![Edinburgh College logo]

BOARD OF MANAGEMENT

AGENDA

A meeting of the Board of Management will be held at 14:00 hours on Tuesday 11 June 2024 in the Boardroom, Milton Campus.

		Lead Speaker	**Paper**
1.	WELCOME & APOLOGIES	Chair	
2.	DECLARATIONS OF INTEREST	Chair	
3.	MINUTES OF THE PREVIOUS MEETING *for approval*	Chair	**A**
4.	MATTERS ARISING REPORT		
	4.1 Matters Arising Update	Chair	**B**
	4.2 Voluntary Severance Scheme Business Case Update	Chair	Verbal
5.	CHAIR'S REPORT	Chair	Verbal
6.	PRINCIPAL & CHIEF EXECUTIVE REPORT	A Cumberford	**C**
7.	FOR APPROVAL		
	7.1. INDICATIVE COLLEGE BUDGET 2024/25	A Williamson	**D**
	7.2 2024/25 BOARD IMPROVEMENT PLAN	Chair/ M Walker	**E**
	7.3 RISK APPETITE STATEMENTS REVIEW	S Cook/ A Williamson	**F**
8.	FOR DISCUSSION		
	8.1. EDINBURGH COLLEGE STUDENTS' ASSOCIATION		
	8.1.1 ECSA Impact Report 2023/24	S Marriner/ L Morrison	**G**
	8.1.2 ECSA Budget & Planning Report 2024/25	A Wilson	**H**
	8.2. COMMITTEE BUSINESS		
	8.2.1 Planning & Resources Committee		
	• P&R Committee Annual Report 2023/24	A Killick	**I**
	• Management Accounts Summary to April 2024	A Williamson	**J**

| | | • | Recruitment, Retention & Credits Dashboard | J Pearson | **K** |

    8.3.   GOVERNANCE REPORT

		•	Governance Update	M Walker	**L**
		•	Board Annual Appraisals Report 2024	Chair	**M**
		•	Evaluation of the Chair Report 2024	A Killick	**N**

9.   ANY OTHER COMPETENT BUSINESS

| 9.1. | Ambassador Award Nominations 2024 | Chair | Verbal |
| 9.2. | Board Reflections / Feedback | Chair | Verbal |

10.   CLOSED ITEMS OF BUSINESS

| 10.1 | Remuneration Committee Minutes 10.05.24 | I McLaughlan | **O** |
| 10.2 | Remuneration Committee Minutes 07.06.24 | I McLaughlan | **P** |

11.   FOR INFORMATION

11.1.	Planning & Resources Committee Minutes 16.05.24	**Q**
11.2.	Learning, Teaching & Student Experience Committee Minutes 17.05.24	**R**
11.3.	Audit & Risk Assurance Committee 22.05.24	**S**
11.4.	Corporate Development Committee Minutes 28.05.24	**T**
11.5.	Nominations Committee Minutes 07.06.24	**U**
11.6.	Health & Safety Summary to May 2024	**V**

12.   FOR CIRCULATION

    12.1.   [Top Level Risk Register May 2024](#)
    12.2.   [Board of Management: Agenda Planner 2024/25](#)

13.   DATE OF NEXT MEETING: TBC

BOARD OF MANAGEMENT
11 JUNE 2024
PAPER C

Edinburgh College

Title	Principal & Chief Executive Report
Appendices	None.
Disclosable under FOISA	Yes ☐ / No ☒
Primary Contact	Trish Hanlon, Executive Development Manager
Date of Production	04.06.24
Action Required	For Approval ☐ / For Discussion ☒ / For Information ☒
Aligned to Strategic Risk	Yes ☒ / No ☐ *(If 'yes' please complete Section 5.3)*

1.   **RECOMMENDATIONS**
        The Board of Management members are asked to NOTE the content of the paper and
        DISCUSS - as required.

2.   **PURPOSE OF REPORT**
        To provide the Board of Management an update on College developments not covered
        elsewhere on the agenda.

3.   **KEY INSIGHTS**

        3.1   Introduction

        On 1 May 2024, Board members met with the Executive and Senior Management Team
        to discuss wider collaboration within our Regional Economic Partnership (Edinburgh &
        SE City Deal); regional planning and delivery; models of regional collaboration; and the
        opportunities for Edinburgh College and partners.

        The Board and senior team were welcomed to the City Chambers by Paul Lawrence,
        Executive Director of Place at City of Edinburgh Council & Senior Responsible Officer
        for the Regional Prosperity Framework. In addition to the Executive Director, three
        leading figures involved with the City Region Deal and wider collaboration, skills
        planning and delivery across the region were invited to speak during the morning
        session.

        The afternoon session focused on the work being undertaken by the sector before
        addressing three challenge questions to help frame how we move forward.

        • **What strengths does Edinburgh College bring to a regional collaborative
          model?**

        • **What are the key benefits and opportunities of the city deal collaborative
          approach, to EC and to the wider collaboration? What success outcomes and
          impacts would we expect to be delivered by a different model?**

- **Risks – going it alone vs collaboration (whatever form that might take)? Is anything off the table in terms of exploring what model of collaboration(s) we would want to actively pursue? A passive approach would lead to what?**

It was agreed that we continue to work with partner colleges to explore opportunities for models of collaborations, skills planning and skills delivery across the wider economic region. This is likely to focus on what is achievable in the short, medium, and longer term. As we explore and develop potential approaches it was emphasised that we consider these through a risk lens.

3.2   People & Culture

Further to previous updates on the HIVE staff survey, all staff have now received the summary of the headline findings available to all staff Edinburgh College Staff Survey 2023/24 - Headline Report and access to the full findings of the survey Hive intranet page, along with further information about this element of our People & Culture programme.

The survey provides us with a College wide perspective but also gives staff the opportunity to dig a bit deeper into the findings by teams and departments – likewise for other groupings such as campus location and so on.

Hive's analysis of the key drivers of engagement and free text comments that you provided in the survey revealed 3 main themes emerging from the data:

- Confidence in the Future of the College
- Work-Life Balance
- Inclusivity

All of these themes appear to play a crucial role in the experience of staff across the College and the analysis also demonstrated that these themes interweave and impact on one another at both the College wide level and at team level.

We have set up a **Collective Action Programme (CAP).** At the College level we aim to establish Action Working Teams across our campuses. These teams will involve staff volunteers and will ultimately be responsible for developing priority actions and developments that we implement to evolve our College wide culture i.e. what do we need to do and how?   We have asked staff at all levels to volunteer to join the 4 campuses groups and will SMT members have been attached to groups to ensure feedback is captured, monitored and progressed.

Secondly, we will take a similar approach at Team level**.** The survey has gleaned a significant amount of information at 'team' level. The full report responses from teams vary across the College which is not unexpected. Going forward it will be important that staff have the opportunity, with colleagues and managers, to identify improvement changes that need to happen at team level. A series of Action Planning workshops with managers have been organised for May and June to ensure we support managers and get the most out of the more detailed team level analysis.

The staff who attended the recent roadshow sessions indicated there was a strong appetite for staff and teams to have the opportunity to contribute ideas – however small – on how we address the financial challenges we face.

A number of staff have now volunteered to join the Campus groups which will be chaired by an SMT member, and the first meetings take place in June. Arrangements are being put in place for staff to receive regular updates from the groups via a blog; and updates will also be provided at SMT and Executive meetings to ensure progress is being monitored. Staff suggestions have also been received and will be considered and discussed with staff.

Plans are being finalised for an All-Staff Development week on return from the summer break. This will not only give staff the opportunity to meet up but learn about new developments in the College. I will also be addressing all staff to provide an update on the financial situation.

3.3 Voluntary Severance Scheme

The Voluntary Severance Scheme closed to applicants on Friday 31st May. At the time of writing this report c100 requests for quotes had been submitted and 52 applications were received. The Executive met on 31st to consider the applications with final decisions confirmed by Thursday 6th June.

A verbal update will be provided at the Board June meeting and will include financial implications and impacts on the savings required.

3.4 SFC Credit price inequity meeting

Following my letter to Karen Watt, SFC CEO on the 3rd May setting out our concerns regarding the inequity of the current credit pricing model a meeting was scheduled on the 16th May between our respective Executive teams.

This was a lengthy meeting which culminated in SFC recognising the impacts of receiving the lowest credit price in the sector and the additional financial consequences regarding the additional savings that have been made by the College over a number of years. This amounts to an additional £20m.

SFC confirmed: a new funding model and method for distribution was required; and there is no transition funding to enable change.

SFC recognised the growth and growth potential in our region. The SFC also acknowledged the work we had done to date to reshape the offer, aligning provision to regional demand.

No decision was taken at the meeting by SFC other than to confirm they would reflect on our discussion and get back to us. To date we have not received any communication other than the sector wide communication issued by SFC on the 30th May setting out the final budget allocations and activity targets for colleges. This circular confirmed **no changes from the indicative allocations.** College Final Funding Allocations 2024-25 - Scottish Funding Council (sfc.ac.uk)

More recently I am meeting with colleagues in the sector. Specifically, the three Glasgow Colleges and NESCOL to explore the possibility for a joint approach to both SFC and Scottish Government.

In the absence of any decisions or action from the SFC it is our intention to formally approach regional Politicians and Scottish Government directly to ensure a clear understanding of the impacts on our College.

I also intend to request this is considered as a key business item at a CPG meeting.

3.5 National Bargaining – 2022/23

National Joint Negotiating Committee (NJNC) – Side Table (Lecturing)

The NJNC – Side Table (Lecturing) met on Wednesday 29 May 2024. An update on key items discussed at the meeting are set out below:

Pay Claim

Following extensive discussions at an extraordinary CES meeting held on Tuesday 28 May 2024, the management side advised the EIS-FELA that it welcomed the revised four-year pay claim presented and confirmed its willingness to discuss the fourth year (2025/26).

The management side recapped the EIS-FELA claim and its response on the following areas:

- **Full implementation of Circulars 04/18 and 02/21** – the management side encouraged the EIS-FELA to continue collaborative discussions with the support staff trade unions to reach a consensus on Circular 02/21.

- **EIS-FELA's demand for a guarantee of no compulsory redundancies for academic staff –** the management side clarified that while providing such a guarantee remains challenging, it is committed to revising the job security provisions previously discussed with EIS-FELA to better reflect current needs.

- **Reimbursement for deducted wages due to strike action** – the management side remained firm on its position that reimbursement for strike days would not be considered.

The management side requested that following a commitment from the employers to move forward on negotiating year four, that the EIS-FELA consider balloting its members on the current full and final three year offer to get money to staff members whilst we negotiate on year four.

Following an adjournment, this request was rejected by the EIS-FELA.

During the adjournment, the management side agreed to verbally offer 1% pay uplift for AY 2025/26 as a specific and tangible figure for the EIS-FELA to consider.

The management side verbally offered 1% which the EIS-FELA compared to its current claim of approximately 6.2% for year four, and the teachers' claim of 6.5%, and stated that 1% is not enough and that it was not deemed as a serious offer. The EIS-FELA also stated that the fourth-year offer had to be more than the current year three offer (£1,500).

The management side advised that with no guaranteed funding for year four, it was unable to increase the 1%.

Following lengthy discussion, the EIS-FELA advised it needed action from the Scottish Government and it would not accept what was on the table.

The next scheduled meeting is Thursday 13 June 2024, although a further meeting will be reconvened as soon as possible.   EIS, at this stage were not willing to suspend strike action and have since increased the days for strike action in June.   Planned strike days between May and June are noted below:

May: 20, 23, 28, 30, 31
June: 3, 4, 5, 7, 11, 12, 13, 14, 17, 19, 20, 21, 24, 25, 27, 28

On 30 May 2024, Graeme Day, The Minister for Higher and Further Education; and Minister for Veterans made a statement in Parliament on industrial relations in the FE sector.   You can watch here:

https://www.scottishparliament.tv/meeting/ministerial-statement-industrial-relations-in-the-further-education-sector-may-30-2024

Support side

The management side advised the staff side of the decision made at the CES meeting on Tuesday 7 May 2024, to table a revised three-year offer to the support staff trade unions taking on board areas discussed with UNISON during informal discussions.

Following lengthy discussions and several adjournments, the management side formally issued the revised offer (**attached**) which now includes a specific date – 31 August 2024 – relating to the period of no compulsory redundancies. The only movement made by the management side in the offer was to extend the parity clause to include job security.

This offer was put to union members and strike action was suspended. The ballot closed at 5pm on Thursday 31 May 2024 and members overwhelmingly voted to accept the pay offer. GMB and UNITE had already accepted the offer.

Arrangements are now being put in place to ensure staff receive their pay uplift and back pay.

3.6   Education and Skills Reform Ministerial Group

The Chair and Chief Executive of Colleges Scotland both received a letter in March informing the sector of a new Education and Skills Reform Ministerial Group being established and chaired by the Cabinet Secretary for Education and Skills, and the Minister was seeking our assistance in nominating a suitable college principal to represent the views of the college sector on the group.

It is proposed that this group would meet quarterly, with the purpose of this new group to provide a forum for Ministers to:

- seek views from sector professionals and independent experts on the opportunities and challenges that currently exist within the education and skills sector.
- seek views on specific proposals, to test ideas and inform the approach to reform.
- directly update on progress and seek support to inform and aid the implementation of reform.

Liz Connelly, Principal at West College Scotland will represent the Colleges Scotland board and sector on this group and regular updates will be provides to Chairs and Principals.

Whilst the letter states that other routes will continue for receiving input on reform from the wider college sector, given that chairs and principals have collectively worked on the reform piece up to this point, Colleges Scotland has approached the Minister to seek a further place on the group for representation of a college chair.

3.7 Scottish Technology Ecosystem Review Implementation

Colleges Scotland will shortly write to Kate Forbes, Deputy First Minister following the Education, Children and Young People Committee on 29 May 2024 which discussed the need to need to have greater provision of computing science in schools to meet the growing demand for upskilling and reskilling in the tech sector.

A draft of the letter is available to view **here** (for information), along with positive examples from Edinburgh College to be used in the letter (see **here**) .

3.8 Colleges Scotland Conference

Colleges Scotland hosted its annual conference on 24 April, held at City of Glasgow College. Chairs, Principals, Board members and senior staff attended along with business leaders and representatives from the third sector.

Speakers included Jamie Genevieve, college graduate and founder of Vieve, Professor Dave Reay, Co-Chair of Scotland's Just Transition Commission, Professor John McKendrick, Scotland's Fair Access Commissioner, and Louise Murphy, senior economist at the Resolution Foundation.

Cabinet Secretary for Education & Skills Jenny Gilruth attended in place of the First Minister.

The key themes of the day covered: Climate change; equality; the economy and entrepreneurship; and the vital role colleges play in industry.

3.9 Colleges Scotland Board – Chief Executive report

The Colleges Scotland Board's *Chief Executive Report (January to March 2024)* is available to view **here.**

3.10 Colleges Scotland General Election Manifesto

On 21 May, Colleges Scotland published its General Election Manifesto, which is available to view on its website: https://collegesscotland.ac.uk/news/latest/557-general-election-manifesto

3.11   Key Performance Indicators: PowerBI Dashboard

The Key Performance Indicators agreed by the Board of Management are available to view through the College's PowerBI Dashboard. The Dashboard is updated regularly when relevant outcomes are published and can be viewed by members of the Board at any time.

A verbal update on progress against KPIs will be provided to the Board by the Vice Principal Innovation, Planning & Performance on 11 June 2024.

4.   IMPACT AND IMPLICATIONS
Details contained in the report impact on staff and students and being addressed at Executive and Senior management levels on a regular basis.

