre proposed phased recovery plan maybe comprise a phased approach to welcome back residents and visitors to city centre and town centres across a range of dates. Marketing plans to be developed accordingly. Retail and hospitality businesses to help co-produce such plans.

Action 15 - New Business Start Ups

Develop and deliver large scale information and support programme to enable start-ups in SME sector through Business Gateway. Align start-ups to the revised SDS regional skills assessment and new opportunities related to the digital sector, on-line service sector, and sustainable economy sector. Engage with banks and other local financial investment institutions to coordinate activity.

Action 16 - Service and Product Innovation

Universities and College to map out their respective business service and product innovation projects that were stalled due to the Coronavirus Pandemic, and to re-energise and re-fund innovation activity. Engage with banks and other local financial investment institutions to coordinate activity.

Action 17 - Flexible Workforce Development Fund (FWDF)

The College could deliver a new type of FWDF activity, in partnership with the Local Authority, Chamber of Commerce, Business Gateway and Federation of Small Businesses. Virtual Learning Environment (VLE) offer will be expanded by the College for local businesses and employers.

Action 18 - Revisit City Region Deal Strategic Objectives

Work with the City Region Deal Board to re-assess strategic priorities and funding streams to align to the post Covid 19 Pandemic economic needs.

Action 19 - Re-purpose ESF Programmes

Work to be undertaken with Scottish Government, SDS and the Scottish Funding Council to re-purpose ESF programmes to be more closely aligned to tackling unemployment.

Phase 4 - Long Term Recovery Action

Action 20 - Tourism Recovery Plan

Visit Scotland and Tourism Action Groups to develop a new three year tourism plan, to include:

- Short stay/day trippers from close to destination, e.g., Edinburgh city region, and Central Belt locations.
- 18 – 30 age group – feeling the effects of containment, groups seeking adventure/outdoor activities, day trips and overnights

- Families – seeking fresh air and outdoor activity cycling, walking, picnics
- Older couples – seeking change of scene, preference for self-catering
- UK marketing activities to encourage holidaying in the city region during summer 2021.
- Once international travel options become more readily available, develop new marketing and tourism plans to attract international visitors back to the city region.

Action 21 - Festivals Plan

For summer 2021 and beyond – a plan for the rebirth of the Edinburgh festivals, with a focus on maximising benefits across the city region.

Action 22 - Developing New Sectors

Digital sector development and sustainable economy sector development to be accelerated through new start-ups and business diversification. Edinburgh University Futures Institute to play a leading role, alongside City Region Deal DDI work stream. Engage with banks and other local financial investment institutions to coordinate activity.

Action 23 - Renew the SDS Regional Skills Assessment

Develop and publish a new regional skills assessment to inform economic growth activity post the ST and MT phases.

POLICY & RESOURCES COMMITTEE
19 MAY 2020
PAPER D



FOR INFORMATION / DISCUSSION			
Meeting	Policy & Resources Committee 19.05.20		
Presented by	Jonny Pearson		
Author/Contact	Jonny Pearson	Department / Unit	Executive
Date Created	29.04.20	Telephone	
Appendices Attached			
Disclosable under FOISA		Yes	

RECRUITMENT AND RETENTION DASHBOARD

1. PURPOSE

This paper aims to provide the Policy & Resources Committee with an updated overview of the College's performance against its 2019/20 Activity Target.

The figures in this paper are accurate as of 29 April 2020.

2. BACKGROUND

For academic year 2019/20 the Edinburgh College activity target is **187,947** credits. This is comprised of:

Core Credits	ESF Credits	Total Credits
186,612	1,335	187,947

As in previous years, the College is required to achieve its core credits (186,612) before we are able to claim the 1,335 ESF credits.

In addition to this, SFC have given us a target of achieving 6,639 Early Years credits (from HNC and SVQ Level 3 programmes) as part of the 186,612 core. As of 29 April 2020 we have achieved a total of 6,132 EY credits from SG targeted programmes.

