



BOARD OF MANAGEMENT

FINANCE AND PROPERTY COMMITTEE

Tuesday 12 March 2019 at 5.00pm
Y150, Gardyne Campus

AGENDA

- 1. WELCOME**
- 2. APOLOGIES**
- 3. DECLARATIONS OF INTEREST**
- 4. ESRC RESEARCH PROJECT – INFORMED CONSENT** Paper A for information
- 5. MINUTES OF PREVIOUS MEETING** Paper B for approval
- 6. MATTERS ARISING**
- 7. BUDGET MONITORING REPORT AND UPDATE** Paper C for information BF/CB
- 8. GOOD TO GREAT BUDGET** Paper D for information CB
- 9. ICT RESOURCE PLAN** Paper E for information SH/AR
- 10. FINANCIAL STRATEGY** Paper F for approval CB
- 11. CAPITAL**
 - 11.1 Estates Strategy Paper G for approval CB/BG
 - 11.2 2019/2020 Capital Plan Paper H for approval BG
 - 11.3 Forfar Outreach Centre Paper I for approval BG
 - 11.4 Post Project Evaluation – Kingsway Windows Paper J for information BG
- 12. VP CORPORATE SERVICES REPORT** Paper K for information CB
- 13. DATE OF NEXT MEETING** - Tuesday 21 May 2019, 5.00pm, Y150 Gardyne Campus



**FINANCE & PROPERTY COMMITTEE
12 March 2019**

ESRC Research Project – Informed Consent

PAPER A

Processes and practices of governing in FE colleges in the UK

Note to Board of Management to ensure ongoing informed consent

Dundee and Angus College is one of a select number of colleges participating in a four nations study of the processes and practices of governing in FE colleges. Funded by the Economic and Social Research Council (ESRC), this project is led by a team of highly regarded and experienced investigators from the Universities of Stirling, Birmingham and Cardiff (further details available on the project website <https://fe-governing.stir.ac.uk/>).

The main focus of the study is to observe and video meetings of the College Board of Management held between January and December 2019. In addition, a select number of committee meetings may be observed, but not recorded. Observational studies of governing bodies, whether in the public or the corporate sphere, are rare so by agreeing to have your board meetings videoed you are supporting leading-edge research in this area.

In order to be funded, the research has been through a highly rigorous process of review by the ESRC. It has also been closely assessed and approved by research ethics committees at the three universities. Working to the highest ethical standards, the researchers will ensure that confidentiality is maintained, that sensitive information is not shared, and that individuals are not identifiable (unless they have explicitly agreed otherwise) in any communications, presentations or publications. Furthermore, all data will be deleted within a year of the project ending.

All participants in the meetings that are videoed and/or observed are required to complete a participant consent form to confirm that they understand the nature of the research and are aware of their right to withdraw (and have any contributions disregarded) at any time without consequence. They are also encouraged to speak to a member of the research team should they have any questions or concerns. The contacts for Scotland are Dr Helen Young, Research Fellow (01786 467748, h.l.young@stir.ac.uk) and Professor Cate Watson, Principal Investigator (01786 467626 cate.watson@stir.ac.uk).





**FINANCE & PROPERTY COMMITTEE
12 March 2019**

Minutes of Previous Meeting

PAPER B



BOARD OF MANAGEMENT FINANCE AND PROPERTY COMMITTEE MEETING

Minute of the Finance and Property Committee meeting held on Tuesday 22 January 2019 at 5.00 pm in Y150, Gardyne Campus.

PRESENT:	S Mill (Chair)	A McCusker
	G Bisset	D Fordyce
	A O'Neill	G Ritchie

IN ATTENDANCE:	C Blake (Vice Principal)	S Hewitt (Vice Principal)
	S Taylor (Vice Principal and Secretary to the Board)	
	W Grace (Head of Estates)	H Young (ESRC Research Project)
	T D'All (Principal's/Board Chair PA)	

1. WELCOME

S Mill welcomed members to the meeting and introduced Helen Young from Stirling University who is undertaking a project on behalf of the Economic & Social Research Council (ESRC) studying the processes and practices of governing in FE Colleges.

2. APOLOGIES

Apologies were received from: D Mackenzie, N Lowden, C Clinkscale, B Ferguson

3. DECLARATIONS OF INTEREST

There were no declarations of interest.

4. ESRC RESEARCH PROJECT – INFORMED CONSENT

H Young confirmed that the majority of BOM members (along with those “in attendance” at meetings) had completed the ESRC Consent Forms but that further copies would be available at each meeting.

Filming for the ESRC Project will be limited to BOM Meeting with the videos being used for the purpose of research then destroyed. The videos will not be made public.

5. MINUTES OF FINANCE AND PROPERTY COMMITTEE MEETING 27 NOVEMBER 2018

The Minute of the Finance and Property Committee meeting held on 27 November 2018 was approved as an accurate record following correction to the date on the 2019/20 fees item in the Action Point Summary.