5.   ALIGNMENT TO STRATEGIC PLAN / KPIs / RISK REGISTER

5.1   Alignment to Edinburgh College Strategic Pillars *[Indicate with an 'X' which Strategic Pillar this paper supports]*:

Curriculum Strategy	☒	Finance Strategy	☒	People Strategy	☒
Commercial Strategy	☐	Digital Strategy	☐	Other	☐

5.2   Relevant Key Performance Indictors *[Indicate with an 'X' which performance indicators this paper supports]*:

Student Success	☐	Credit Target	☐	Equality, Diversity & Inclusion	☒
Student Satisfaction	☒	Adjusted Operating Position (AOP)	☐	Staff Costs	☒
Student Retention	☒	Non-SFC Income	☐	Staff Engagement	☒
Student Enrolments	☐	Gross Carbon Footprint	☐	Partner Engagement	☒

5.3   Alignment to the Top-Level Risk Register *[Strategic risk information should be copied directly from the most recent TLRR]*:

Strategic Risk(s)	Risk Score*		
(1) NATIONAL BARGAINING IMPACT ON COLLEGE OPERATIONS	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
	5	5	25
	Residual (Net) Risk		
	Probability	*Impact*	*Score*
	5	5	25
	Movement (since last review)		⟺

Risk Score Key: 0-10 Low Risk; 11-15 Moderate Risk; 16-25 High Risk. [Further information on risk scoring can be found in the EC Risk Management Policy & Procedure]

Edinburgh College

Title	Board Improvement Plan 2024/25
Appendices	Appendix 1: Draft Board Improvement Plan 2024/25
Disclosable under FOISA	Yes ☒ / No ☐
Primary Contact	Marcus Walker, Board Secretary
Date of Production	30.05.24
Action Required	For Approval ☒ / For Discussion ☒ / For Information ☒
Aligned to Strategic Risk	Yes ☐ / No ☒ *(If 'yes' please complete Section 5.3)*

1.   **RECOMMENDATIONS**
      To provide the Board of Management with an opportunity to CONSIDER and,
      APPROVE the 2024/25 Board Improvement Plan.

      If approved, both the *2024 Board Effectiveness Review Report* and the *2024/25 Board
      Improvement Plan* will be submitted to the Scottish Funding Council and then published
      on the College's website.

2.   **PURPOSE OF REPORT**
      As require by the Code of Good Governance, all Scottish colleges must undertake a
      governance effectiveness review every 3-5 years. Edinburgh College submitted its last
      Effectiveness Review and accompanying Improvement Plan to the SFC in March 2020.

      On 26 March 2024, the Board of Management approved its 2024 Board Effectiveness
      Review Report, as presented by Advance HE. Further to this, the Board agreed that a
      Board Improvement Plan Working Group should convene to consider the
      recommendation with the Board Effectiveness Review Report and their prioritisation.

      For information, as previously agreed by the Board of Management in December 2023,
      the recommendations arising from a short-life Equality, Diversity & Inclusion Working
      Group were also be considered within the development of a draft Improvement Plan

3.   **KEY INSIGHTS**
      The Board Improvement Plan Working Group (consisting of Nora Senior, Alex Killick,
      Stewart Darling, Liz McIntyre, Skye Marriner and Bruce Cassidy) met on 14 May 2024
      and endorsed the attached *Draft 2024/25 Board Improvement Plan* (see **Appendix 1**) for
      consideration by the Board of Management on 11 June 2024.

      The Working Group noted that several actions relating to the Board's committee
      structure and its Key Performance Indicators (KPIs) were closely interlinked to the
      following Recommendation (Ref. 3.1):

      *"A working group of the Chair, committee chairs and Principal is established to review the
      Committee structure, with the aim to bring alignment with the College Strategy and
      Strategic Pillars and to provide clear routes to reporting and assurance through the
      structures to the Board of Management."*

It was subsequently agreed that, on 11 June 2024, the Board of Management would hold a Board session to consider potential options for its future committee structure. This *'Committee Structure Sprint Session'* is now in Board Members diaries and will be facilitated by the Vice Chair of the Board.

Based on the outcome of the committee structure discussion it is planned that a working group will take forward the points raised by the Board, with a view to new committee structure being adopted before the start of the academic year 2024/25.

4. IMPACT AND IMPLICATIONS
The implementation of robust self-evaluation / external validation process will ensure that governance arrangements are compliant with the Code of Good Governance.

5. ALIGNMENT TO STRATEGIC PLAN / KPIs / RISK REGISTER

5.1 Alignment to Edinburgh College Strategic Pillars *[Indicate with an 'X' which Strategic Pillar this paper supports]*:

Curriculum Strategy	☒	Finance Strategy	☒	People Strategy	☒
Commercial Strategy	☒	Digital Strategy	☒	Other	☒

5.2 Relevant Key Performance Indictors *[Indicate with an 'X' which performance indicators this paper supports]*:

Student Success	☐	Credit Target	☐	Equality, Diversity & Inclusion	☒
Student Satisfaction	☐	Adjusted Operating Position (AOP)	☐	Staff Costs	☐
Student Retention	☐	Non-SFC Income	☐	Staff Engagement	☒
Student Enrolments	☐	Gross Carbon Footprint	☐	Partner Engagement	☒

5.3 Alignment to the Top-Level Risk Register *[Strategic risk information should be copied directly from the most recent TLRR]*:

Strategic Risk(s)	Risk Score*		
Not applicable.	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
	-	-	-
	Residual (Net) Risk		
	Probability	*Impact*	*Score*
	-	-	-
	Movement		-

Risk Score Key: 0-10 Low Risk; 11-15 Moderate Risk; 16-25 High Risk. [Further information on risk scoring can be found in the EC Risk Management Policy & Procedure]

Edinburgh College

IMPROVEMENT PLAN: BOARD DEVELOPMENT

PROGRESS / EVIDENCE REVIEW

FOR REPORTING PERIOD UP TO JUNE 2025

Sponsor: Edinburgh College Board of Management / Chair of the Board

Lead: Board Secretary

May 2024

	1. STRATEGY & PERFORMANCE		OVERALL STATUS: IN PROGRESS		R	A	G

REF.	PRIMARY & SECONDARY RECOMMENDATIONS		ACTION(S) REQUIRED	TARGET COMPLETION DATE	RESPONSIBLE PARTIES	STATUS UPDATE / EVIDENCE COLLECTED	RAG STATUS
1.1	PRIMARY	An explicit link drawing through the Pillar Strategy KPIs to the success identifiers in the Strategic Plan.	• Information to be considered by Working Group (Ref 3.1 refers), to align with wider Cttee structure and KPI considerations.	September 2024	Chair / Committee Chairs / Principal / Board Secretary		
1.2	PRIMARY	Consideration of a smaller number of core KPIs for review by the Board of Management, including leading and lagging indicators.	• Information to be considered by Working Group (Ref 3.1 refers), to align with wider Cttee structure and KPI considerations.	September 2024	Chair / Committee Chairs / Principal / Board Secretary		
1.3	PRIMARY	A selection of KPIs are reported and reviewed at each meeting of the Board of Management, and all KPIs reported and reviewed in each year.	• Information to be considered by Working Group (Ref 3.1 refers), to align with wider Cttee structure and KPI considerations.	September 2024	Chair / Committee Chairs / Principal / Board Secretary		
1.4	SECONDARY	A strategy session is dedicated to the development of core indicators and milestones, for reporting through governance structures to the Board of Management.	• First Strategy Session of AY 2024/25 to have specific focus on implementation of changes proposed by Working Group (Ref 3.1 refers) and endorsed by Board of Management.	December 2024	Chair / Board Secretary / Executive		

| 1.5 | SECONDARY | The role of the Board of Management in stakeholder engagement (and assurance) is discussed and defined, initially through consideration at the Corporate Development Committee. | • Chair of the Board to attend first Corporate Development Committee of AY 2024/25 to engage in workshop focused on stakeholder engagement.

• Corporate Development Committee to put forward proposal to Board of Management – for approval. | December 2024 | Chair /
Corporate Development Cttee /
Board of Management | | |

2. MEMBERSHIP, INDUCTION, DEVELOPMENT AND WAYS OF WORKING			**OVERALL STATUS: IN PROGRESS**		**R A G**	

REF.	PRIMARY & SECONDARY RECOMMENDATIONS		ACTION(S) REQUIRED	TARGET COMPLETION DATE	RESPONSIBLE PARTIES	STATUS UPDATE / EVIDENCE COLLECTED	RAG STATUS
2.1	PRIMARY	The Board induction handbook and slides should be updated to include reference to the annual performance review process as required by the Code of Good Governance, outlining how and when this will be conducted to inform and manage members' expectations.	• Induction information to be considered by the Nominations Committee. Approved induction information to be updated on the Board Portal.	December 2024	Board Secretary / Nominations Committee		
2.2	PRIMARY	Board members must be proactive with their learning and training, and engagement on Board matters, as discussed with the Chair in performance reviews and to meet individual development needs. As a minimum, all members must complete the CDN induction event within 6 months of appointment, to support effective governance.	• Chair to discuss development and engagement with Board Members both May 2024 and 2025, as part of annual review cycle. • Board Secretary to update Chair quarterly on levels of engagement with induction, training and development activities.	June 2025	Chair / Board Secretary		
2.3	SECONDARY	The Nominations Committee may wish to bespoke the standard matrix to include more 'lived experience', which adds to the work-based skills identified and supports a range of perspectives on the Board'.	• Nominations Committee to review skill matrix at its first meeting in AY 2024/25.	December 2024	Nominations Cttee / Board Secretary		
2.4	SECONDARY	Board development sessions which create space for members to build rapport and coalesce as a team whilst exploring key issues relevant to the college, should continue on a regular basis.	• AY 2024/25 Board agenda planner to include two Strategy Sessions and two Development Session.	September 2024	Chair / Board Secretary		
2.5	SECOND-ARY	Review and re-launch the existing mentorship scheme to all members.	• Nominations Committee to review existing mentorship scheme procedure.	September 2024	Nominations Cttee / Board Secretary		

2.6	SECONDARY	The role and responsibilities of the Board of Management, including the principles and general conduct as set out in the Code of Conduct, are emphasised through the induction processes and articulated as needed in meetings.	• Induction information to be reviewed and updated on the Board Portal. • Development session with Ethical Standards Commission to be scheduled in AY 2024/25.	September 2024	Board Secretary		
2.7	SECONDARY	A strategy session is held to discuss and develop principles for the ways of working of the Board of Management.	• AY 2024/25 Board agenda planner to include two Strategy Sessions. One Session within the year will focus on Board cohesion / teamworking.	June 2025	Chair / Board Secretary		

	3. STRUCTURES AND PROCESSES	OVERALL STATUS: IN PROGRESS		R	A	G

REF.	PRIMARY & SECONDARY RECOMMENDATIONS		ACTION(S) REQUIRED	TARGET COMPLETION DATE	RESPONSIBLE PARTIES	STATUS UPDATE / EVIDENCE COLLECTED	RAG STATUS
3.1	PRIMARY	A working group of the Chair, committee chairs and Principal is established to review the Committee structure, with the aim to bring alignment with the College Strategy and Pillars and provide clear routes to reporting and assurance through the structures to the Board of Management.	• Board of Management on 11 June 2024 to consider committee structure options. • Working Group to be confirmed by the Board of Management on 11 June 2024, to take forward points raised by the Board prior to start of academic year 2024/25. • New committee structure to be approved by the Board of Management and implemented with immediate effect.	September 2024	Chair / Committee Chairs / Principal / Board Secretary		
3.2	PRIMARY	A review of the information requirements for the Board of Management, framed by the Strategic Plan/Pillar Strategies and KPIs, compliance requirements and sector/context. This should be led by a member of the Board, and include the Board Secretary and a small cross-section of members.	• Information to be considered by Working Group (Ref 3.1 refers), to align with wider Cttee structure and KPI considerations.	September 2024	Chair / Committee Chairs / Principal / Board Secretary		
3.3	PRIMARY	Further development of the papers for the Board and Committees, including cover papers, to ensure the right balance of information to inform discussion and provide assurance.	• Adoption of new paper template provided by Advance HE, subject to amendments to EC Board context.	September 2024	Chair/ Board Secretary		

REF.	PRIMARY & SECONDARY RECOMMENDATIONS		ACTION(S) REQUIRED	TARGET COMPLETION DATE	RESPONSIBLE PARTIES	STATUS UPDATE / EVIDENCE COLLECTED	RAG STATUS
3.4	SECONDARY	A Governance and Nominations Committee is established, incorporating the remit of the current Nominations Committee and including oversight of compliance with the Code of Good Governance, governance effectiveness more broadly. In addition, Equity, Diversity and Inclusivity could sit under this committee, allowing for broad oversight of EDI compliance and good practice development across the whole institutional breadth.	• Proposal to be considered by Working Group (Ref 3.1 refers). • If appropriate, updated terms of reference to be submitted to first meeting of Board in AY 2024/25.	September 2024	Chair / Committee Chairs / Principal / Board Secretary		
3.5	SECONDARY	A People Committee scope is explored, with careful consideration of the boundaries and interfaces with other Committees and a clear articulation of added value.	• Proposal to be considered by Working Group (Ref 3.1 refers).	September 2024	Chair / Committee Chairs / Principal / Board Secretary		

4. EQUALITY, DIVERSITY AND INCLUSIVITY	OVERALL STATUS: IN PROGRESS	R	A	G

REF.	PRIMARY & SECONDARY RECOMMENDATIONS		ACTION(S) REQUIRED	TARGET COMPLETION DATE	RESPONSIBLE PARTIES	STATUS UPDATE / EVIDENCE COLLECTED	RAG STATUS
4.1	PRIMARY	Continue the shadowing scheme of non-executive members of the Board spending a half-day with the student members and potentially extend this to shadowing staff members.	• Chair to discuss student shadowing with members as part of annual appraisal meetings held in May 2024. • Shadowing opportunities with staff members to be discuss with Executive Team, and an engagement schedule presented to the Board of Management.	December 2024	Chair / Executive/ Board Secretary		

4.2	PRIMARY	Adopt a more formal reverse mentoring scheme, open to all members of the Board of Management to be mentored by a student, to support awareness and insights for the Board.	• Chair to discuss student shadowing with members as part of annual appraisal meetings held in May 2024. • Mentoring procedure to be reviewed by the Nominations Committee, with a view to including reverse mentoring arrangements.	December 2024	Chair / Nominations Ctte / Board Secretary		
4.3	PRIMARY	Publish diversity data more prominently, for example, AUB Board Characteristics.	• To be considered by new Governance and Nominations Cttee (once Terms of Reference approved). • Proposal on publication of data to be presented to the Board of Management for approval.	December 2024	Chair / Nominations Ctte / Board Secretary		
4.4	SECONDARY	Create opportunities for one or two staff members, in particular those groups less represented at Executive and Board level, to observe Committee and Board meetings over an academic year *[Related EDI Working Group Recommendation: Through providing greater opportunities to observe Board and committee meetings, develop a pipeline of individuals with the experience and self-confidence to apply for future non-executive vacancies]*	• Board to consider and agree a date to hold a public board meeting. • Update Standing Orders to recommend that at least one public board meeting takes place per academic year.	September 2024	Board of Management		

4.5	SECONDARY	Work with students and staff to develop role profiles for Board membership that emphasise the development opportunities of the role.	• Board Secretary to develop staff board member election materials in advance of support staff board member role becoming vacant in December 2024. • Board Secretary to engage with ECSA to ensure that student sabbatical officers (and future candidates) are aware of opportunities of Board membership.	December 2024	Board Secretary		
4.6	EDI WORKING GROUP	The Board of Management should aim to represent the communities it serves and show visible diversity amongst its membership. a) Support existing Board Members to highlight their own diversity (and/or advocacy in the promotion of equality / inclusion), through internal and external communication channels. b) Development of the Board webpages to include personal testimonies from Board members highlighting the role of the Board and its diversity (e.g., gender balance) c) Directly target – through positive action - potential Black, Asian, and Minority Ethnic candidates to participate in open non-executive recruitment rounds. d) Require Board Members to reflect annually on how their scrutiny role has advanced the College's progress against agreed equality outcomes and reflect on how they have increased awareness of the work of the Board to potential applicants (who are not currently represented on the Board).	• Recruitment information / approach to be considered by the Nominations Committee, with a view to recruitment round commencing in December 2024.	December 2024	Nominations Cttee / Chair / Board Secretary		

| 4.7 | EDI WORKING GROUP | Promotion of non-executive vacancies on the Board through a coherent campaign strategy which utilises the College's full reach across the communities it serves.

a) Increasing community engagement in the weeks prior to the commencement of an open non-executive recruitment round. *[E.g., Through Board engagement events, online board meetings etc.]*

b) Raising staff awareness of the role of the Board, and its staff members, in the weeks prior to support/lecturing staff nominations opening.

c) Formalising (through the Board recruitment procedures) the requirement to hold at least one engagement event with the Chair, the Principal, and a Non-Executive Member, during the recruitment process.

d) To make it an essential criterion in the person specification that applicants must be able to demonstrate how they have advanced equality.