3. DETAIL

The current credit position of the College is 182,909.

As a result of the Covid-19 Global Pandemic, Edinburgh College ceased face-to-face teaching on 20 March 2020. At that point we were on target to achieve our Activity Target for the fourth successive academic year. As a result of the pandemic we have been unable to deliver all new credit-bearing activity with a course start date later than 20 March 2020. The effects are shown in the table below:

Faculty	Credit Target	Current Credits	%Target Reached	Planned Credits (Undelivered)	Projected Total Credits
CI	43,932	43,790	99.6%	323	44,113
EBE	39,258	38,521	98.1%	2,195	40,716
HWSS	54,257	52,735	97.1%	1,134	53,869
THA	50,500	47,863	94.7%	1,671	49,534
Total	187,947	182,909	97.3%	5,323	188,232

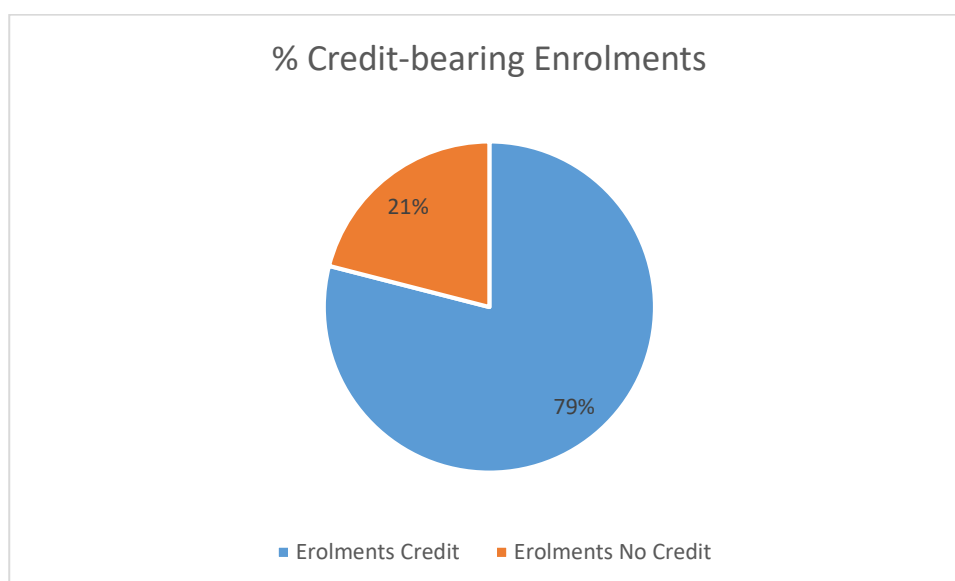
The table below shows our recruitment and retention year-on-year comparison with 29/04/2019:

Academic Year	Enrolled	Early Withdrawal	EW%	Credits
2018/19	26,765	1,142	4.3%	185,467
2019/20	28,032	1,109	3.9%	182,909