6. MATTERS ARISING

Website Launch Invite to D & A Foundation Trustees – this is likely to be in April 2019.

Sale of Fairlie House – approved by the BOM in December 2018 but awaiting outcomes from Angus Council to proceed. Retaining any proceeds from the sale would require approval by Scottish Government Ministers.

Forfar Outreach – B Grace confirmed the termination of agreement and that alternative accommodation proposals were being finalised. A business case would be submitted to the March 2019 Finance & Property Committee for approval. **C Blake/B Grace to progress.**

ICT Resources Plan – C Blake confirmed that the new Head of ICT will take up post on 4 February 2019. The Plan will be developed after this date with the Head of ICT leading on the project.

S Hewitt noted that this would be a good task for the Head of ICT to start with and will be well supported by the ICT Team.

All other actions had been progressed.

7. BUDGET MONITORING REPORT AND UPDATE

C Blake drew attention to the budget monitoring report and commentary, highlighting the forecast for the year to 31 July 2019 had been revised to show a consolidated cash backed surplus of £1,240K, against a budget of £570K, and improves upon the previous forecast surplus of £826K. C Blake intimated that this was a positive picture at this stage of the year.

C Blake confirmed that SFC grants had reduced by £28K but still remain at £264K ahead of budget.

C Blake noted that the budgets for the G2G project have been revisited as individual project have evolved and timelines reconsidered. The forecast now reflects more realistically the assessment of how the activity is to be delivered. There has been a switch between the areas of spending from academic to support staff.

C Blake indicated that support pay had risen slightly but that there had been a substantial reduction in Part-time Variable pay with scope for further savings.

C Blake noted that non-pay costs are forecast to be £386K more than budget but this partly reflected expenditures for European projects where there had been additional income.

C Blake confirmed the successful outcome of the College's bid for additional in-year student support which amounts to just over £1.3M noting that the claim will be met in full – this was noted as really good news.

C Blake noted that Gardyne Theatre Limited (GTL) Forecast was close to breaking even indicating that Gardyne Theatre Co-ordinator had worked really hard and had secured lots of full houses. C Blake also noted that all direct staff costs are costed directly to GTL but takes no account of any Services Level Charge that may be levied. A McCusker queried the remaining subsidy of GTL and noted that it was expected that this would be fully break-even (or better) for the 2019/20 budget.

Capital project income and expenditure was discussed and it was noted that the additional backlog maintenance funds received would be spent by 31 March 2019. It was noted that there was unlikely to be any redistribution of funds from colleges that did not meet this expenditure deadline.

The positive impact of the above changes on the cashflow position was noted. S Mill stated that the positive (or neutral) variance on the main areas of potential risk was welcomed and highlighted that the remaining key risks were of much lower value.

The report and positive forecast was welcomed.

8. GOOD TO GREAT BUDGET FORECAST

S Mill said that the “Good to Great” Project (G2G) was successful in securing funding of £845K in 2017 from the Dundee and Angus Foundation for a two-year transformation programme.

C Blake summarised the updated forecast and noted that around 90% of the budget would be spent by end of the current financial year, leaving c£91K for Academic Year 2019/20. . This update would be shared with the Foundation. **C Blake to progress.**

Discussion took place on plans for the remaining G2G funds and it was confirmed that arrangements would progress on the basis of best value and not simply spending to ensure that the funding was used. The potential to utilise funding for the phase after completion of the G2G project was discussed. C Blake noted that it was too early to advise on this and noted that any change of this type would be through an amended bid brought to a future meeting.

9. CAPITAL UPDATE

9.1 Estates Update

B Grace commented on the success of the replacement of windows in the Kingsway Tower and the resulting significant saving in the reduction in gas for heating. A post project evaluation of this work would be brought to the next meeting. **B Grace to progress.**

B Grace intimated APUC are looking at a possible good practice study in to the use of plastic roads and paths etc

B Grace confirmed that the Annual Estates Report would be presented to the May 2019 meeting.

10. VP CORPORATE SERVICES REPORT

C Blake noted a SFC update to the VP Corporate Services Report and noted that the College had received a further £85K funding in respect of ESF funded student activity. This was welcomed.

C Blake also noted that through SFC & Scottish Government D & A College are to receive Child Poverty funding of c £185K. Final details and project activities in respect of this were being finalised.