e) Highlight the remuneration available to Board members for travel and other relevant expenses to attend meetings and events. | • Recruitment information / approach to be considered by the Nominations Committee, with a view to recruitment round commencing in December 2024. | December 2024 | Nominations Cttee / Chair / Board Secretary | | |

4.8	EDI WORKING GROUP	Removal of barriers relating to the application and interview process. a) The circulation of interview questions to all shortlisted applicants in advance of interviews, to support candidates in performing to their best during the process. b) Clearly highlighting reasonable adjustments to candidates at the application and interview stages. c) Gather feedback from unsuccessful applicants on the application / interview process, to support continued development. d) Actively monitor conversion rates for protected characteristics across each stage of the process (e.g., application, interview, appointment), to help identify potential barriers.	• Recruitment information / approach to be considered by the Nominations Committee, with a view to recruitment round commencing in December 2024.	December 2024	Nominations Cttee / Chair / Board Secretary		
4.9	EDI WORKING GROUP	Review and enhance both Board's current Induction and Development Procedure and its Mentorship Procedure. a) The Board shall consider cost-effective options for its Members to engage in external mentorship programmes, beyond current internal mentorship arrangements. b) The Board, through its Nominations Committee, shall oversee the development of new Induction Handbook for Board Members that will set out expectations regarding the role of conscious scrutiny in relation to Equality, Diversity, and Inclusion.	• With reference to Recommendations Ref. 4.3 & 4.4, Nominations Committee to review Board Mentorship and Induction Procedures.	December 2024	Nominations Cttee / Chair / Board Secretary		

4.10	EDI WORKING GROUP	Review the Board's approach to developing a calendar of meetings, to ensure that the timing of meetings does not create barriers to participation. a) Survey current Board members availability/preferences and review current best practice approaches to support inclusive meeting planning, prior to the development of the 2024/25 Board Calendar.	• Board Secretary to engage with Board Members on Board of Management, Strategy Session, Development Session Dates in May/June 2024. • Committee dates to be scheduled based on guidance of Working Group (Ref 3.1 refers).	September 2024	Chair / Board Secretary / Board of Management	
4.11	EDI WORKING GROUP	Breakdown barriers relating to the role of the Board and the formality in which it operates. a) Review Board and committee agendas to see how meetings could be made more inclusive (e.g., breakout sessions etc.) b) Review our 'rules of engagement' in light of the proposed new duty relating to inclusive communications.	• Chair, Vice Chair, Principal and Board Secretary to review Board agenda layout. • Appendix to Standing Orders to be developed relating to good practice at Board and committee meetings	September 2024	Chair/ Vice Chair/ Principal / Board Secretary	
4.12	EDI WORKING GROUP	Maximise existing College and Board networks to engage with local communities. a) Incorporate recruitment activities within the Board Engagement Plan. b) Engaging with local communities around College campuses by holding Board engagement events across various sites, whilst respecting time demands on communities and Board Members. c) Putting in place key measures of success for the college and community groups.	• Corporate Development Committee to consider stakeholder engagement (see Ref 1.5) within EDI context.	December 2024	Chair / Corporate Development Cttee / Board of Management	

4. COMPLIANCE	OVERALL STATUS: IN PROGRESS	R	A	G

REF.	PRIMARY & SECONDARY RECOMMENDATIONS		ACTION(S) REQUIRED	TARGET COMPLETION DATE	RESPONSIBLE PARTIES	STATUS UPDATE / EVIDENCE COLLECTED	RAG STATUS
4.1	PRIMARY	Oversight of the Student Agreement should sit with LTSE Committee. to ensure it is maintained and renewed with each new cohort of student officers and in compliance with the Code. The Agreement should be published promptly on the College web site.	• VP Innovation, Planning & Performance to review Student Agreement. Updated version to be presented to the Board of Management for approval.	September 2024	VP Innovation, Planning & Performance / Board Secretary		
4.2	PRIMARY	Responsibility for compliance and updating public-facing documents should be clarified and processes in place to ensure these remain up-to-date and relevant.	• Board Secretary to engagement with the VP Corporate Development and relevant parties to review processes.	September 2024	VP Corporate Development / Board Secretary		

Edinburgh College

Title	Planning & Resources Committee - Annual Report 2023/24
Appendices	None.
Disclosable under FOISA	Yes ☒ / No ☐
Primary Contact	Marcus Walker, Board Secretary
Date of Production	30.05.24
Action Required	For Approval ☐ / For Discussion ☒ / For Information ☒
Aligned to Strategic Risk	Yes ☒ / No ☐ *(If 'yes' please complete Section 5.3)*

1. **RECOMMENDATIONS**

   The Board are asked to NOTE and DISCUSS the points raised within the Planning & Resources Committee Annual Report.

2. **PURPOSE OF REPORT**

   This Report provides both a summary of the activities of the Planning & Resources Committee over the past 12 months and its future direction.

3. **KEY INSIGHTS**

   3.1 **Executive Summary**

   The Chair of the Planning & Resources Committee wishes to bring the following matters to the attention of the Board of Management:

   - The current financial forecasting undertaken by the College and reported to both the Committee and the Board, which indicates a £3.01m savings gap in 2024/25. The Committee acknowledges the significant challenges placed on the Executive Team to make cost savings through further efficiencies and the recently approved voluntary severance scheme.

   - The Committee endorsed the three pillar strategies within its remit in September 2023, prior to their approval by the Board of Management. Members of the Committee will continue to monitor progress against the Finance, People and Digital Strategies regular through its reporting and future deep dives.

   - The Committee has welcomed quarterly updates on Health & Safety matters provided by the Executive Team, in addition to annual reporting provided to the Board of Management.

3.2 Operation of the Committee

3.2.1 *Operation / Report to the Board*
The Planning & Resources Committee met four times during the academic year 2023/24 to provide strategic oversight of the College's financial, estates and infrastructure, staffing matters (including staff wellbeing), and to advise the Board of Management on any other business of particular importance or complexity.

The minutes of each meeting of the Committee have been reported to the Board for its consideration.

The Planning & Resources Committee has discharged its responsibilities under its terms of reference. Further to this, the Committee was quorate at each meeting.

3.2.2 *Membership / Attendance*
The membership of the Committee consists of at least five non-executive members and one Student Board Member. Over the past 12 months the core membership of the Planning & Resources Committee has included Alex Killick (Vice Chair of the Board / Committee Chair) and Nora Senior (Chair of the Board), and the following Non-Executive Members and Student Board Members:

	Non-Executive Membership				Student Member
To 30.06.23	Sue Cook	Ross Laird	Ian McLaughlan	Gwen Raez	David Elder
From 01.07.23	Sue Cook	Ross Laird	Ian McLaughlan	Gwen Raez	Luna Morrison

Alan Williamson, as Chief Operating Officer, acts as Executive Lead for the Planning & Resources Committee.

Audrey Cumberford (Principal & Chief Executive), Jonny Pearson (Vice Principal Education & Skills), Sue Clyne (Director of HR & OD), Ian Deed (Director of Finance & Infrastructure) and Marcus Walker (Board Secretary) all attended meetings of the Committee in the academic year 2023/24.

At its meeting on 16 May 2024, the Committee undertook a self-assessment, based on a questionnaire created by the College Development Network. It was content with the operation of the Committee, and it identified several development points.

3.3 Strategic Role
The Planning & Resources Committee considers and approves, where appropriate, the development and review of strategies relevant to the Committee's purpose.

At all its meetings in 2023/24, the Committee received a Principal & Chief Executive Report which provided an update on key strategic development within the college sector, including:

- Reviews undertaken by the Scottish Government and the limited progress made towards their implementation.
- The Scottish Government's Draft Budget 2024/24 and its significant impact on both the financial sustainability of the College and wider sector.
- The work of College Employers Scotland and the financial impact of potential pay awards.

In August 2023, the Committee endorsed the three Pillar Strategies within its remit to the Board of Management. The Finance, People, and Digital Strategies were subsequently approved by the Board of Management on 26 September 2023.

In 2023/24, the Committee also reviewed progress on the following College strategies: (i) the Procurement Strategy; (ii) the Environmental Sustainability Strategy and (iii) the Digital Strategy. The Committee received an annual update on each of these strategies at its November, February, and May meetings.

The Committee's strategic role also includes the preparation of the annual College Budget for approval by the Board. On 29 February 2024, the Committee received a financial forecast update from the Chief Operating Officer outlining the impact of the Scottish Government's Draft Budget 2024/25. A financial forecast was subsequently presented to the Board of Management on 26 March 2024 as part of a wider discussion on financial sustainability.

At each of its meetings, the Planning & Resources Committee receives a standing report on matters relating to human resources and organisational development and has maintained an overview of ongoing industrial relations at the College. The HR Report, provided by the Director of HR & OD, includes an update on work relating to People & Culture, and the development and implementation of an All-Staff Survey, the National Job Evaluation exercise,

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.

3.4   Performance Monitoring

3.4.1   Finance

The Committee continues to monitor performance through the monthly Management Accounts which are considered at each meeting. 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 its meeting on 31 August 2023, received the Financial Forecast Return (FFR) submitted by the College to the SFC in June 2023. It was noted that the FFR was in line with the College's strategic financial planning and consistent with SFC guidance and assumptions.

On 16 November 2024, the Committee considered and approved a tuition fees proposal for 2023/24, which included up-to-date marketing and benchmarking information with other colleges to ensure the College remained competitive and income was optimised. A 5% increase to increase to part-time and scheduled course fees, as well as higher fees, was subsequently agreed.

3.4.2   Recruitment, Retention and Credits

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

In 2023/24, the Committee were informed that although overall enrolment figures were comparable with previous years, there had been a decrease in the number of full-time enrolments when compared to the previous academic year. The decrease in full-time enrolments was shown to directly correlate with a reduction in the number of credits compared to the academic years 2021/22 and 2022/23.

The Vice Principal Education & Skills has highlighted to the Committee that issues related to enrolments and credits were sector-wide, and that the College continued to work closely with the SFC to mitigate the drop in full-time enrolments and safeguard credit funding.

3.4.3   Human Resources Dashboard

At each of its meetings, the Planning & Resources Committee received a dashboard outlining key employment data, including headcount, FTE, Turnover, and an absence summary. In addition to this, the Committee has monitored the completion of statutory and mandatory training across the College.

3.4.4   Other Business

In addition to its standing reports, the Committee agreed to review specific areas of performance during the academic year – including Health & Safety. The Planning & Resources Committee now receives a Health & Safety Report, which includes the minutes of the Health & Safety Committee – Chaired by the Chief Operating Officer.

3.5 Conclusion

The Planning & Resources Committee on 16 May 2024 noted that it was satisfied with its current operations and the quality of reports it receives from senior management.

Under *Paragraph 3.1*, the Chair of the Planning & Resources Committee has highlighted key points for noting and consideration by the Board of Management.

4. IMPACT AND IMPLICATIONS

It is good practice to monitor all areas of performance that can impact on the College's viability.

5. 5. ALIGNMENT TO STRATEGIC PLAN / KPIs / RISK REGISTER

5.1 Alignment to Edinburgh College Strategic Pillars *[Indicate with an 'X' which Strategic Pillar this paper supports]*:

Curriculum Strategy	☐	Finance Strategy	☒	People Strategy	☒
Commercial Strategy	☐	Digital Strategy	☒	Other	☒

5.2 Relevant Key Performance Indictors *[Indicate with an 'X' which performance indicators this paper supports]*:

Student Success	☐	Credit Target	☒	Equality, Diversity & Inclusion	☒
Student Satisfaction	☐	Adjusted Operating Position (AOP)	☒	Staff Costs	☒
Student Retention	☒	Non-SFC Income	☒	Staff Engagement	☒
Student Enrolments	☒	Gross Carbon Footprint	☒	Partner Engagement	☐

5.3 Alignment to the Top-Level Risk Register *[Strategic risk information should be copied directly from the most recent TLRR]*:

Strategic Risk(s)	Risk Score*		
	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
	-	-	-
	Residual (Net) Risk		
	Probability	*Impact*	*Score*
	-	-	-
	Movement (since last review)		-

Risk Score Key: 0-10 Low Risk; 11-15 Moderate Risk; 16-25 High Risk. [Further information on risk scoring can be found in the EC Risk Management Policy & Procedure]

Edinburgh College

Title	Management Accounts to April 2024
Appendices	Appendix 1: Management Account Summary to April 2024
Disclosable under FOISA	Yes ☒ / No ☐
Primary Contact	Ian Deed, Director of Finance & Infrastructure
Date of Production	01.06.24
Action Required	For Approval ☐ / For Discussion ☒ / For Information ☒
Aligned to Strategic Risk	Yes ☒ / No ☐ *(If 'yes' please complete Section 5.3)*

1. **RECOMMENDATIONS**
   The Board of Management are asked to DISCUSS and NOTE the Management Accounts to April 2024.

2. **PURPOSE OF REPORT**
   The Board of Management are asked to review the management accounts at each meeting, to assess the college's current financial position.

3. **KEY INSIGHTS**
   Detail contained with Appendix 1. Additionally, a *Month 9 Financial Performance Summary* can also be viewed on the Board Portal.

4. **IMPACT AND IMPLICATIONS**
   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. **ALIGNMENT TO STRATEGIC PLAN / KPIs / RISK REGISTER**

   5.1 **Alignment to Edinburgh College Strategic Pillars** *[Indicate with an 'X' which Strategic Pillar this paper supports]*:

Curriculum Strategy	☐	Finance Strategy	☒	People Strategy	☐
Commercial Strategy	☐	Digital Strategy	☐	Other	☐

   5.2 **Relevant Key Performance Indictors** *[Indicate with an 'X' which performance indicators this paper supports]*:

Student Success	☐	Credit Target	☒	Equality, Diversity & Inclusion	☐
Student Satisfaction	☐	Adjusted Operating Position (AOP)	☒	Staff Costs	☒
Student Retention	☐	Non-SFC Income	☒	Staff Engagement	☐
Student Enrolments	☐	Gross Carbon Footprint	☐	Partner Engagement	☐

5.3 **Alignment to the Top-Level Risk Register** *[Strategic risk information should be copied directly from the most recent TLRR]*:

Strategic Risk(s)	Risk Score*		
(33) FINANCIAL SUSTAINABILITY (INSUFFICIENT BUDGET / FUNDING TO COVER COST OF LIVING, JOB EVALUATION, EMPLOYER PENSION CONTRIBUTION INCREASES)	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
	5	5	25
	Residual (Net) Risk		
	Probability	*Impact*	*Score*
	5	5	25
	Movement		⇔

*Risk Score Key: 0-10 Low Risk; 11-15 Moderate Risk; 16-25 High Risk. [Further information on risk scoring can be found in the EC Risk Management Policy & Procedure]

Edinburgh College

For the future you want

FINANCIAL REPORT

9 MONTHS TO 30 APRIL 2024

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Report from Chief Operating Officer

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DISTRIBUTION

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

1. EXECUTIVE SUMMARY

Credits and SFC Grants

1.1   Edinburgh College's core activity target for academic year 2023/24 totals **164,857 credits** (18,317 credits lower than 2022/23) which includes European Social Funding (ESF) places subsumed within core activity. Also incorporated is an indicative target of 692 credits for foundation apprenticeships.

Although total credits were decreased by 10% from 2022/23 across the sector by SFC, the core grant funding level remains the same overall, which has resulted in an increase in the average price of a credit (Edinburgh College still has the lowest credit price in the sector).

The College has achieved **161,926 credits** to date, which is an increase of 626 credits on the total reported last month (and is now above the SFC's 98% threshold – subject to year-end audit verification).