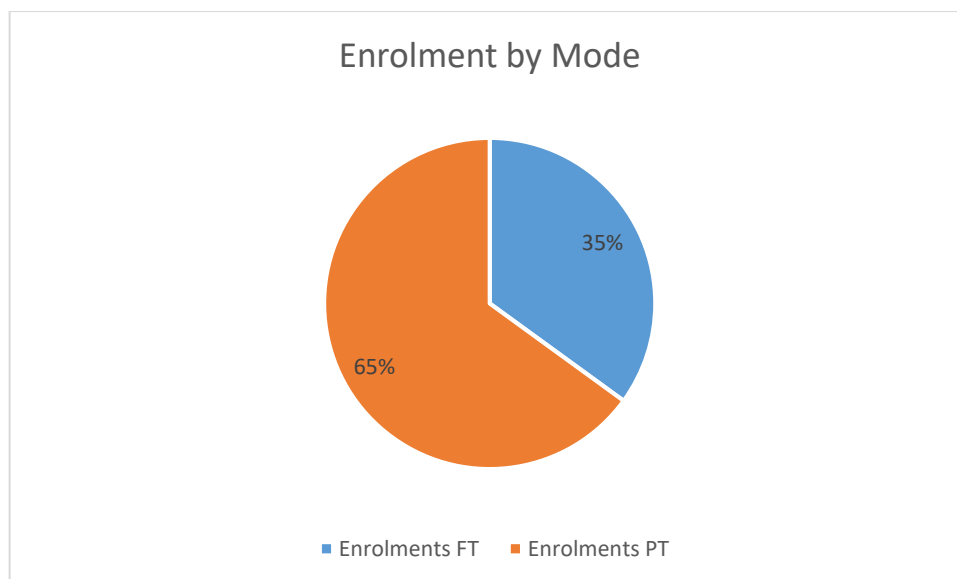
The main reason we have accrued less credits with more enrolments in 2019/20 is the 8% year-on-year decrease in the number of full-time HE students recruited (299 fewer than in 2018/19).