11. DATE OF NEXT MEETING

Tuesday 12 March 2019, 5.00pm, Room Y150, Gardyne Campus

<u>Action Point Summary</u>		
Action	Responsibility	Date
Forfar Outreach alternative accommodation business case.	C Blake / B Grace	12 March 2019
Website Launch Invite to D & A Foundation Trustees	G Ritchie	April 2019
ICT Resource Plan	C Blake / A Ross	12 March 2019
G2G Budget Forecast to be shared with D & A Foundation	C Blake	12 March 2019
Kingsway Windows post project evaluation	B Grace	12 March 2019



**FINANCE & PROPERTY COMMITTEE
12 March 2019**

Budget Monitoring Report & Update

PAPER C

Management Accounts, Month 6 to 31 January 2019 and forecast for 2018/19 Summary

1. Management Accounts report actual performance for the six months to January 2019 together with a revised forecast for the current year.
2. Ancillary reports supplement the primary financial statements and include a Risk Assessment of the current forecast.
3. **The forecast for the year to 31 July 2019 is revised to a consolidated cash backed surplus of £2,090K**, against a budget of £570K, and improves upon the forecast surplus of £1,240K at Month 5, reported to Committee in January, by £850K. The table below summarises the most significant net movements from the previous forecast, highlighting substantial increases in grant funding.

Month 5 Forecast reported January	1,240
Additional teaching credits, net of cost provision	185
Additional grant for academic harmonisation costs	125
Additional ESF grant from 2017/18 SFC reconciliation	81
Reducing Child Poverty strategic funding, net of cost provision	148
SDS Foundation and Modern Apprenticeship variations	205
Teaching pay - Strike deductions	37
Teaching pay - variable savings	94
Support pay - Caretaker Shift allowances	(40)
Catering income net	12
Other miscellaneous net changes	3
Month 6 Forecast	2,090

4. The Accounts also provide variance against budget, along with an adjusted variance which eliminates the inherent uncertainties and volatile timing movements arising from SFC Capital & Maintenance grant (C&M), Flexible Workforce Development Fund (FWDF) and Good to Great (G2G). None of these forecasts have changed significantly within this latest revision.

Income

5. SFC Credit income benefits from the redistribution of 1,500 credits, valued at £231K, with the proviso that the College increase its 'Future Talent' sessions and prioritises upskilling for staff from both Michelin and McGill. An additional £125K has also been allocated to meet academic harmonisation costs, following a data refresh exercise.
6. A final sector reconciliation of ESF funded teaching credits delivered in 2017/18 has allowed SFC to fund us for an additional 398 credits, adding a net £81K to forecast.
7. Other SFC grants have increased by £185K in this forecast, raising the variance from budget to £448K, prior to adjustments for FWDF and C&M. The £185K arises from a bid for a fund to Reduce Child Poverty across the region. £87K is confirmed, from FY18/19 funding from Scottish Government, with the balance for the current

academic year still to be confirmed from the FY19/20 Scottish budget. A pay cost contingency has been introduced to forecast. Whilst this will be further refined, it is felt that the first year's outputs can largely be delivered within existing capacity.

8. SFC Capital & Maintenance grant remains at £1.17m, almost unchanged from budget, of which £427K is deemed to come from the 2019/20 FY allocation. Given a reduction in total annual grant, it is possible that this will fall but the impact for the four months April to July 2019 has not yet been fully assessed and related expenditure remains unchanged.
9. Tuition fees remain as per previous forecast, with any net movement across full-time and part-time not expected to be material.
10. Forecast Non-core income continues to rise, by a further £245K to £780K ahead of budget. The principal contributor has again been SDS with variations of £125K for Foundation Apprenticeships and £80K for Modern Apprenticeships. Additional 'Switched on Fleet' grant income of £37K to fund further investment in electric vehicles is matched with additional expenditure categorised within Property costs.
11. Catering & other income forecast income is up by £75K at Month 6. Catering increases by £24K and £5K has been added to lets. The balance is matched by additional cost, including £30K SAAS funding for student personal support needs.

Pay

12. With the exception of the items described below, there are no material forecast movements of note.
13. Academic pay award assumptions remain unaltered in the absence of an agreement with unions.
14. Established teaching pay recognises strike deductions in a forecast saving of £37K
15. Actual savings have been secured from variable teaching pay of approx. £90K, leaving further savings of £150K unchanged in the forecast. Savings are largely off-set by contingency for additional funded activity.
16. The Support pay forecast is increased by £40K in recognition of the introduction of caretaker shift allowances agreed through national bargaining.
17. No provision is included in this forecast for Voluntary Severance. The current scheme remains open until 26 April and is designed to generate savings for 2019/20 and beyond. Applications will therefore continue to be considered and, although it is not yet possible to quantify ultimate costs, a charge in excess of £100K is very likely.

Non-Pay

18. Non-pay budget variance moves a further £107K adverse but is almost totally funded from additional income noted above.
19. No forecast revision is required for Non-cash items.

Subsidiary company - Gardyne Theatre Limited

20. Forecast trading, before any Service Level Charge payable to the College, is now a surplus, improving by £6K in this revision.