The "Credits by Department" table (below) shows a comparison of faculty performance for the year against full year (fy) targets.
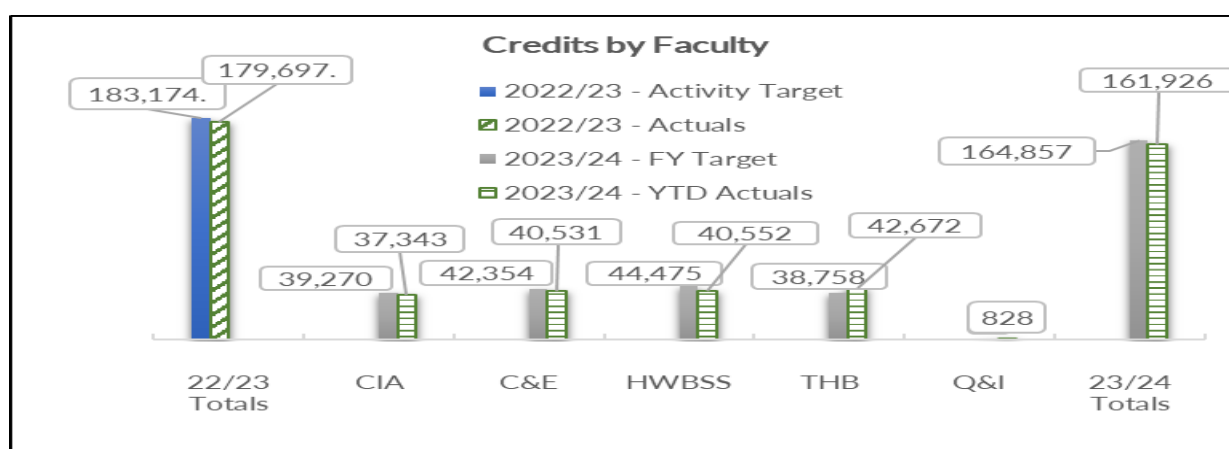
1.2   **Adjusted Operating Position (AOP)**

As per SFC Measurement	Annual Budget 2023/24	YTD Budget 2023/24	YTD Actuals 2023/24	YTD Variance 2023/24	Previous YTD 2022/23	FY Forecast 2023/24
	£000s	£000s	£000s	£000s	£000s	£000s
I&E Operating Position	(3,059)	(2,290)	(2,441)	(151)	(2,647)	(3,229)***
Add:						
Depreciation net of deferred capital grant release	3,249	2,437	2,574	137	2,453	3,419***
Deduct:						
Loan repayments and payments against provisions	894	671	671	-	629	894
AOP	(704)	(524)	(538)	(15)	(823)	(704)

The College's AOP excludes non-cash items included in the I/E account (depreciation net of deferred grant) but includes capital loan repayments and payments against provisions (excluded from the I/E account). ***Net depreciation has increased by £170k (effect of Y/E 2022/23 revaluations – unchanged from last month) – the AOP is unaffected by this movement.

1.3 Income and Expenditure

	Annual Budget 2023/24 £000s	YTD Budget £000s	YTD Actuals £000s	YTD Variance £000s	Previous YTD £000s	FY Forecast £000s
Funding Council Grants	51,538	32,986	33,054	68	33,827	51,637
Tuition Fees, Commercial & Other Inc	15,354	13,248	12,212	(1,036)	13,616	13,893
Deferred Income	2,897	2,173	2,262	90	2,075	3,119
Total Income	**69,789**	**48,407**	**47,529**	**(878)**	**49,517**	**68,649**
Staff Costs	50,935	33,841	33,067	774	35,902	50,139
Other Costs	15,759	12,238	12,026	212	11,612	15,159
Depreciation	6,146	4,610	4,836	(226)	4,528	6,538
Exceptional Support Costs	8	8	41	(33)	122	41
Total Expenditure	**72,849**	**50,697**	**49,970**	**727**	**52,164**	**71,878**
Operating (Deficit) / Surplus pre SSAP24 & pension revaluation adjustments)	**(3,059)**	**(2,290)**	**(2,441)**	**(151)**	**(2,647)**	**(3,229)**

The College's annual budget operating position is a deficit of £3,059k, which results in an annual adjusted operating **deficit budget** of £704k for the year (refer para 1.2 for details). The operating position to April shows a deficit of £2,441k against a profiled budget deficit of £2,290k. The main variances are:

- A favourable variance of £68k within other SFC grants (sanitary products scheme and deferred Young Person Guarantee (YPG) funding (both with matching expenditure)).
- An adverse variance of £295k within tuition fees (mainly shortfall in SAAS fees).
- A favourable variance of £69k within international income (Hainan University contract ending, wholly offset by higher semester 1 & 2 recruitment / Panama IFARHU contract / Madrid group).
- An adverse variance of £1,047k within commercial income (primarily FWDF – funding terminated, together with loss of an Edinburgh University residencies contract).
- A favourable variance within other income of £238k (largely Access Centre (with corresponding additional expenditure (Needs Assessment trainers)) together with higher bank interest.
- A favourable variance within staff costs of £774k (effect of unfilled vacancies, relinquished posts and strike action).
- A net favourable variance within other costs of £212k, mainly net Associate trainer savings related to lower FWDF income and catering expenditure (associated with lower Summer School activity).

The SG/SFC confirmed there will be no Flexible Workforce Development Funding (FWDF) or any equivalent funding provided to the College sector for the remainder of this financial year (and beyond). As a consequence, Edinburgh College's fy FWDF net income forecast has been reduced by £0.8m (unchanged from last month - refer para 3.4 for detail). In addition, the fy forecasts for SAAS and HEFT fees has been reduced in total by £0.4m to £2.8m (in line with last month).

Most other income streams are currently in line with profiled budgets to date, whilst the majority of non-staff operational costs are also broadly in line with budgets.

The above financial gaps are largely offset by indicative forecast savings (following extensive staff establishment reviews) within staffing (relinquished posts, staff vacancy churn and strike action) together with higher bank interest income (from bank balances retained for pay awards).

Departmental / faculty performance review meetings are held monthly, where fy forecasts of the latest income and expenditure positions are discussed and adjusted as necessary with particular emphasis upon identifying savings and reducing in-year non-essential spend to support the recently launched VS scheme. As part of this exercise, unfilled vacancies will continue to be removed where opportunities arise (vacancies totaling net 10.28 fte were removed following a recent staff establishment review). Regular SMT meetings are also prioritizing plans to bolster this years operating position and to address financial challenges in future years.

The core teaching grant excludes Job Evaluation funding (estimated at £1.1m). Responsibility for meeting this figure is now with the SG (it previously rested with the SFC) and continues to be shown separately within the College's accounts. The SG has 'agreed' that responsibility for this funding now rests with them however, the College's accounting treatment may subsequently change (once clarified).

Movements in April 2024 affecting the fy operating forecast are as follows (excl. associated offsets):

	£k - Fav / (Adv)
Other SFC grants (Indicative SPPA pension rate uplift funding)	153
Tuition fees (managing agents & associate degrees)	60
Bespoke & Scheduled courses	(62)
Bank interest	30
Staffing (further contribution towards potential VS schemes)	(153)
Exceptional support costs	(33)
Other operating expenses (net professional fees)	5
Total non-offsetting movements during April affecting AOP:	**0**

In comparison to the fy budget (at operating and adjusted operating levels) there is an overall movement of £nil, the details of which are shown below (exc associated offsets):

	£k - Fav / (Adv)
Other SFC Grants (Indicative SPPA pension rate uplift funding)	153
Tuition fees (largely SAAS / HEFT self & employer payers)	(365)
Tuition fees (managing agents - CITB)	100
FWDF income (yr 7)	(1,282)
FWDF associated expenditure (associate trainers)	517
Training restaurants, hair & beauty salons, sports income, net secondments	82
Residencies	(115)
Bespoke & scheduled contracts	(77)
Commercial UK other contracts (largely UK SPF 'Multiply' activity)	52
Nursery income	(73)
Staffing (non-required vacancy removals / churn partly offset by a contribution of £460k towards potential VS schemes))	796
Other operating expenses (net savings within H&S, teaching activities, staff welfare, licences, transport, professional fees, marketing, equipment, bad debt, professional fees)	145
Exceptional support costs	(33)
Bank interest income	120
Debt interest payable	(20)
Total ytd movement affecting cash:	**0**

The Scottish Government (SG) set a college sector resource (revenue) budget for 2024/25 of £643m (a decrease of £32.7m (4.8%) from 2023/24. However, following the release of the SFC's 2024/25 indicative college funding allocations, core teaching funding (and the associated credit targets / flexibility thresholds) are to be maintained at the same level as 2023/24. This follows a rebasing of the college sector's student support budget (which, per the SFC guidance now better reflects demand). Final funding allocations are to be released in late May 2024.

The SMT are progressing a major project on Priority Based Budgeting in relation to forecast financial deficits for the 2024/25 and 2025/26 budgets.

1.4 Staff (Full Time Equivalent)

FTE	31/07/23	30/04/24	YTD Movement	30/04/23
Teaching	406.9	417.9	11.0	455.6
Support	488.0	483.8	(4.2)	494.2
	894.9	901.7	6.8	949.8

Staff numbers have increased by 6.8 FTE since the beginning of the academic year, following recruitment of staff to vacant positions. The monthly FTE staff movements are shown below:
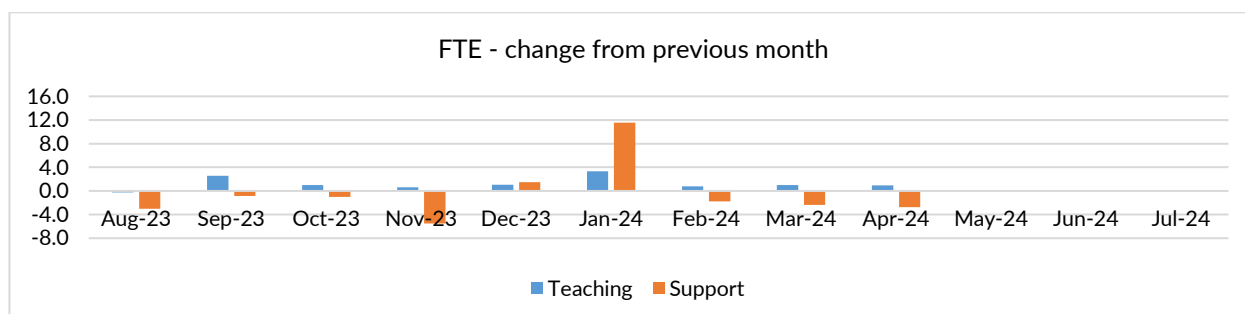
1.5 Cash

Opening cash	Month-end cash	Comments
01/08/2023	30/04/2024	The April cash balance is driven by c.£6.5m being held for the 2022 and 2023 cost of living pay awards backdated to 1st September 2022. £0.8m of underspent 2022/23 student support funds were repaid to the SFC / SAAS up to March 2024. The current forecast for cash at 31 July 2024 has increased to £1.9m (from £0.6m) due to backdated pay award forecast to be paid in July (HMRC and Pension payments pushed back to August).
£'m.	£'m.	
5.7	6.8	

1.6 Capital Expenditure

Opening Fixed Assets	Additions	Dep'n	Closing Fixed Assets	Comments
01/08/23	30/04/24	30/04/24	30/04/24	
£'m.	£'m.	£'m	£'m.	Capital funding for 2023/24 is allocated as follows: **(1)** £0.8m estate lifecycle maintainance (I&E budget) **(2)** £2.8m for condition survey backlog / high-priority maintenance **(3)** £0.3m for digital poverty funding **(4)** £0.5m high priority funding and **(5)** SG energy efficiency funding of £2.35m. To date £6m of 'work in progress' / fixed asset capitalisations have been incurred since the beginning of the academic year on building fabric, IT projects, curriculum projects, environmental initiatives and energy efficiency projects at the Midlothian campus. A further £0.028m of expenditure is also committed.
179.6	6.0	(4.8)	180.8	

2. STUDENT ACTIVITY

2.1   The College's core activity target for 2023/24 is 164,857 credits (refer para 1.1 for more detail).

2.2   Current enrolments and student retention rates are being closely managed following the credit funding 'cut off' periods. However, the reduction in the retention period to 5 weeks (from 10 weeks) has mitigated some credits risk compared to prior years. The College has achieved **161,926 credits** at 15th May 2024 (and is now within the SFC's 98% threshold).

2.3   Year to date comparison of Applications, Enrolments and Student Numbers from 2020/21 to 2023/24:
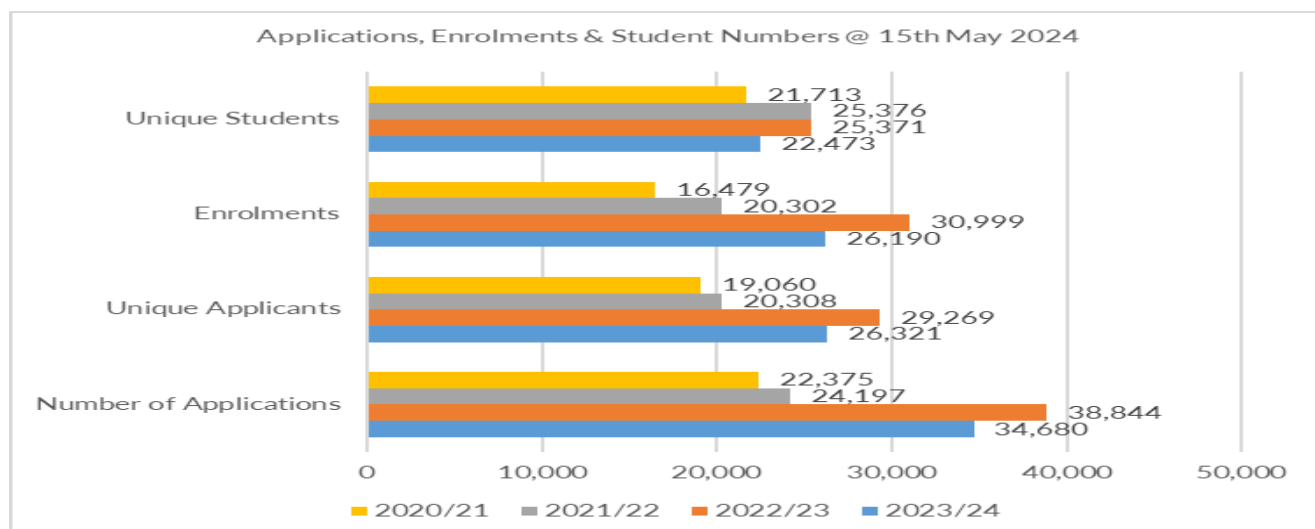
3. INCOME ANALYSIS

Income Expanded Account Detail for the 9 Months to 30th April 2024

	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	54,833	54,435	35,158	35,316	158	35,901	54,756
Tuition Fees & Education Contracts	6,205	6,205	6,015	5,719	(295)	5,853	5,940
Commercial & International	6,041	6,041	4,813	3,835	(978)	5,797	4,634
Other Income	3,109	3,109	2,421	2,658	238	1,966	3,319
TOTAL INCOME	**70,187**	**69,789**	**48,407**	**47,529**	**(878)**	**49,517**	**68,649**

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

	Funding Council Grants	Tuition Fees & Education Contracts (Including SAAS)	Commercial & International Contracts	Other Income (Including Bank Interest)
YTD Actuals	35,316	5,719	3,835	2,658
YTD Budget	35,158	6,015	4,813	2,421
12 Month Revised Budget	54,435	6,205	6,041	3,109
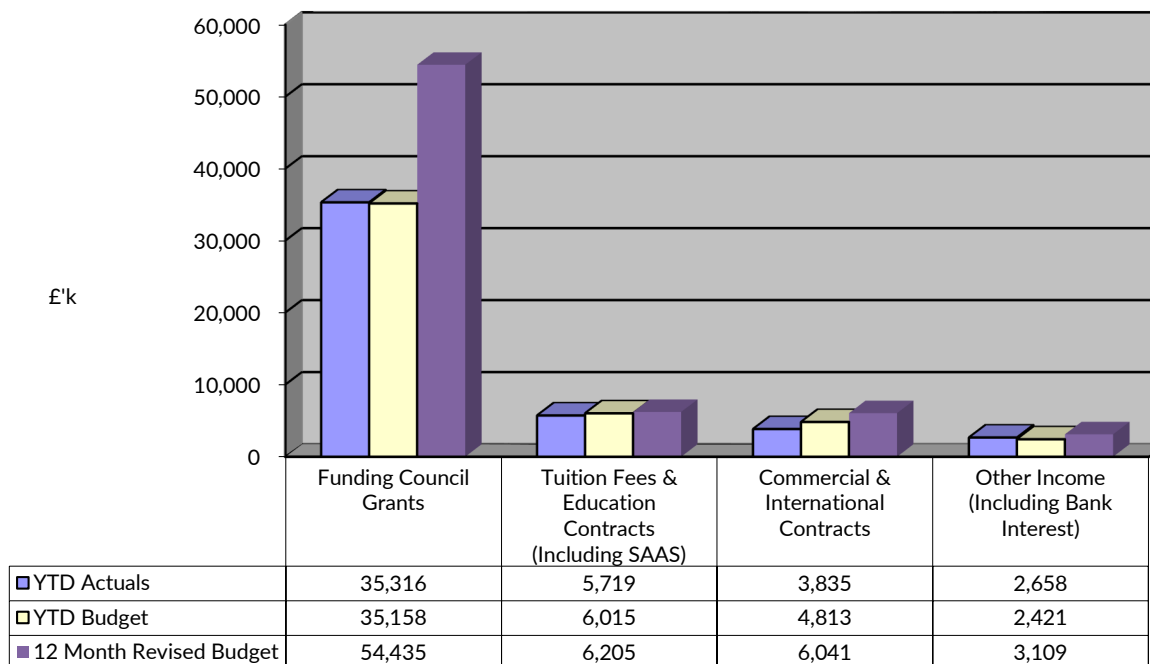
3.1 Total income for the year to date is £47.5m which is £0.9m lower than the profiled budget of £48.4m.