2019/20 Enrolment Data

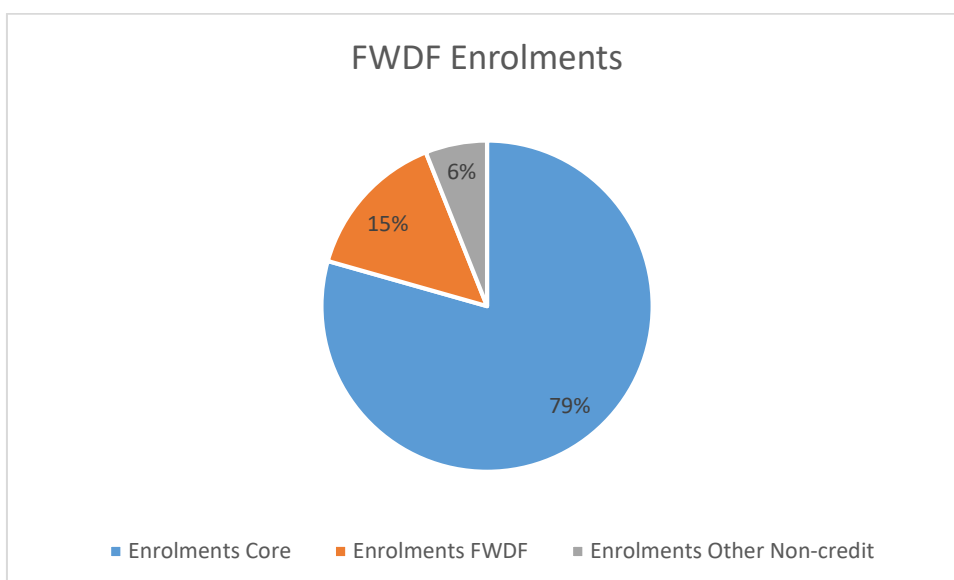
Current Total Enrolments = **28,032**



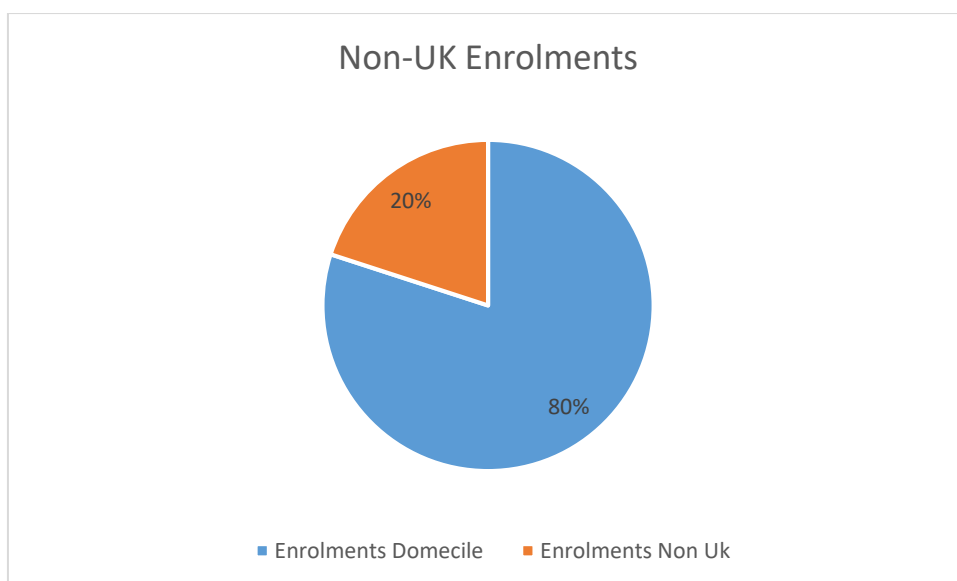
Of the 28,032 enrolments just 22,225 or 79% are on credit-bearing courses



Of the 28,032 enrolments just 9,831 or 35% are full-time (our highest credit tariff courses).



Of the 28,032 enrolments 4,083 or 15% are on FWDF funded programmes.



Of the 28,032 enrolments 5,686 or 20% are non-UK students. They account for 24% of our credit total.

Summary of Key Facts AY 2019/20 affecting achievement of Activity Target

- 21% of total enrolments are on non-credit bearing courses;
- 65% of enrolments are part-time meaning they accrue less credits per enrolment;
- 8% drop, year-on-year, in the number of FT HE students. This has an adverse effect on both the activity target and the SAAS budget;
- Covid-19 preventing the delivery of credit-bearing courses that were due to commence on, after 20 March 2020.

2020 / 2021 Full-time Recruitment

Academic Year	Applications	Offers	Accepted Offers
2019 / 20	13,307	6,351	5,278
2020 / 21	13,251	8,877	7,321

As can be seen from the table above, in a direct comparison with this time last year, we have:

- 56 less applications - a 0.4% decrease;
- 2,526 more offers made - a 40% increase;
- 2,043 more offers accepted - a 39% increase.

The increase in offers and accepted offers is due to the outstanding work done by the Student Records team during lockdown. It also offers an excellent learning experience and provides us with the opportunity for further positive change to the recruitment process moving forward.

4. BENEFITS AND OPPORTUNITIES

In the unique and trying circumstances provided by the Covid-19 Global Pandemic we have been forced to change the way we work. Whilst this has been challenging on many fronts it has also provided us, as an Institution, with an excellent opportunity to learn and try and 'do things differently'. I have no doubt that we will be able to use this as an opportunity to become even more student focused and much more efficient.

5. STRATEGIC IMPLICATIONS

The impact of Covid-19 moving forward is yet to be fully seen. Executive colleagues are leading detailed work-streams planning for all eventualities in the coming academic year(s).

6. RISK

Risks relating to recruitment and retention will be updated accordingly on the Top Risk Register.

7. FINANCIAL IMPLICATIONS

Bodies fundable by the SFC are required by the Financial Memorandum to deliver their outcome agreement. Failure to achieve targets agreed with the SFC may result in financial clawback.

8. LEGAL IMPLICATIONS

Not applicable.

9. WORKFORCE IMPLICATIONS

Unknown at present but Workforce Development is a key strategic project.

10. REPUTATIONAL IMPLICATIONS

Achieving this level of continued growth improves our reputation and helps both the Scottish Government and the SFC have confidence in the direction of travel of Edinburgh College.

11. EQUALITIES IMPLICATIONS

Not applicable.

CONCLUSIONS/RECOMMENDATIONS

The Policy & Resources Committee are asked to NOTE the information provided by the Vice Principal Skills & Education.