Student Support Funds

21. Although it has been confirmed that the in-year bid for additional funds will be paid in full next month, the College has advised SFC that it now expects to return surplus funds in July, currently projected at approx. £500K. Projected payments to Care experienced student and those in receipt of universal credit have proven to be higher than actuals. Similarly, additional costs as a consequence of both stronger retention and, in particular, pastoral care have been lower than assumed.

Cash

22. Balances continue to be strong and are now expected to remain so through March to July.

Brian Ferguson
Head of Finance
1 March 2019



Management Accounts

Actual for the period to Month 6, January 2019
and
Revised Forecast for year to 31 July 2019

Registered Charity No: SC021188

	2017/18	Period to 31 January 2019/Month 6			Full Year 2018/19			
	Actual	Budget	Actual	Variance	Budget	Forecast	Variance	Adj.Variance
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
SFC Credit income	24,929	13,206	13,206	-	26,412	26,768	356	356
SFC ESF Credits	1,243	577	577	-	1,154	1,236	82	82
Other SFC grants	1,970	957	1,528	571	2,129	2,577	448	263
SFC Total	28,142	14,740	15,311	571	29,695	30,581	886	701
Tuition Fees	3,699	2,914	3,309	395	3,893	3,796	(97)	(97)
Non-Core income	2,986	941	1,404	463	2,229	3,009	780	780
Catering & other income	1,906	1,326	1,177	(149)	2,092	2,263	171	35
Commercial Income Stretch Target	-	-	-	-	126	-	(126)	(126)
Total Income	36,733	19,921	21,201	1,280	38,035	39,649	1,614	1,293
Teaching Pay - established	12,976	6,530	6,358	172	13,231	13,041	190	215
Teaching Pay - variable	2,705	1,892	1,451	441	3,682	3,234	448	232
Part-time variable savings	-	-	-	-	(250)	(150)	(100)	(100)
Invoiced Staff Costs	224	61	107	(46)	208	307	(99)	(6)
Teaching Support Pay	1,506	771	935	(164)	1,553	1,962	(409)	(409)
Support pay	10,423	5,125	4,876	249	10,238	9,981	257	437
Apprenticeship Levy	95	50	46	4	100	100	-	-
VS Scheme	391	-	-	-	-	-	-	-
Unfunded pension payments	402	204	200	4	408	408	-	-
Total Pay Costs	28,722	14,633	13,973	660	29,170	28,883	287	369
Staff related costs	382	307	202	105	457	419	38	(51)
Consumables & Equipment	1,412	832	794	38	1,442	1,440	2	(3)
Exam fees	798	143	433	(290)	742	742	-	-
Student related costs	219	72	143	(71)	318	434	(116)	(116)
Property cost	2,414	1,269	1,381	(112)	2,530	2,597	(67)	(42)
ICT & Telephony	937	525	439	86	1,056	1,235	(179)	(61)
Insurance	135	71	56	15	141	113	28	28
Marketing	54	33	36	(3)	65	68	(3)	2
Professional fees	164	66	22	44	129	180	(51)	(40)
General Overheads	347	198	197	1	387	395	(8)	(3)
Interest & Charges	214	95	99	(4)	191	191	-	-
VAT	748	386	413	(27)	814	865	(51)	(28)
Total non-pay costs	7,824	3,997	4,215	(218)	8,272	8,679	(407)	(318)
Cash-backed surplus/(deficit)	187	1,291	3,013	1,722	593	2,087	1,494	1,344
Add: subsidiary profit/(loss)	(3)	(12)	3	15	(23)	3	26	26
Consolidated Cash-backed surplus/(deficit)	184	1,279	3,016	1,737	570	2,090	1,520	1,370
Net Depreciation	(750)	(840)	(1,368)	(528)	(1,680)	(2,736)	(1,056)	(1,056)
Other non-cash items:	(1,810)	(18)	(18)	-	(36)	(36)	-	-
Consolidated surplus/(deficit) after net dep'n	(2,376)	421	1,630	1,209	(1,146)	(682)	464	314
Memo - SFC Student Support funds								
Core allocation, inc. in-year distribution	7,541				7,648	8,957	1,309	
ESF allocation	96				-	-	-	
Total income	7,637				7,648	8,957	1,309	
Expenditure	(7,620)				(7,848)	(8,457)	(609)	
Excess/(shortfall)	17				(200)	500	700	
					E200K provided in budget but removed in forecast			

Dundee and Angus College

Management Accounts for the year to 31 July 2019

Cash Flow Forecast

	2017/18	2018/19		
	Actual	Actual M6	Budget	Forecast
	£000's	£000's	£000's	£000's
Cash backed surplus/(deficit)	184	3,016	570	2,090
Loan repayment	(571)	(571)	(571)	(571)
Working capital movements	(754)	(467)	-	(600)
Net Movement in cash balances	(1,141)	1,978	(1)	919
Opening cash balances	2,313	1,172	213	1,172
Closing cash balances	1,172	3,150	212	2,091

Restricted cash balances were approximately £640K at January 2019.