3.2 Grant-in-Aid income across all credit-bearing areas has been brought to account, owing to the fact that credit activity to date is now above the 98% SFC credit threshold and, as a result, there will be no funding clawback. The fy forecast for other SFC grants has increased this month by £0.15m (to fund the in-year adverse effects of the SPPA pension rate increase (23% to 26%) from 1st April 2024). The LPF pension rate has reduced (19.1% to 17.6%), beginning from the same period.

3.3 Following the latest review of student enrolments, the fy forecast for tuition fees (ex associate degrees and managing agents) has been reduced this month by £10k (PT self-payers) and now stands at £3.3m in total (£0.4m down on FY budget), whilst the fy forecast for managing agents income has increased this month by a further £50k to £1.873m (£0.1m above budget) and for associate degree income by £20k to £0.74m (fy budget: £0.72m).

3.4 SG announcement in December 2023 was to withdraw FWDF funding in full from the sector. The College's Commercial UK team are currently fulfilling the remainder of 2022/23 FWDF Yr 6 activity (£0.66m of activity has been delivered to date), whilst a further £0.02m of activity will be delivered by end July 2024. Yr 7 activity for 23/24 was valued at £1.3m but has been cut in full, whilst associated savings of £0.5m have been identified within other operating expenditure (external trainers) – both movements are unchanged from last month.

A number of commercial bids and contract proposals in relation to the College's alternative funding activities (including the UKSPF 'Multiply / Numeracy' programmes through Edinburgh council) have been submitted, to reduce the current FWDF income gap of £0.8m. The Commercial UK team are optimistic that some of this activity will be secured and delivered in this academic year and, as a consequence, the fy forecast for other Commercial UK income has been increased by net £52k (unchanged from last month).

Venue hire income remains low (£0.1m income; fy budget of £0.3m). A new venue hire brochure has been rolled out via college networks, however large Summer School 2024 activity is unlikely to take place therefore the fy income forecast for venue hires has been reduced by £130k (unchanged from last month). Budget savings of the same magnitude have been removed from associated catering costs, whilst plans remain in place to attract smaller sized Summer Schools to utilise available College accommodation.

Bespoke income totalling £0.52m has been achieved to date (fy budget £0.6m), whilst scheduled income to date is at £0.34m (fy budget £0.4m). In spring, a new 'commercial' prospectus promoting the College's scheduled courses and bespoke opportunities was sent to a number of College stakeholders and although this is expected to generate mid to longer-term interest, the fy forecasts for bespoke and scheduled courses have been reduced, this month, by £62k in total (following a slowdown in activity and a review of pipeline) and now stand at £0.57m (£37k below budget) and £0.39m (£40k below budget) respectively.

SDS income is £0.35m (fy budget £0.6m). The 2023/24 SDS MA contract has been maximised in terms of starts (and income generation) whilst the 2024/25 tender is currently under review.

Milton Road 'Club' gym activity continues to make good progress with income to date at £0.23m (fy budget £0.24m) and is now fully operational (following the conclusion of works being carried out on the swimming pool / "wetside" operations). Although new membership sales have recently slowed, "get fit for summer" promotions will soon be launched through social media campaigns. The gym remains highly competitive on price, compared to local providers and retains a strong core membership base, and as a consequence, the fy forecast for sports income remains at £0.26m (£20k higher than budget).

Accommodation income stands at £0.3m against a fy income budget of £0.54m. The cancellation of a contract for 25 rooms by Edinburgh University is the prime driver behind a reduction in fy forecast income for residencies, which stands at £0.41m. This is a further reduction of £10k from last month and £135k lower in total. Mitigating savings are being sought and a plan to increase tourist / 'festival' lets during July & early August (through the use of third-party booking websites (booking.com & Airbnb) is underway. Discussions with Edinburgh Council in relation to funding options and longer-term housing solutions for a small number of Dnipro families still residing in College accommodation continues, whilst room booking options on the same floor (as the Dnipro families) remains limited.

Income from hair & beauty salons sits at £0.055m (fy budget £0.07m – fy forecast £0.072m – unchanged from last month), whilst our training restaurants have recorded income of £0.1m (fy budget £0.055m – fy forecast £0.12m – an increase of £10k from last month, although forecast associated costs have again increased, this month, by the same magnitude).

International income sits at £1.3m against a fy budget of £1.5m. The College will receive lower budgeted income from the Hainan University programme (funds are being redirected from the provincial government to support Covid-19 regional recovery projects). However, international student recruitment at the start of semesters 1 & 2 was higher than expected, whilst budget savings continue to be identified from agency commission, visiting lecturer fees and travel.

In addition, a third Panama IFARHU cohort has been secured (associated costs are being materially offset by further savings from international development operational budgets), while a number of international projects remain in progress, including programmes with a Madrid teacher training group and British Council partnerships in Malawi, Algeria, Rwanda and Ghana. As a consequence, the fy forecast for international income remains on budget (£1.5m), producing an overall contribution of £135k towards College overheads (unchanged from last month).

4. EXPENDITURE ANALYSIS

Expenditure Expanded Account Detail for the 9 Months to 30th April 2024 (Ex Staff Costs)

	Original Annual Budget £000s	Revised Annual Budget £000s	YTD Budget £000s	YTD Actuals £000s	YTD Variance £000s	Previous YTD £000s	Year-End Projection £000s
Other Operating Expenses	15,651	15,244	11,838	11,623	215	11,208	14,625
Depreciation for the year	6,146	6,146	4,610	4,836	(226)	4,528	6,538
Debt Interest & Other Finance Costs	515	515	400	403	(3)	405	535
Exceptional Support Costs		8	8	41	(33)	122	41
Total Expenditure (Ex Staff Costs)	**22,312**	**21,913**	**16,856**	**16,903**	**(47)**	**16,263**	**21,739**

£'k	Staff Costs	Operating Exps	Depn	Debt Interest & Other Finance Costs	Exceptl Support Costs
☐ YTD Actuals	33,067	11,623	4,836	403	41
☐ YTD Budget	33,841	11,838	4,610	400	8
■ 12 Month Revised Budget	50,935	15,244	6,146	515	8

4.1   Total expenditure for the year to date is £50m, which is £0.7m lower than the profiled budget of £50.7m. Aside from staffing, this favourable variance includes current savings of £0.2m within other operating costs, largely driven by external trainer savings (associated with lower FWDF income) coupled with savings within catering (lower Summer School activity) and within ICT (software, repairs and consumables).

A detailed review of operating budgets is ongoing, alongside Departmental Directors and Faculty AP's, to identify further savings / cost reductions to help accumulate cash and bolster the College's underlying operating position before y/e.
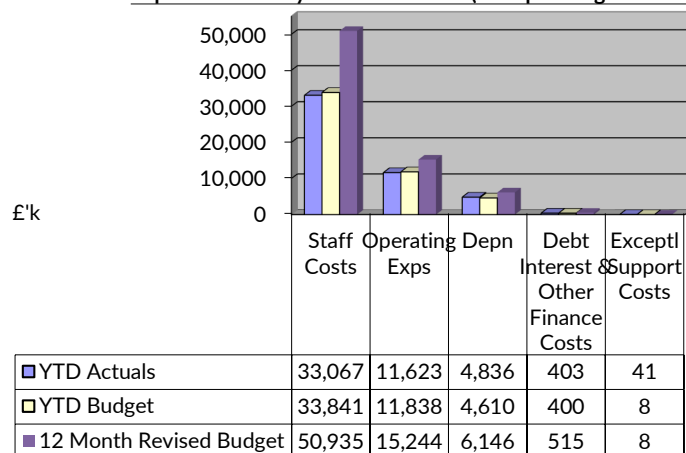
5. STAFF COSTS ANALYSIS

Staffing Expenditure Account Detail for the 9 Months to 30th April 2024

Staff Costs	Original Annual Budget £000s	Revised Annual Budget £000s	YTD Budget £000s	YTD Actuals £000s	YTD Variance £000s	Previous YTD £000s	Year-End Projection £000s
Senior Management	1,804	1,804	1,262	1,176	86	1,154	1,734
Academic Departments	23,726	23,726	15,962	15,341	621	17,559	23,208
Academic Services	4,559	4,631	3,116	3,236	(120)	3,044	4,566
Admin & Central Services	14,660	14,588	10,119	9,581	538	9,915	14,170
Premises	1,593	1,593	1,172	1,246	(74)	1,155	1,663
Catering & Residences	40	40	30	24	5	21	35
Temporary, Agency & Staff Bank Costs	2,269	2,269	1,516	1,561	(45)	1,839	2,239
Other Staffing Expenditure	2,285	2,285	664	901	(237)	1,215	2,525
	50,935	50,935	33,841	33,067	774	35,902	50,139

5.1   YTD Staff costs are £0.8m lower than the profiled budget due to the positive financial effects of current unfilled vacancies / strike action. Staffing is now forecast to settle at £50.1m (£0.8m lower than the fy budget and an adverse movement of £153k from last month). The 2022/23 VS scheme resulted in annual recurring savings of £2.5m already reflected in the budget.

6.   TRADING DEPARTMENT

	Nursery			
	YTD Apr 24			
	FY Budget (£000)	YTD Budget (£000)	YTD Actuals (£000)	FY Forecast (£000)
Total income	1,368	1,026	942	1,295
Staffing expenditure (inc agency)	(1,206)	(905)	(856)	(1,200)
Non staffing expenditure	(37)	(29)	(43)	(43)
Net surplus / (deficit) contribution pre associated premises costs	124	92	43	51

6.1   The nursery trading position is shown above. The current budgeted position shows a surplus of £124k, including the effect of a 10% rise on 2022/23 pricing levels (2022/23 showed a break-even trading position prior to the effects of COL pay-awards). However, following a review of the latest forecast intake, fy income has been reduced by £73k compared to fy budget (unchanged from last month). The YTD position / fy forecast remains in surplus.

The trading position outlined above excludes the effects of associated premises costs, which are expected to settle at £64k for the year. This covers maintenance, cleaning, rates and utilities costs. Marketing campaigns to increase the current intake continue.

7. CASH-FLOW

7.1 The cash balance at the end of April is £6.8m and the cash forecast at 31 July 2024 is £1.9m (explanations above in 1.5). January's cash balance increased following receipt of £2.6m SAAS fee funding. Back-dated pay awards of £6.5m are retained and forecast to be paid in July 2024 (but subject to ongoing negotiation with unions). 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 April 2024

£'k

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Net Cash (F) - £'k	5,503	6,787	5,147	6,534	9,326	12,894	10,041	6,237	6,283	7,075	7,175	1,981
Net Cash (A) - £'k	5,503	6,787	6,026	7,150	9,590	13,582	10,921	7,038	6,768			
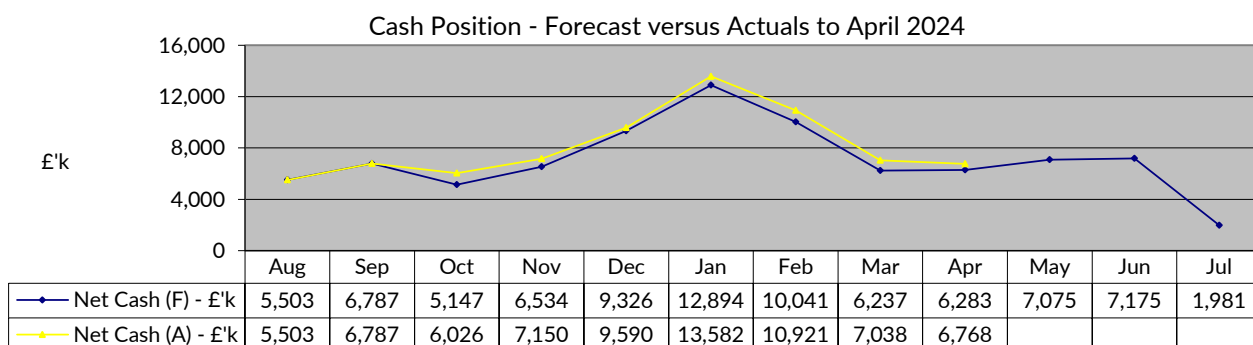
8. SFC REPORTING

8.1 Due to timing, the cashflow return submitted to the SFC in April 2024 didn't fully align with the month end cash flow in this report on a line by line basis, but agreed in totality. The next return is due to the SFC in June 2024.

9. BALANCE SHEET

		At 30 Apr 2024 £'000	At 31 July 2023 £'000	YTD Mvmt £'000
Fixed Assets	Land and Buildings	168,736	172,248	(3,512)
	FFE & Intangibles	12,021	7,371	4,650
		180,757	179,619	1,138
Current Assets	Stock	85	87	(2)
	Debtors	7,607	8,480	(873)
	Cash - Main	6,449	4,850	1,599
	Cash - Student Support	319	856	(537)
Total		14,460	14,273	187
Creditors		(73,676)	(69,251)	(4,425)
Bank Loans		(7,392)	(7,840)	448
Provisions		(2,504)	(2,717)	213
		111,645	114,084	(2,439)
Funded by:				
Reserves		111,645	114,084	(2,440)
		111,645	114,084	(2,440)

9.1 The movements in Cash and Fixed Assets are shown in the sections above. The increase in creditors since the beginning of the academic year mainly represents SFC Grant-in-Aid and capital formula grants awaiting release to the Income Statement / to be utilised to support capitalisations. The debtors days ratio (below) measures the speed of cash collection from the College's debtors. **Sponsor** – Trade funded courses **Student** – Direct payment students **Trade** – Commercial activity.

Debtor Days

	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24
Sponsor	1.5	2.4	6.2	14.8	108.3	105.8	36.4	68.3	150.2
Student	8.4	29.9	27.0	40.2	69.3	85.2	73.6	73.0	59.4
Trade	17.2	2.2	3.4	5.6	12.4	32.0	20.6	17.2	8.8
Total debtor days	4.8	8.0	6.5	13.3	59.0	73.9	32.4	42.8	93.3

An invoice for £0.37m, raised in April against CITB, has led to this month's spike in sponsor debtor days.