Dundee and Angus College

Forecast for the year to 31 July 2019

Risk Assessment of key volatile areas at Month 6

Income/Expenditure Category	Forecast £000's	Possible Cash Deviations		Adverse Risk Assessment			Comments and mitigation
		Favourable £000's	Adverse £000's	Likelihood £000's	Impact £000's	Overall £000's	
SFC Credit income	26,768	-	231	Low	Low	Low	Adverse risk reflects gross value of additional credits. Careful credit management will continue to ensure target is achieved.
SFC ESF Credits	1,236	-	150	Low	Low	Low	Additional gain from 2017/18 reconciliation exercise gives further comfort that the risk to the sector of under delivery has receded.
Other SFC grants	2,577	-	350	Low	Mid	Mid	Increased risk stems partly from additional income and potential failure to deliver agreed outcomes. Capital & Maintenance grant available from FY1920 may be severely restricted.
Tuition Fees	3,796	50	50	Low	Mid	Low	Net movement across all categories now appears more likely to be positive than negative as the year progresses. Risk of adverse movement on commercial fees remains a feature however.
Non-Core income(Inc. stretch target)	3,009	100	200	Low	Low	Low	Increases in output related funding streams carries inherent risk, however forecast retains some contingency.
Total Pay (exc. VSS)	28,475	300	450	Low	High	Mid	Risks from several variables renders it difficult to quantify deviation values. Possible variations from academic cost of living assumptions continue to present the greatest threat.
Property cost	2,597	50	150	Low	Low	Low	The usual risk from unscheduled works remain but are diminishing. Increases in utility prices beyond April present the singler greatest substantive risk to current forecast.
Student Support Funds subsidy	-	-	-	-	-	-	Additional in-year support promised by SFC is now believed to be significantly in excess of our needs, thereby eliminating any risk.

Period to 31 January 2019/Month 6[illegible]

Dundee and Angus College
Management Accounts for the year to 31 July 2018
Income and Expenditure Report - Gardyne Theatre Limited
Period to 31 January 2019

	Prior Year Actual	Period ACTUAL	Full Year		
	£000's	£000's	Budget £000's	Forecast £000's	Variance £000's
Rental Income	87	55	67	107	40
Box Office	185	33	50	73	23
Merchandise	2	1	-	1	1
Bar	60	28	15	50	35
Catering	10	7	-	7	7
Grants, Sponsorships & Awards	2	18	30	30	0
Donations	1	-	-	-	-
Total Income	347	142	162	268	106
Payroll Costs	88	69	84	130	(46)
Other Staff Costs	1	0	-	-	-
Production Costs	154	41	61	78	(17)
Box Office Costs	1	0	1	1	-
Bar	24	10	10	18	(8)
Catering	8	7	-	7	(7)
Marketing & PR	26	4	5	7	(2)
Property & Transport Costs	12	5	12	12	-
Bad Debts	1	-	5	5	-
Other Operating Costs	36	3	7	7	-
Total Expenditure	351	139	185	265	(80)
Surplus/(-Deficit)	(4)	3	(23)	3	26

Dundee and Angus College

Management Accounts for the year to 31 July 2019 - Month 6 update

Values are gross including vat, and fees

**Funded projects, active from 1st August 2018
through to 31 July 2019**

Notes

Actual & projected expenditure					
Actual		Projected			
B'fwd Aug 2018	Aug 18-Jan 19	Feb-July 19	Total 18/19	Total Project	
£000's	£000's	£000's	£000's	£000's	
Priority Maintenance					
Works costing >£50K:					
KC - Tower window replacement	353	22	-	22	375
KC - Library building window replacement	45	3	15	18	63
KC - Horticulture and Integrated Workshop roof rep	36	39	-	39	75
ALL -Roads resurfacing and external works	5	107	46	153	158
GC - Replacement chiller	2	61	-	61	63
Other back-log works	69	363	69	432	501
1 Total Priority maintenance	510	595	130	725	1,235
Other Maintenance					
Other maintenance works>£50K:					
GC - PE block lift		-	65	65	65
Other planned and reactive property maintenance	214	275	271	546	760
ICT Projects:					
HR/Payroll integration	4	8	57	65	69
General ICT works		-	50	50	50
Vehicles		17	33	50	50
3 Budget contingency for FY19/20			214	214	214
Total Other Maintenance	218	300	690	990	1,208
	728	895	820	1,715	2,443
Funding:					
2 SFC FY18/19	723	893	393	1,286	2,009
3 SFC FY 19/20		-	427	427	427
Total SFC funding	723	893	820	1,713	2,436
Good to Great	5	2	-	2	7
Total funding	728	895	820	1,715	2,443

1 All priority maintenance works included in order to demonstrate utilisation of ring-fenced FY18/19 allocation of £1,235

2 SFC FY 18/19 allocation totalled £2,009K, of which £723K was absorbed within AY 2017/18, leaving a balance of £1,286K available in the current year.

3 SFC funding for FY 19/20 remains an estimate, but has been reduced in recognition of the reduced funding levels announced in the Scottish Government budget. Any ring-fenced priority maintenance element is disregarded meantime pending confirmation.



**FINANCE & PROPERTY COMMITTEE
12 March 2019**

Good to Great Budget

PAPER D



FINANCE AND PROPERTY COMMITTEE – 12 MARCH 2019

GOOD TO GREAT MONITORING SCHEDULE

1. Drawdown

A claim has been submitted to the Trustee meeting on 21st February 2019 for £132k for Quarter 6, as per the attached monitoring schedule.

2. Forecast

There are no material adjustments to the current forecast to report. However, the Good to Great update to the Board on 19th March will consider the possibility of adjusting expenditure plans in order to carve out funding for a “Phase 2”.

3. Actions

Finance and Property Committee are asked to note the monitoring schedule.

Catriona Blake
Vice Principal Corporate Services
5 March 2019

GOOD TO GREAT – QUARTER 6 SCHEDULE

	Budget	Actual	Actual	
	£'000	Quarters 1-5	Quarter 6	Balance
	£'000	£'000	£'000	£'000
Recruitment				
Funding Focus	2	1		1
Help Points	100	25	25	50
Learn 2 Learn (Prepare Me)	8	12		-4
Schools Engagement	40		7	33
Total Recruitment	150	38	32	80
Retention				
Escape Room	10	8	1	1
Wellbeing	64	11	10	43
Government Retention Project	50	31	7	12
Total Retention	124	50	18	56
Digital				
Digital Community	50	7	4	39
Digital Curriculum	40	7	12	21
Digital Environment	75		2	73
Data project	15			15
Total Digital	180	14	18	148
Learning & Teaching				
Gateway programmes	20		2	18
IIIR Curriculum Portfolio Review	60		35	25
Curriculum Resources	40	20	3	17
Career Coach	28	25	4	-1
CommuniTAY STEM bus	25	2		23
Total Learning & Teaching	173	47	44	82
Customer Experience				
Customer Charter	15			15
College Website	65	37	11	17
SA/SU Website	2	1		1
Total Customer Experience	82	38	11	33
General				
Service Design Training	30	17	3	10
Support review	25			25
Project Manager	66	37	6	23
Project Administration and material	15			15
Total General	136	54	9	73
Grand Total	845	241	132	472



**FINANCE & PROPERTY COMMITTEE
12 March 2019**

ICT Resource Plan

PAPER E



ICT RESOURCE PLAN

FINANCE AND PROPERTY COMMITTEE

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1. Strategic Context

1.1. The Digital Strategy at Dundee and Angus College

Dundee and Angus College has produced a Digital Strategy in 2018 for the following five years with the following Vision:

“to create an environment where our learners will engage with and benefit from relevant and exciting digital curricula and be empowered digital practitioners. Our staff will engage in lifelong digital learning, independently analysing and implementing tools and resources to support their work and curriculum developments.”

Three key areas were identified to deliver the stated aims of the strategy: -

- *A Relevant Digital Curriculum for All*
- *A Robust, Flexible Digital Environment*
- *An empowered Digital Community*

ICT investment has a key role in helping the College achieve all these goals and the robust, flexible digital environment area should be the focus for ICT infrastructure spend over the next 3-5 years. Under these high-level goals there are several low-level goals. The low-level goals which the ICT resource plan can help to deliver on are: -

- Make existing and new systems intuitive, free and accessible in all areas
- Encourage learners and staff to bring their own devices (BYOD)
- Create flexible spaces for collaborative learning, developing estates for technology

1.2 Cyber Resilience Public Sector Action Plan

In 2017 the Scottish Government launched the Cyber Resilience Public Sector Action Plan which sets out eleven key actions that the Scottish Government, public bodies and key partners must complete by the end of 2018 to enhance cyber resilience in Scotland's public sector.

Many of the key areas of the Action Plan are centred around putting relevant organisational processes, awareness and structures in place to help reduce the risk and impact of Cyber Security attacks. There is one key action where ICT investment can specifically help to meet the goals of the Action Plan:-

- *Key Action 4 – The Scottish Government will support Scottish public bodies to ensure they have in place appropriate independent assurance that critical technical controls are in place to protect against the most common internet-borne threats by end October 2018.*

From this key action the National Cyber Security Centre (NCSC) have identified five critical network controls which the College should have in place:-

- **Boundary firewalls and internet gateways**
Information, applications and computers within the organisation's internal networks should be protected against unauthorised access and disclosure from the internet, using boundary firewalls, internet gateways or equivalent network devices.
- **Secure configuration**
Computers and network devices should be configured to reduce the level of inherent vulnerabilities and provide only the services required to fulfil their role.