	2022/23 Annual Target			2023/24 Annual Target	2023/24 YTD Actuals		2022/23 Year-End
Credits (2022/23 includes funding for FTE HE places previously funded by ESF)	181,328			164,857	161,926		177,967
Credits - Foundation Apprenticeships	692			-	-		576
Credits - Additional 1% fdg	1,154			-	-		1,154

	2022/23 Annual Budget	2023/24 Starting Budget	Revised Annual Budget	2023/24 YTD Budget	2023/24 YTD Actuals	YTD Variance	Previous YTD
	£k	£k	£k	£k	£k	£k	£k
Adjusted Operating Position	(1,051)	(704)	(704)	(524)	(538)	(15)	(823)
Commercial & International Contracts	6,270	6,041	6,041	4,813	3,835	(978)	5,797
Income	70,028	70,187	69,789	48,407	47,529	(878)	49,517
Expenditure	73,108	73,247	72,849	50,697	49,970	727	52,164
Operating Surplus / (Deficit) pre SSAP24	(3,080)	(3,059)	(3,059)	(2,290)	(2,441)	(151)	(2,647)
Net Cash Inflow / (Outflow)	(4,193)	(5,108)	(5,108)	1,062	1,062	-	371
Bank Balance	1,301	598	598	6,768	6,768	-	5.865
Fixed Assets	173,275	173,473	173,473	180,757	180,757	-	177,005
Net Current assets / (liabilities)	(5,082)	(4,980)	(4,980)	(9,971)	(9,971)	-	(7,445)
Creditors and Provisions	(34,798)	(57,490)	(57,490)	(59,141)	(59,141)	-	(35,731)
Net Assets	133,395	111,003	111,003	111,645	111,645	-	133,829
Pay costs % of Income	75.9	76.9	76.9	73.9	73.8	(0.1)	76.6
Current Ratio					0.59		0.55
Cash Days in Hand					41		34
Borrowings as % of reserves	4.3	4.4	4.4	4.6	4.6	-	4.3

I&E Account for the 9 Months to 30th April 2024

	Original Annual Budget £000s	Revised Annual Budget £000s	YTD Budget £000s	YTD Actuals £000s	YTD Variance £000s	Previous YTD £000s	Year End Projection @ end April 2024 £000s
Funding Council Grants	51,936	51,538	32,986	33,054	68	33,827	51,637
Deferred Capital Grant Releases	2,897	2,897	2,173	2,262	90	2,075	3,119
Tuition Fees and Education Contracts (inc SAAS)	6,205	6,205	6,015	5,719	(295)	5,853	5,940
Commercial and International Contracts	6,041	6,041	4,813	3,835	(978)	5,797	4,634
Other Income	3,109	3,109	2,421	2,658	238	1,966	3,319
Total Income	**70,187**	**69,789**	**48,407**	**47,529**	**(878)**	**49,517**	**68,649**
Staff Costs	50,935	50,935	33,841	33,067	774	35,902	50,139
Other Operating Expenses	15,651	15,244	11,838	11,623	215	11,208	14,625
Depreciation for the year	6,146	6,146	4,610	4,836	(226)	4,528	6,538
Debt Interest & Other Finance Costs	515	515	400	403	(3)	405	535
Exceptional Support Costs		8	8	41	(33)	122	41
Total Expenditure	**73,247**	**72,849**	**50,697**	**49,970**	**727**	**52,164**	**71,878**
Operating (Deficit) / Surplus pre SSAP24 Enhanced Pension Provision Charge	**(3,059)**	**(3,059)**	**(2,290)**	**(2,441)**	**(151)**	**(2,647)**	**(3,229)**
Adjusted Operating Position:							
Operating (Deficit) / Surplus pre SSAP24 Enhanced Pension Provision Charge	**(3,059)**	**(3,059)**	**(2,290)**	**(2,441)**	**(151)**	**(2,647)**	**(3,229)**
Add:							
Depreciation net of deferred capital grant release	**3,249**	**3,249**	**2,437**	**2,574**	**137**	**2,453**	**3,419**
Deduct:							
Loan repayments and payments against provisions	**894**	**894**	**671**	**671**		**629**	**894**
Adjusted Operating Position	**(704)**	**(704)**	**(524)**	**(538)**	**(15)**	**(823)**	**(704)**

I&E Account Detail for the 9 Months to 30th April 2024

	Original Annual Budget £000s	Revised Annual Budget £000s	YTD Budget £000s	YTD Actuals £000s	YTD Variance £000s	Previous YTD £000s	Year End Projection @ end April 2024 £000s
INCOME							
Funding Council Grants							
Recurrent Grant Inc Fee Waiver	49,812	49,812	31,729	31,729		32,039	49,812
Childcare Funds	1,067	669	449	449		577	573
Deferred Capital Grants	2,897	2,897	2,173	2,262	90	2,075	3,119
Other SFC Grants	1,056	1,056	808	876	68	1,210	1,251
	54,833	54,435	35,158	35,316	158	35,901	54,756
Tuition Fees & Education Contracts							
FE - UK & EU	30	30	30	9	(21)	26	9
HE - UK & EU	283	283	283	223	(60)	254	223
PT Self Payers	487	487	474	542	68	471	560
Examination Fee Income	14	14	12	12	(0)	9	14
SAAS	2,897	2,897	2,897	2,487	(410)	2,827	2,487
SAAS - Commercial				33	33	72	33
Associate Degree Fees	721	721	721	741	20	577	741
Managing Agents	1,773	1,773	1,598	1,673	75	1,616	1,873
	6,205	6,205	6,015	5,719	(295)	5,853	5,940
Commercial & International							
International	1,543	1,543	1,201	1,270	69	1,361	1,543
SDS	593	593	353	353	(0)	447	593
EH15 and The Apprentice Restaurants	55	55	55	108	53	69	120
Bliss SPA and Employability Salons	70	70	53	55	2	50	72
Gym	242	242	196	227	31	225	262
Residences	540	540	420	297	(123)	802	405
Bespoke Contracts for Employers	607	607	538	518	(20)	599	570
Scheduled Short Courses	428	428	373	343	(30)	418	388
Flexible Workforce Development Fund	1,963	1,963	1,624	664	(960)	1,825	681
	6,041	6,041	4,813	3,835	(978)	5,797	4,634
Other Income							
Catering	20	20	20	20	0	18	21
Nursery	1,368	1,368	1,026	942	(84)	893	1,295
Access Centre Provision	190	190	190	367	177	212	370
Other Income Generating Activities	1,481	1,481	1,135	1,197	62	800	1,463
	3,059	3,059	2,371	2,526	156	1,923	3,149
Endowment & Investment							
Bank Interest	50	50	50	132	82	43	170
	50	50	50	132	82	43	170
TOTAL INCOME	70,187	69,789	48,407	47,529	(878)	49,517	68,649
EXPENDITURE							
Staff Costs							
Senior Management	1,804	1,804	1,262	1,176	86	1,154	1,734
Academic Departments	23,726	23,726	15,962	15,341	621	17,559	23,208
Academic Services	4,559	4,631	3,116	3,236	(120)	3,044	4,566
Admin & Central Services	14,660	14,588	10,119	9,581	538	9,915	14,170
Premises	1,593	1,593	1,172	1,246	(74)	1,155	1,663
Catering & Residences	40	40	30	24	5	21	35
Temporary, Agency & Staff Bank Costs	2,269	2,269	1,516	1,561	(45)	1,839	2,239
Other Staffing Expenditure	2,285	2,285	664	901	(237)	1,215	2,525
	50,935	50,935	33,841	33,067	774	35,902	50,139
Other Operating Expenses							
Premises	5,623	5,623	4,222	4,578	(357)	3,854	5,873
Teaching Activity & Support	2,287	2,265	1,779	1,467	312	1,781	1,787
Childcare Costs	1,067	669	449	449		577	573
Transport Costs	124	124	93	109	(16)	87	139
IT Costs	1,298	1,298	982	914	68	761	1,238
Telecomms Costs	111	111	83	72	11	32	100
Equipment	60	60	46	46	0	42	55
Health & Safety	57	57	43	24	18	21	35
Travel & Subsistence	382	413	312	300	12	238	378
Admin Costs	150	150	113	118	(5)	119	150
Corporate, Consultancy, Professional	674	665	504	464	40	536	615
Staff Welfare	16	16	12	2	10	6	4
Catering	646	646	489	385	104	621	511
Training & Development	81	81	64	70	(6)	34	86
VAT	1,368	1,368	1,220	1,250	(30)	1,126	1,504
Marketing & PR	168	168	135	112	23	99	138
Partnership Costs	10	-0	-0		(0)	(25)	(0)
Overseas Agents Commission	427	427	364	343	21	356	344
Registration & Exam Fees	1,069	1,069	903	905	(2)	916	1,069
Bad Debt	34	34	26	15	11	26	26
	15,651	15,244	11,838	11,623	215	11,208	14,625
Depreciation	6,146	6,146	4,610	4,836	(226)	4,528	6,538
Depreciation for the year	6,146	6,146	4,610	4,836	(226)	4,528	6,538
Debt Interest & Other Finance Costs							
Interest On Bank Loans	490	490	381	381		392	510
Other Finance Charges	25	25	19	22	(3)	12	25
	515	515	400	403	(3)	405	535
Exceptional Support Costs		8	8	41	(33)	122	41
TOTAL EXPENDITURE	73,247	72,849	50,697	49,970	727	52,164	71,878
Operating (Deficit) / Surplus pre SSAP24 Enhanced Pension Provision Charge	(3,059)	(3,059)	(2,290)	(2,441)	(151)	(2,647)	(3,229)
Adjusted Operating Position:							
Operating (Deficit) / Surplus pre SSAP24 Enhanced Pension Provision Charge	(3,059)	(3,059)	(2,290)	(2,441)	(151)	(2,647)	(3,229)
Add:							
Depreciation net of deferred capital grant release	3,249	3,249	2,437	2,574	137	2,453	3,419
Deduct:							
Loan repayments and payments against provisions	894	894	671	671		629	894
Adjusted Operating Position	(704)	(704)	(524)	(538)	(15)	(823)	(704)

Balance Sheet
For the 9 Months to 30th April 2024

	2023/24 YTD Actuals £000s	2022/23 Year End £000s	2022/23 Previous YTD £000s
Fixed Assets			
L&B	168,736	172,248	168,353
FFE	11,879	7,164	8,515
Intangible Assets	141	207	137
	180,757	**179,619**	**177,005**
Current Assets			
Stock	85	87	40
Debtors	7,607	8,480	3,106
Cash	6,768	5,706	5,865
	14,460	**14,273**	**9,012**
Creditors < 1yr			
Bank loans	(601)	(601)	(567)
Payments received in advance	(2,900)	(580)	(395)
Trade creditors	(869)	(577)	(748)
Taxes & social sec	(818)	(890)	(911)
Accruals, Def Inc & Other Creditors	(9,673)	(12,454)	(3,973)
Amounts owed to SFC	(6,883)	(503)	(7,175)
Deferred Capital Grants - Government	(2,688)	(2,944)	(2,688)
	(24,431)	**(18,549)**	**(16,458)**
Net current assets / (liabilities)	**(9,971)**	**(4,276)**	**(7,445)**
Total assets less current liabilities	**170,785**	**175,343**	**169,560**
Creditors > 1yr			
Bank loans	(6,791)	(7,239)	(7,415)
Deferred Capital Grants - Government	(49,846)	(51,303)	(50,449)
	(56,637)	**(58,542)**	**(57,864)**
Provisions			
Early retirement	(2,504)	(2,717)	(2,847)
	(2,504)	**(2,717)**	**(2,847)**
Net pension asset / (liability)	0	0	24,980
NET ASSETS	**111,645**	**114,084**	**133,829**
Reserves			
I&E account	40,799	41,739	41,069
Pension reserve	0	0	24,980
Revaluation reserve	70,846	72,345	67,780
RESERVES	**111,645**	**114,084**	**133,829**

Cumulative Cashflows (2023/24)

Edinburgh College — For the future you want

	Original Budget £000s Total	Revised Budget £000s Total	Aug 23 £000s Actuals	Sept 23 £000s Actuals	Oct 23 £000s Actuals	Nov 23 £000s Actuals	Dec 23 £000s Actuals	Jan 24 £000s Actuals	Feb 24 £000s Actuals	Mar 24 £000s Actuals	Apr 24 £000s Actuals	May 24 £000s Forecast	Jun 24 £000s Forecast	Jul 24 £000s Forecast	YTD Cumulative £000s Total	Annual Forecast £000s Total	Var From Budget - Fav / (Adv) £000s Total
SFC Grants - Core	49,967	49,967	2,177	4,099	4,099	4,599	6,599	4,599	2,099	2,598	4,493	4,493	4,493	4,493	35,362	48,841	(1,126)
SFC Grants - FWDF	1,963	1,963	183	183	183	155	24	0	0	(2)	0	0	0	0	726	726	(1,237)
SFC Grants - Other	4,899	4,899	269	807	439	1,118	540	524	431	361	70	92	78	16	4,558	4,743	(156)
SAAS Funds	2,897	2,897	0	0	0	0	0	2,656	0	0	0	0	0	0	2,656	2,656	(241)
Tuition Fees / Education Contracts	3,308	3,308	530	243	181	172	148	128	550	253	279	278	259	270	2,484	3,291	(17)
Commercial / International	4,078	4,078	355	630	133	375	496	220	507	100	143	191	289	226	2,959	3,665	(413)
Other Income	3,109	3,109	415	252	117	91	271	3,239	100	263	530	56	135	(53)	5,278	5,415	2,306
Operational Income	**70,221**	**70,221**	**3,929**	**6,214**	**5,152**	**6,510**	**8,078**	**11,366**	**3,687**	**3,573**	**5,515**	**5,110**	**5,253**	**4,951**	**54,023**	**69,337**	**(883)**
Staff Costs	50,935	50,935	3,692	3,625	3,459	3,565	3,729	3,752	3,783	3,260	4,344	3,806	4,411	8,704	33,209	50,130	805
Purchase Ledger / Other Expenditure	9,476	9,476	336	851	1,458	913	1,061	2,999	711	768	671	430	372	321	9,768	10,891	(1,415)
Childcare Expenditure	1,067	1,067	0	39	61	62	62	46	52	78	49	66	59	(3)	449	571	496
Premises Costs	5,623	5,623	469	490	498	525	517	576	525	483	495	440	440	415	4,578	5,873	(250)
Operational Expenditure	**67,101**	**67,101**	**4,497**	**5,005**	**5,476**	**5,065**	**5,369**	**7,373**	**5,071**	**4,589**	**5,559**	**4,742**	**5,282**	**9,437**	**48,004**	**67,465**	**(364)**
Net Income Generated From Operations	**3,120**	**3,120**	**(568)**	**1,209**	**(324)**	**1,445**	**2,709**	**3,993**	**(1,384)**	**(1,016)**	**(44)**	**368**	**(29)**	**(4,485)**	**6,019**	**1,873**	**(1,247)**
Capital Expenditure	3,180	3,180	103	228	559	481	455	172	335	443	786	165	68	68	3,562	3,863	(683)
Pensioners (against enhanced provision)	293	293	24	24	24	24	24	23	23	23	24	26	26	26	213	291	2
Capital Loan Repayments	601	601	0	43	105	0	43	106	0	43	108	0	43	110	448	601	0
Non-Operational Expenditure	**4,074**	**4,074**	**127**	**295**	**688**	**505**	**522**	**301**	**358**	**509**	**918**	**191**	**137**	**204**	**4,223**	**4,756**	**(682)**
Net Income Generated From Op and Non-Op Activities	**(954)**	**(954)**	**(695)**	**914**	**(1,012)**	**940**	**2,187**	**3,692**	**(1,742)**	**(1,525)**	**(962)**	**177**	**(166)**	**(4,690)**	**1,796**	**(2,883)**	**(1,928)**
Student Funds Inflow	11,173	11,173	501	1,461	1,364	1,276	1,287	1,301	260	46	1,704	1,299	1,354	48	9,200	11,900	727
Student Funds Outflow	12,006	12,006	9	1,091	1,113	1,092	1,033	1,001	1,179	2,404	1,011	1,169	1,088	552	9,933	12,742	(736)
	(833)	(833)	492	370	251	184	254	300	(919)	(2,358)	693	130	266	(504)	(733)	(842)	(9)
Total Cash In	**81,394**	**81,394**	**4,430**	**7,675**	**6,516**	**7,786**	**9,365**	**12,667**	**3,947**	**3,619**	**7,219**	**6,409**	**6,607**	**4,999**	**63,222**	**81,237**	**(157)**
Total Cash Out	**83,181**	**83,181**	**4,633**	**6,391**	**7,277**	**6,662**	**6,924**	**8,675**	**6,608**	**7,502**	**7,488**	**6,103**	**6,507**	**10,193**	**62,160**	**84,962**	**1,781**
Net Inflow / (Outflow)	**(1,787)**	**(1,787)**	**(203)**	**1,284**	**(761)**	**1,124**	**2,441**	**3,992**	**(2,661)**	**(3,883)**	**(269)**	**307**	**100**	**(5,194)**	**1,062**	**(3,725)**	**(1,938)**
Opening bank balance	5,706	5,706	5,706	5,503	6,787	6,026	7,150	9,590	13,582	10,921	7,038	6,768	7,075	7,175	5,706	5,706	0
Closing bank balance	3,919	3,919	5,503	6,787	6,026	7,150	9,590	13,582	10,921	7,038	6,768	7,075	7,175	1,981	6,768	1,981	(1,938)
Ledger balances																	
Main accounts	0	0	4,143	5,057	4,045	4,985	7,171	10,863	9,121	6,994	6,449	6,569	7,162	1,955	6,449	1,955	1,955
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	1,360	1,730	1,981	2,165	2,419	2,719	1,800	44	319	506	13	26	319	26	26
Subsidiary accounts																	
	0	**0**	**5,503**	**6,787**	**6,026**	**7,150**	**9,590**	**13,582**	**10,921**	**7,038**	**6,768**	**7,075**	**7,175**	**1,981**	**6,768**	**1,981**	**1,981**

Edinburgh College

Title	Recruitment, Retention & Credits Dashboard
Appendices	Appendix 1: Applications and Offers AY 2024/25
Disclosable under FOISA	Yes ☒ / No ☐
Primary Contact	Jonny Pearson, Vice Principal Education & Skills
Date of Production	30.05.24
Action Required	For Approval ☐ / For Discussion ☒ / For Information ☒
Aligned to Strategic Risk	Yes ☒ / No ☐ *(If 'yes' please complete Section 5.3)*

1.   RECOMMENDATIONS

The committee are asked to note the current recruitment and enrolment position for AY 2023/24, note the recruitment trends helping to reshape the curriculum offer and discuss applications and enrolments for AY 2024/25.