- **Access control**
User accounts, particularly those with special access privileges (e.g. administrative accounts) should be assigned only to authorised individuals, managed effectively and provide the minimum level of access to applications, computers and networks.
- **Malware protection**
Computers that are exposed to the internet should be protected against malware infection through the use of malware protection software.
- **Patch management**
Software running on computers and network devices should be kept up-to-date and have the latest security patches installed.

To help achieve these goals the Scottish Government required all public bodies to have in place appropriate independent assurance that critical network controls are in place by the end of October 2018, through Cyber Essentials or Cyber Essentials Plus certification. Cyber Essentials is a self-assessment process whereas with Cyber Essentials Plus the College will be independently assessed to ensure that the five technical controls are in place.

The College achieved Cyber Essentials certification on the 18th November and is now working towards achieving Cyber Essentials Plus Certification within the next six months.

1.3 Cloud Computing

The information technology research and consultancy group, Gartner Inc, defines cloud computing as a

‘style of computing in which scalable and elastic IT-enabled capabilities are delivered as a service using Internet Technologies.’.

Essentially, rather than storing applications or data in a local on-premise data centre it is hosted by a third-party service provider in a data centre owned and run in an alternative location. These applications or data are then accessed using internet connectivity. As a result, to end users there appears to be no difference between ‘on-premise’ and cloud services.

Gartner predicts that ‘28% of spending within key enterprise IT markets will shift to the cloud by 2022, up from 19% in 2018. Growth in enterprise IT spending on cloud-based offerings will be faster in growth to traditional, non-cloud IT offerings.’ Established software vendors in the Education sector are starting to offer a Cloud solution and new entrants in the market are only offering Cloud solutions rather than traditional ‘on-premise’ solutions.

The College can realise many benefits by putting in place a program of work to migrate core business applications to the cloud and adopting a ‘Cloud First’ strategy when it comes to procuring new services.

- **Lower costs**
Cloud Services have much reduced capital expenditure, there are no costs of replacing hardware in cloud computing. The costs move to a subscription model. The College may pay more annually but it is much simpler to budget for as there is no expensive cycle of infrastructure refreshes. This also allows ‘on-premise’ data centres to be scaled back and to realise a reduction in costs on overheads from running a data centre.
- **High availability**
Cloud providers offer a reliable service maintaining an uptime of greater than 99.9%.
- **Flexibility in capacity**

Capacity can be truly scalable with Cloud computing. During peak times of the academic year e.g. start of session, we can scale up capacity to cope with demand and scale back during summer months. The on-premise model requires the College to have over-capacity in the summer to deal with peaks in demand at other times of the year.

- **Location agnostic**

Staff and students can access services from anywhere with an identical experience to working on campus.

- **Automated Updates**

In the Cloud computing model, the vendor is in control of keeping software upgraded and secure. This releases ICT staff to provide a more customer focussed service and cuts on the cost of bringing consultants in to carry out more complex upgrades.

- **Carbon Footprint**

By not over provisioning the services we can cut back on the carbon footprint of the service that ICT deliver.

- **Security**

Rather than storing documents in many places they can be stored in the cloud and referenced. For example, rather than attachments to emails being sent, perhaps incorrectly to the wrong email address, we can store the file in the cloud and merely send a link to the file which will require users to authenticate to access it.

1.4 Learning and Teaching Trends

As the curriculum develops we find that more and more courses will grow their ICT requirements to meet the needs of employers when students leave College. Whereas many courses, particularly vocational, had little to no ICT requirements previously these will now have many ICT aspects that require significant use of ICT resource, whether that be access to workstations, laptop, tablets, recording equipment, etc.

For example, whereas a hairdressing course would previously have little to no ICT requirements, this has grown significantly over the last ten years. The hairdressing students now need to:-

- manage portfolios online
- film best practice and share it through video sharing sites
- deliver units on managing a salon with help via the Microsoft Productivity Suite, Office 365
- use collaboration tools for working across a wide geographical area.

Soon we can expect that hairdressing students ICT demands this will continue to grow to include:-

- Virtual Imaging – where clients can see an ‘after’ style using Virtual Reality
- Social Media Marketing

This is mirrored across the entire curriculum and as a result has put a strain on the ICT resources which are provided to the College curriculum areas. ICT classrooms are under heavy demand throughout the academic year and banks of available laptops are booked out completely during busier times of the session.

2. Investment Plan

To enable the College to meet its strategic goals and exploit the opportunities as laid out in the Strategic Context section there are several key infrastructure investments which have been identified.

2.1 Move towards Cloud Hosted Applications

Current College software suppliers offer Cloud solutions alongside their traditional on-premise service for core business applications. In the Cloud model, rather than the business applications being stored in data centres in the College and supported by both ICT and the vendor, the application is moved to a remote data centre controlled by the vendor and accessed by users via the internet.