2.   PURPOSE OF REPORT

The purpose of this paper is to:

- Give a detailed update on recruitment and enrolment for AY 2023/24 including year on year comparisons.
- Identify specific areas of curriculum growth, development and decline following application and recruitment trends.

3.   KEY INSIGHTS

3.1   Progress Against Activity Target for AY 2023/24

Activity Target	98% of Target	Current Credit Total	Semester 2 Credits
164,857	161,559	162,113	16,828

Our current total is 98.3% of our activity target meaning we will not be subject to the threat of clawback from SFC.

3.2   Recruitment, Enrolment & Offers AY 2024/25

As previously requested by the Committee, further information on applications and offers for AY 2024/25 can viewed in Appendix 1.

4.   IMPACT AND IMPLICATIONS

4.1   Financial Implications

Failure to achieve 98% of the activity target could result in a financial clawback, this has been avoided.

4.2 Strategy Implications
The reduction in enrolments in specific curriculum areas highlights the need for further dialogue with the SFC regarding the value of a PT credit, plus the need to maintain the focus on curriculum re-shaping - as outlined in detail in the new Curriculum Strategy.

5. ALIGNMENT TO STRATEGIC PLAN / KPIs / RISK REGISTER

5.1 Alignment to Edinburgh College Strategic Pillars *[Indicate with an 'X' which Strategic Pillar this paper supports]*:

Curriculum Strategy	⊠	Finance Strategy	⊠	People Strategy	⊠
Commercial Strategy	☐	Digital Strategy	☐	Other	☐

5.2 Relevant Key Performance Indictors *[Indicate with an 'X' which performance indicators this paper supports]*:

Student Success	☐	Credit Target	⊠	Equality, Diversity & Inclusion	☐
Student Satisfaction	⊠	Adjusted Operating Position (AOP)	⊠	Staff Costs	☐
Student Retention	⊠	Non-SFC Income	☐	Staff Engagement	☐
Student Enrolments	⊠	Gross Carbon Footprint	☐	Partner Engagement	☐

5.3 Alignment to the Top-Level Risk Register *[Strategic risk information should be copied directly from the most recent TLRR]*:

Strategic Risk(s)	Risk Score*		
(2) STUDENT RETENTION AND ATTAINMENT	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
Executive Lead(s):	4	5	20
VP Education & Skills / VP Innovation Planning & Performance	Residual (Net) Risk		
	Probability	*Impact*	*Score*
Lead Committee:	3	5	15
Planning & Resources Committee	Movement	⟺	
32) FAILURE TO MEET SFC FUNDED ACTIVITY TARGETS AND FEES	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
Executive Lead(s):	4	5	20
VP Education & Skills / VP Innovation Planning & Performance	Residual (Net) Risk		
	Probability	*Impact*	*Score*
Lead Committee:	4	5	20
Planning & Resources Committee	Movement	⟺	

*Risk Score Key: 0-10 Low Risk; 11-15 Moderate Risk; 16-25 High Risk. [Further information on risk scoring can be found in the [EC Risk Management Policy & Procedure]

Faculty / Department		FT FE 2023/24 App	Acc	2024/25 App	Acc		FT HE 2023/24 App	Acc	2024/25 App	Acc	
Construction & Engineering		**1,346**	**747**	**1450**	**684**	**8%**	**280**	**149**	**343**	**170**	**14%**
	Construction	446	236	426	202	14%	60	32	85	30	-6%
	Engineering	900	511	1024	482	6%	220	117	258	140	20%
Creative Industries		**1,391**	**765**	**1535**	**848**	**-10.8%**	**1,820**	**1,160**	**1825**	**1154**	**1%**
	Art & Design	363	203	428	224	9%	478	302	445	254	16%
	Computing	478	224	521	257	-15%	387	204	408	245	20%
	Media, Music & Sound Production	319	201	344	212	5%	527	366	490	315	14%
	Performing Arts & Photography	231	137	242	155	-13%	428	288	482	340	18%
Health, Wellbeing & Social Sciences		**1995**	**1168**	**2072**	**1081**	**7%**	**1054**	**706**	**1111**	**684**	**-3%**
	Childhood Practice & SVQ Provision	262	178	301	211	19%	164	101	165	119	18%
	Health Professions & Social Services	661	378	656	264	30%	247	157	329	169	8%
	Routes into Education & Employment	413	222	310	159	28%	0	0	0	0	0%
	Social Sciences incorporating ICS	336	219	448	220	0%	229	157	183	106	32%
	Sport & Fitness	323	171	357	227	33%	414	291	434	290	0%
Tourism, Hospitality & Business		**1,981**	**677**	**2459**	**938**	**39%**	**707**	**415**	**659**	**328**	**21%**
	Community Based ESOL & Modern Languages	25	9	44	19	111%	0	0	0	0	0%
	Enterprise & Commerce	262	141	280	117	17%	508	296	518	239	19%
	ESOL	743	57	957	224	293%	0	0	0	0	0%
	Hair & Beauty	447	193	551	239	24%	54	36	53	39	8%
	Professional Cookery, Hospitality, Travel & Tourism	504	277	627	339	22%	145	83	88	50	40%
		6,713	**3,357**	**7516**	**3,551**		**3,861**	**2,430**	**3938**	**2,336**	
		12.0%		**5.8%**			**2.0%**		**-3.9%**		

Title	Governance Report
Appendices	Appendix 1: Sustainability and Corporate Social Responsibility Statement Appendix 2: Draft Modern Slavery & Human Trafficking Statement Appendix 3: Summary Top Level Risk Register to May 2024
Disclosable under FOISA	Yes ☒ / No ☐
Primary Contact	Marcus Walker, Board Secretary
Date of Production	30.05.24
Action Required	For Approval ☒ / For Discussion ☒ / For Information ☒
Aligned to Strategic Risk	Yes ☐ / No ☒ *(If 'yes' please complete Section 5.3)*

1.   **RECOMMENDATIONS**
The Board is asked to NOTE the contents of the Governance Report, which includes updates on Board Membership, annual evaluations, and the 2024/25 Board schedule.

The Board are asked to NOTE and DISCUSS the Top-Level Risk Register Summary, as presented by the Chief Operating Officer.

To comply with both the Modern Slavery Act 2015 (Section 54; Part 6) and the Code of Good Governance for Scotland's College (Paragraph A.10), the Board are asked to CONSIDER and APPROVE the proposed Sustainability and Corporate Social Responsibility (CSR) Statement and the Modern Slavery & Human Trafficking Statement outlined under Paragraph 3.1.

2.   **PURPOSE OF REPORT**
The report provides an update on matters previously brought to the attention of the Board, and further governance developments within the College, and the college sector, over recent months.

3.   **KEY INSIGHTS**

3.1   **Corporate Statements**

3.3.1   Sustainability and Corporate Social Responsibility Statement

In accordance with the Code of Good Governance for Scotland's College, the Edinburgh College Board of Management must demonstrate high levels of corporate social responsibility by ensuring the College makes a positive impact on society, the environment and the economy through behaving ethically and contributing to economic development while seeking to improve the quality of life of the local community, society at large and its workforce.

The attached Sustainability and Corporate Social Responsibility Statement (Appendix 1) has been reviewed by the Senior Management Team and is put

forward to the Board of Management for approval – prior to its publication on the College website.

3.3.2   Modern Slavery & Human Trafficking Statement

The Modern Slavery Act 2015 requires Edinburgh College to produce a statement setting out the steps it has taken to ensure that there is no modern slavery within the organisation and/or its supply chains.

Edinburgh College adopts a zero-tolerance approach to slavery and human trafficking and is committed to protecting human rights. We will act ethically and responsibly in all our relationships by working with suppliers that share and adhere to this commitment.

The attached Modern Slavery & Human Trafficking Statement (Appendix 2) has been reviewed by the Senior Management Team and is put forward to the Board of Management for approval – prior to its publication on the College website.

3.2   Top-Level Risk Register Summary

For Board members' consideration a Top-Level Risk Register (TLRR) Summary is attached as Appendix 3. *[N.B. A verbal update on the TLRR Summary will be provided by the Chief Operating Officer on 11 June 2024]*

At its most recent meeting on 2 May 2024, the Risk Management & Assurance Group (RMAG) agreed to the following top risks for the college:

- (1) National bargaining impact on college operations.
- (33) Financial sustainability (insufficient budget / funding to cover cost of living, job evaluation, employer pension contribution increases).
- (24) Cyber security breaches within the college.

The RMAG has reviewed and acknowledged the ongoing management of operational risk registers for the Creative Industries, Health, Wellbeing & Social Sciences, and Construction & Engineering departments.

For information, the detailed TLRR is accessible via the Board Portal.

3.3   Board Membership Update

Following the Education Secretary's Good Governance Task Group Report, published in 2016, which outlined a series of recommendations for improving how Scotland's colleges are governed, the Scottish Government committed to introducing trade union nominees to the boards of all regional colleges to support the governance of Scotland's colleges.

As reported to the last meeting of the Board, in response to amendments to Legislation implemented last year, Alan Holligan (Lecturer, Art & Design) has joined the Board of Management as the nominated EIS-FELA Member from 1 February 2024.

The Edinburgh College UNISON Branch have again been invited to nominate a member to join the Board of Management. However, at the time of writing no nomination has been received.

3.4   Annual Evaluation Process 2023/24

The Code of Good Governance for Scotland's Colleges states that boards must keep their effectiveness under annual review and have in place a robust self-evaluation process. Further to this, the Board has undertaken the following self-evaluation exercises:

- **Committee self-evaluations** were undertaken at all meetings in May and June 2023. Actions arising from the self-evaluations will be considered by each committee at their next meeting.
- A **Board Questionnaire** was circulated to all members with a deadline of 29 May 2024. Key themes arising from the survey are outlined in the 2023/24 Appraisal Report (PAPER M).
- **One-to-one meetings with the Chair** took place during the weeks commencing 13th & 20th May 2024. Reflections from the process will be fed back to the Board as part of the 2022/23 Appraisal Report (PAPER M).
- The **Evaluation of the Chair** was conducted by the Vice-Chair at the end of May 2024 and allowed Board members to reflect on the Board Chair's performance in 2023/24. Matters arising from the process will be fed back to the Board as part of the 2023/24 Evaluation of the Chair Report (PAPER N).
- A **review of Committee Membership and Attendance** will be conducted by the Nominations Committee on 7 June 2024. A finalised report will be circulated to Board members in due course.

3.6   2024/25 Board and Committee Schedule

A schedule for Board meetings n 2024/25 is currently being finalised and will be presented to the Board of Management on 11 June 2024.

3.7   National Governance Update

3.7.1   Revisions to Guidance on the Model Code of Conduct

The Standards Commission for Scotland have made some revisions to its Guidance on the Model Code of Conduct, in light of feedback over the past year. The updated Guidance can be viewed online **here**.

For reference, the main changes are the inclusion of more information on:

- The composition of boards and the complaint route for different types of board members (see the introduction section and the guidance on Annex A).
- The requirement for members to act in the best interests of the public body, as opposed to the interests of any individual constituency from which they have been appointed, nominated or elected.
- When the relevant Code applies and the factors the Standards Commission may take into account.

- The fact that the Code does not prevent members from making points or from scrutinising the performance of their public body, provided they do so in a respectful manner that is compatible with the Code.
- The fact that anyone can make a complaint to the Ethical Standards Commissioner and that employees should not be pressurised into doing so.
- What might constitute registrable Category Five: Houses, Land and Buildings interest.
- What might constitute a registrable Category Eight: non-financial interest.

For information, the Edinburgh College Board of Management Code of Conduct, based on the Model Code of Conduct, can be viewed **here**.

4.   IMPACT AND IMPLICATIONS

Effective governance arrangements and appropriate forward planning will mitigate the risk of governance failure.

5.   ALIGNMENT TO STRATEGIC PLAN / KPIs / RISK REGISTER

5.1   Alignment to Edinburgh College Strategic Pillars *[Indicate with an 'X' which Strategic Pillar this paper supports]*:

| Curriculum Strategy | ☐ | Finance Strategy | ☐ | People Strategy | ☒ |
| Commercial Strategy | ☐ | Digital Strategy | ☐ | Other | ☒ |

5.2   Relevant Key Performance Indictors *[Indicate with an 'X' which performance indicators this paper supports]*:

Student Success	☐	Credit Target	☐	Equality, Diversity & Inclusion	☒
Student Satisfaction	☐	Adjusted Operating Position (AOP)	☐	Staff Costs	☒
Student Retention	☐	Non-SFC Income	☐	Staff Engagement	☒
Student Enrolments	☐	Gross Carbon Footprint	☐	Partner Engagement	☒

5.3   Alignment to the Top-Level Risk Register *[Strategic risk information should be copied directly from the most recent TLRR]*:

Strategic Risk(s)	Risk Score*		
Not applicable.	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
	-	-	-
	Residual (Net) Risk		
	Probability	*Impact*	*Score*
	-	-	-
	Movement		-

Risk Score Key: 0-10 Low Risk; 11-15 Moderate Risk; 16-25 High Risk. [Further information on risk scoring can be found in the EC Risk Management Policy & Procedure]

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY STATEMENT

Edinburgh College acknowledges the importance of upholding corporate social responsibility in line with our Strategic Ambitions and the United Nations Sustainable Development Goals. We understand that our actions impact various stakeholders, including the communities we represent and our workforce. Our commitment lies in fostering ethical behaviour, contributing to economic development, and enhancing the quality of life for individuals within our region.

Ethical Conduct and Governance

Integrity, transparency, and accountability form the bedrock of our operations. We adhere unwaveringly to the highest standards of ethical conduct and responsible governance. Our interactions with all stakeholders are guided by principles of honesty, fairness, and respect. We diligently comply with applicable laws, regulations, and industry best practices, ensuring the responsible management of resources, finances, and information.

In our engagements with external bodies, we prioritise due diligence, ensuring that associations with business, commercial, financial, or voluntary organisations align with our Strategic Objectives. We seek partnerships across the region that promote educational, economic, social, and cultural opportunities for our students, our employees, and welcome those from further afield.

Our Students

As a socially responsible institution, Edinburgh College holds a special responsibility for the safety, care, and well-being of our students. We recognise the challenges some students face, including family breakdown, generational unemployment, inter-cultural fluency, poverty, and mental health issues. In response, we provide a range of professional services, including a dedicated Wellbeing Hub, access to online resources such as Silver Cloud, and referrals for student counselling services. We also implement initiatives to safeguard students, especially those with protected characteristics as defined by the Equality Act 2010.

Our Employees

As Scotland's Capital College, we prioritise the health and well-being of our teaching and professional services staff. We have been honoured with the Healthy Working Lives (HWL) Gold Award, utilising HWL's programs and framework to address the diverse needs of our employees, including physical and mental health. Through various events, initiatives, and continuous professional development activities, we promote a healthy lifestyle among our employees.

We are committed to equality, diversity, and inclusion, and actively challenge systemic racism. Additionally, we foster an open and honest culture where employees feel empowered to question and challenge senior management. We have been recognised as a Living Wage

Employer, a Disability Confident Employer, a Carer Positive Employer, a SCQF Inclusive Recruiter, and have achieved Silver Armed Forces Employer Recognition.

Our Community

We highly value the collaboration and engagement of our stakeholders, including students, employees, local communities, industry partners, global stakeholders and policy decision-makers. By actively involving them in decision-making processes, promoting transparency, and maintaining open communication channels, we aim to build strong and mutually beneficial relationships.

Sustainability

Edinburgh College is deeply committed to environmental sustainability, both through our policies and our role as an educator. We acknowledge the Climate Emergency and its direct link to human-induced greenhouse gas emissions. In alignment with Scotland's efforts to achieve Net Zero, we have signed the CDN College Climate Emergency Commitment, demonstrating our determination to address this pressing issue.

Our comprehensive Environmental Sustainability Strategy outlines our ambition to be at the forefront of environmental sustainability in our learning, teaching, partnerships, and operations. It sets clear goals to reduce carbon emissions by 75% by 2024 and achieve carbon neutrality by 2030. Our approach includes procurement policies, employee awareness initiatives, estate management, and a commitment to reducing employee travel. We regularly report on our progress through key performance indicators and fulfil our duties through the annual Public Bodies Climate Change Duties Report.

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT 2024

1. PURPOSE

Edinburgh College will not tolerate slavery or human trafficking in our College or supply chains. We are committed to improving our policies and practices to play our part in eradicating slavery and human trafficking and protecting human rights.

The College's statement demonstrates the commitment of Edinburgh College to the principles of the Modern Slavery Act 2015 and specifically to section 54 (1).

2. COLLEGE POLICY AND STATEMENT

Edinburgh College is committed to the eradication of slavery and human trafficking. This policy acknowledges the legislation and laws implemented by the Modern Slavery Act 2015 and details the steps that the College is taking to work towards the provision of the Act. We are committed to ensuring that there is no slavery or human trafficking in our organisation and supply chains. This statement reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

3. INTERNAL POLICIES

We are a Real Living Wage Employer and aim to provide a rewarding working environment in which people are valued and respected. We have a strong commitment to diversity, equality and inclusion and look after the wellbeing of our people, ensuring that they are safe and that we care for them appropriately.

Good corporate citizenship and corporate responsibility are important parts of our identity, as a public body, and an employer. We set out the ethical standards we expect of our staff in a number of policies, including:

- Whistleblowing;
- bullying and harassment;
- corporate social responsibility;
- diversity, equality and inclusion;
- our approach to recruitment;
- ethical procurement.

4. OUR SUPPLY CHAIN

The College buys a wide range of goods and services and engage directly with approximately 600-700 suppliers. All of our direct suppliers are registered in the UK but many of their

operations and supply chains are global. Some suppliers have complex supply chains with multiple tiers of suppliers and we currently have little visibility over the lowest tiers of the supply chain. The College's approach to this is through APUC, by starting with suppliers where potentially slavery could be more expected. Through APUC we hope to gain greater supply chain visibility where the risks may be highest but are deeper in the supply chain.

Edinburgh College's supply chains mainly fall under the following categories, which are:

- Estates Goods and Services
- ICT Equipment and Services
- Professional Services
- Library Resources
- Laboratory Consumables and Equipment
- Human Resources

Procuring goods and services from suppliers linked to supply chains across the world presents risks of slavery and human trafficking. We have put in place the following measures to mitigate this risk:

Advanced Procurement for Universities and Colleges (APUC)
Edinburgh College is a member of the FE/HE sector collaborative procurement body, Advanced Procurement for Universities and Colleges (APUC) and utilises this expertise in procuring goods and services. APUC requires all suppliers to commit to the Sustain Supply Chain Code of Conduct confirming that they do not use forced, involuntary or underage labour, provide suitable working conditions and treat employees fairly. APUC is a Founder Member of Electronics Watch, an independent monitoring organisation working to achieve respect for labour rights in the global electronics industry through socially responsible public purchasing in Europe. The College currently utilises and is committed to the Sustain Supply Chain Code of Conduct, and this underpins all tendering activity and supplier adoption.

Regulated Procurement
Every regulated procurement process undertaken by Edinburgh College requires tenderers to disclose whether the bidder or any member of their organisation with decision-making powers has been convicted in the last five years of any offence under Part 1 of the Human Trafficking and Exploitation (Scotland) Act 2015, or under any provision referred to in the Schedule to that Act. Tenderers that confirm such a conviction will be excluded from the process unless they can successfully demonstrate that they have self-cleansed. The Sustainable Public Procurement Prioritisation tool will be used to review high-risk categories including estates, food and catering, information and communication technology, laboratories, and travel.

Modern Slavery Statement
For procurement that does not take place through the APUC or other purchasing organisation frameworks (exceeding £50,000 for goods and services and £2,000,000 for works), this statement is included with all tender documents and potential suppliers are required to complete and sign our modern slavery certificate. This certificate requires tendering suppliers to set out the measures that they take to ensure that slavery and human trafficking does not take place in their own organisation or supply chains.

5. OUR PEOPLE

We have put in place the following measures to mitigate the risk of slavery or human trafficking taking place directly within our College:

Recruitment Practices
We carry out rigorous right to work checks for all new members of staff. When it is necessary to engage agency workers, we use recruitment agencies who have met our rigorous procurement procedures.

All staff members and agency workers are required to be members of Disclosure Scotland's Protecting Vulnerable Groups (PVG) scheme. A PVG certificate contains all unspent and certain spent conviction information. It also contains any other non-conviction information that the police or other government bodies think is relevant. This information is checked during the recruitment process and the College will be made aware of any new convictions whilst an individual is working with the College.

Pay
We are a Real Living Wage Employer and comply with all pay related legislation.

Working Conditions
Our Health and Safety Team oversee the College's compliance with health and safety legislation across our campuses. We are committed to fair working practices and publish a range of policies and procedures setting out our approach to health and safety, well-being at work and family friendly arrangements.

Whistleblowing
All employees and workers are encouraged to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be respected wherever possible. This commitment is set out in the College's [Whistleblowing Policy & Procedure](.).

6. TRAINING AND AWARENESS

Edinburgh College's Procurement Team have been trained on Modern Slavery Awareness.

APUC has established a Sustainable Procurement Leaders Group, of which Edinburgh College is a member. This group considers all key issues related to sustainable procurement and ways to increase and improve sector awareness.

7. RESPONSIBILTIES AND REPORTING

The Edinburgh College Board of Management has overall responsibility for ensuring that this policy statement and its implementation comply with our legal and ethical obligations.

At an operational level, responsibility for the prevention of modern slavery within the College and its supply chain rests with the College's Senior Management Team. Managers at all levels are responsible for ensuring those reporting to them understand and comply with this policy statement.

Edinburgh College's whistleblowing and safeguarding policies are intended to provide guidance on how concerns can be communicated to the organisation. Concerns about suspected modern slavery associated with the College or its suppliers may be reported by employees in this manner. The aforementioned policies apply to employees and are published on the [College website](#).

8. REVIEW

This statement to combat slavery and human trafficking was approved on 11 June 2024 by the Edinburgh College Board of Management who review and update it annually.

This statement will be reviewed each financial year in accordance with clause 6 of the Modern Slavery Act 2015.

Top Level Risk Register May 2024

Edinburgh College

Overview - The following have been identified as the top strategic risks of Edinburgh College for the reporting period as of May 2024.
The colour status applied to each listed risk is based on the residual (Net) score applied within the top risk register maintained by the College.

RED Score

↔ (1) National bargaining impact on college operations

↔ (33) Financial Sustainability (Insufficient budget / funding to cover cost of living, job evaluation, employer pension contribution increases)

↔ (24) Cyber security breaches within the college

AMBER Score

↔ (2) Student retention and attainment

↔ (25) Finable breach of the GDPR or PECR

↔ (28) College estate infrastructure not aligned to meet business need

GREEN Score

↓ (32) Failure to meet SFC funded activity targets and fees (recruitment, credit, SAAS and fee income)

↓ (15) Health & safety non-compliance

↔ (35) Public health risk

↔ (3) College does not support or invest in commercial opportunities that contribute to financial sustainability

↔ (27) Workforce planning and development

Risk Movement
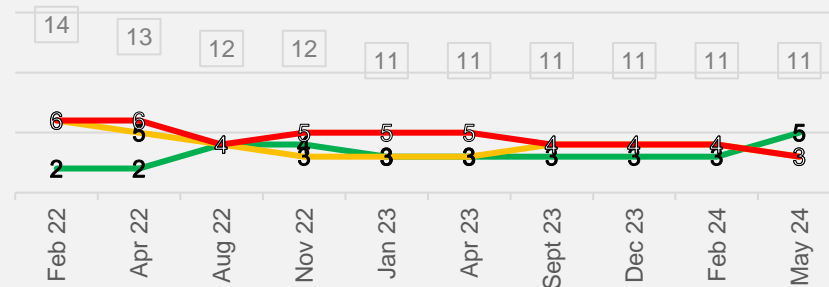
RAG Key

↔ *No score movement from last reporting period*

↑ *Residual (Net) score increase from last reporting period. Colour of arrow denotes the risks previous RAG score*

↓ *Residual (Net) score decrease from last reporting period. Colour of arrow denotes the risks previous RAG score*

▪ *New Risk*

↕ *Combination of previously separate risks within the top risk register*

For the future you want

BOARD OF MANAGEMENT
11 JUNE 2024
PAPER M

Title	Board Annual Appraisals Report 2024
Appendices	None
Disclosable under FOISA	Yes ⊠ / No ☐
Primary Contact	Marcus Walker, Board Secretary
Date of Production	06.06.24
Action Required	For Approval ☐ / For Discussion ⊠ / For Information ⊠
Aligned to Strategic Risk	Yes ☐ / No ⊠ (If 'yes' please complete Section 5.3)

1.   RECOMMENDATIONS
The Board are asked to DISCUSS and NOTE the paper.

2.   PURPOSE OF REPORT
The Code of Good Governance for Scotland's Colleges states that boards must keep their effectiveness under annual review and have in place a robust self-evaluation process.

There are two elements to the Board annual appraisal process at Edinburgh College:
- One-to-one meetings between the Chair and Board members.
- A Board Survey reflecting on the practice of the Board of Management during the academic year.

3.   DETAIL

3.1   Board Survey 2024

3.1.1   Methodology

In late May 2024, an evaluation questionnaire comprising of 34 statements, over six sections directly related to areas of the Code of Good Governance, was circulated to the Board. Responses to the questionnaire illustrated that Board members were broadly content with governance arrangements at the College, indicating broad 'agreement' with all 34 of the statements put forward (against a six-level Likert scale).

All new Non-Executive Board Members, appointed on 1 February 2024, agreed that it was not appropriate to complete the Survey and instead chose to feedback through the one-to-one appraisal process. Of the remaining Board members, nine (from a possible total of 18) completed the 2024 Board Survey.

3.1.2 Quantitative Responses

Respondents collectively 'agreed' (mean score 5.3 out of 6) with all 34 statements put forward in the 2024 Survey,

The lowest scoring section of the Survey related to *'Partnership Working'* (4.5 out of 6), with the lowest scoring question: *'Learning provision is relevant to industry needs'* (4.1).

Surveyed questions relating to *'Vision and Strategy'* (4.7) were the second lowest scoring. With *'The Board undertakes regular strategic reviews/scenario planning'* (4.3) the joint second lowest scoring question, alongside *'The Board ensures effective communications with stakeholders'.*

The strongest performing statements related to *'Effectiveness'* (5.6) and *'Accountability'* (5.4). Within these areas the questions *'The Board is well supported and guided in matters of governance'* and *'Board effectiveness is regularly reviewed'* both scored full marks (6.0).

The *'Quality of the Student Experience'* performed well in the survey questions (5.1), with the Board receiving regular reports from ECSA (6.0). The lowest scoring questions in these areas (both scoring 4.8) were: *'Learning and Teaching performance is overseen effectively'* and the *'student experience is central to Board decision-making'.*

3.1.3 Qualitative Responses

A selection of anonymous comments from across the survey are provided below:

Leadership and Strategy

- *"KPI's are currently too broad and extensive to be defined as 'key'. The number needs to be rationalised with greater emphasis/focus on fewer indicators that if achieved would make a material difference to our performance."*

- *"I think there are instances of scenario planning that take place, but I'd like to see some more forward-looking scenario planning which takes into account our ambitions around innovation (while being mindful that funding is a constant unknown)."*

- *"Members are effective at discharging good governance responsibilities and sensitive to impact of difficult decisions but not sure the values and associated behavioural framework is clear enough."*

Quality of the Student Experience

- *"Strong and highly engaged contributions from student members have been a key strength over the past year."*

- *"The Board has a high level of engagement with ECSA but I'm not sure of the extent to which the Board prioritises students' views."*

- *"The focus on improving the student experience has been fundamental in shifting to higher learner outcomes this past year which has been good to see."*

Accountability

- *"The area of Accountability and Delegation; and Risk and Audit is well covered by the Board and its committees."*

- *"I have no concerns about the governance around the board or any of the committees. I believe it to be strong."*

- *"Although the annual report is very comprehensive, I'd like to see it come to life – include the voice of students, tell the stories of the college impact/ lives changed etc. It could be a lot more visual too or at least have a summarised version in a different and more visual format."*

- *"Good governance around funds and finance. Clarity around trustee status - in terms of clarity of responsibility [would be welcomed]"*

Effectiveness

- *"The Board consists of a broad range of highly skilled and experienced individual. There is room for further development in the area of effective team working."*

- *"The effectiveness of post holders is transparent in Board processes and procedures and Board members are especially well supported in carrying out their governance responsibilities."*

Relationships and Collaboration

- *"This is a part of the colleges function/obligations that I feel I have not seen evidence of at Board level. There is often mention of the number of industry partners that the college has but it would be useful to have an (optional attendance) deep-dive on how this part of the college's role is executed by the executive and SMT in practice."*

- *"Our engagement with industry stakeholders and alignment to current and future skills and market needs is an area where there is scope for much greater progress."*

- *"I was heartened at a recent strategic session involving the City Deal that the college is well placed to work effectively with partners. It also demonstrates a well-earned reputation and a sector leading role in its approach to partnership working."*

These constructive comments, and other points raised, will be considered further by the Chair and the Board Secretary.

3.2 One-to-One Meetings with the Chair of the Board

The Chair held individual appraisals with 15 members of the Board during the w/c 13th & 20nd May 2024. The Board members who are remaining on the Board for the upcoming academic year (2024/25) all agreed personal objectives with the Chair.

Further to the appraisal meetings held in May, the Chair of the Board shall verbally update the Board on 11 June 2024 on any themes arising from these one-to-one discussions and her subsequent reflections.

3.3 Next Steps

The feedback provided by the Board will be considered further by the Chair and the Board Secretary, and cross referenced with the 2024 Board Effectiveness Report and the accompanying Improvement Plan. A further update on the implementation of points raised through Board members' feedback shall be included in the Governance Report provided to the Board at its next meeting in September 2024.

4. IMPACT AND IMPLICATIONS

Self-evaluation is required to maintain an effective Board and ensure that robust governance arrangements are in place. A governance failure, which may result from inadequate self-evaluation processes, could have significant reputational implications for the College.

5. ALIGNMENT TO STRATEGIC PLAN / KPIs / RISK REGISTER

5.1 Alignment to Edinburgh College Strategic Pillars *[Indicate with an 'X' which Strategic Pillar this paper supports]*:

Curriculum Strategy	☒	Finance Strategy	☒	People Strategy	☒
Commercial Strategy	☒	Digital Strategy	☒	Other	☒

5.2 Relevant Key Performance Indictors *[Indicate with an 'X' which performance indicators this paper supports]*:

Student Success	☐	Credit Target	☐	Equality, Diversity & Inclusion	☒
Student Satisfaction	☒	Adjusted Operating Position (AOP)	☒	Staff Costs	☐
Student Retention	☐	Non-SFC Income	☐	Staff Engagement	☒
Student Enrolments	☐	Gross Carbon Footprint	☐	Partner Engagement	☒

5.3 Alignment to the Top-Level Risk Register *[Strategic risk information should be copied directly from the most recent TLRR]*:

Strategic Risk(s)	Risk Score*		
Not applicable.	Inherent (Gross) Risk		
	Probability	*Impact*	*Score*
	-	-	-
	Residual (Net) Risk		
	Probability	*Impact*	*Score*
	-	-	-
	Movement		-

*Risk Score Key: 0-10 Low Risk; 11-15 Moderate Risk; 16-25 High Risk. [Further information on risk scoring can be found in the EC Risk Management Policy & Procedure]