The difference between the remit of Vendors and of the College change considerably when moving from an on-premise solution to a Cloud hosted solution. The difference is detailed in the table below.

Traditional 'On-premise' Model

Vendor remit	College remit
Supply software	Provisioning and support of supporting servers
Supply updates to the product (functional + security)	Ensuring connectivity to the service is maintained
Support the application	Upgrading of the application
	Security patching of supporting services
	Ensuring backups are successful

Cloud Model

Vendor remit	College remit
Supply software	Ensuring connectivity to the service is maintained
Supply updates to the product (functional + security)	
Support the application	
Provisioning and support of supporting servers	
Upgrading of the application	
Security patching of supporting services	
Ensuring backups are successful	

As can be seen from the table there are clear benefits to the College with moving an application to the Cloud.

2.1.1 Strategic Benefits

Moving a business application would deliver the following strategic goals:-

- Make existing and new systems intuitive, free and accessible in all areas. (Digital Strategy Action Plan)
- Help to meet the following goals of Cyber Essentials :-
 - o Boundary firewalls and internet gateways – the move to cloud takes applications out of scope
 - o Secure Configuration – security configured by the vendor who has expertise in this area
 - o Patch Management – Moves patch management to the vendor's remit.
- Moving core business applications to the cloud will deliver all the benefits as laid out in section 1.3

Along with the benefits there are some risks with moving to the cloud:-

- Additional complexity on access to data

- Data being shared with third parties
- Reliant on third parties to deliver an excellent service
- Requires as a resilient connection to the internet as if it goes down the service will become unusable

These risks can be mitigated by having a clear and detailed Service Level Agreement in place, ensure that the College's vendor management processes are fit for purpose and having a truly resilient internet connection.

2.1.2 Preferred Solution

The College needs to produce a road map for moving all core business applications to the Cloud. Over the next three years we should be looking to move one or two applications per year when suitable and financially viable.

The College has invested heavily in Storage in the past two years and this will ensure that the supporting infrastructure for virtual servers won't need to be invested in during the next 3-5 years. Subsequently we will find that as the load from the College's core business applications is moved off the current infrastructure it will free up computing power and storage to allow it to continue without major investment for the foreseeable future.

The software vendors the College currently work with have a mixture of offerings when it comes to Cloud computing. Some of them are significantly more advanced in offering a full cloud solution (Microsoft Office 365) whereas others are still in development and only offer an 'on-premise' solution (Celcat). A list of Vendor supported core business applications is listed below alongside their cloud status (not included are applications where our roadmap is to migrate off or where applications are deemed to not be core)

Order of Migration	Application	Service	Vendor	Date Cloud solution offered	Proposed Migration Date	Capital Costs (Ex Vat) *	Additional Annual Costs (Ex VAT) *
1	Pay360	Income Management	Capita	Available now	2018-19	£26,000	£6000
2	Liberty	Library Management System	Softlink	Available now	2018-19	£5000	£1000
3	Sharepoint	Collaboration Tool	Microsoft	Available now	2019-20	£0	£0
4	Unit-e	Student Management System	Capita FHE	Available now	2019-20	£20,000	£0
5	Infor SunSystems	Financial Management	Castle CS	Available now	2020-21	£20,000	£5000
6	iTrent	HR and Payroll Management	MHR	TBC	2020-21	£20,000	£5000
7	Celcat	Timetable Management	Corbett Engineering	2021	2021-22	£20,000	£5000

*Estimates where currently unknown are £20,000 for migration and an additional £5000 additional per year

Points worth noting:-

- The current income management system is on extended support and as a result the College will not be PCI compliant within the next month. The suggestion is a migration to Cloud is brought forward to the current

session to deliver a managed service. Note the costs include adoption of chip and pin which is unrelated to migration to Cloud but directly affects PCI compliance.

- Sharepoint Online is currently available through the College Campus Agreement so there is no licensing cost
- The College has a managed contract with Capita for unit-e. The expectation is that annual costs for the cloud managed service will be similar to what is currently paid for the managed service.

2.1.3 Expected additional budget for the next 5 years

Investment	Costs	Notes
Capital Costs	£111,000	Vendor consultancy to migrate to new Cloud solution (estimated at £20,000 per application where unknown)
Annual Costs	£22,000	Subscription model costs (estimated at £5000 per application)
Total Costs over 5 years	£221,000	

2.2 VDI Expansion or replacement

The College invested £593,000 in 2015 to implement Virtual Desktop Infrastructure (VDI) followed by a further investment in storage in 2017 to improve performance. The VDI service has been rolled out to the vast majority of staff desktops and a small number of student desktops in Gardyne library but is now reaching its capacity. The College is required to decide on whether to invest further and expand the VDI service to include more student workstations, put in place a rolling upgrade schedule for student client devices, or investigate a Cloud based 'Desktop as a Service' solution

2.2.1 Strategic Benefits

Expansion of the on-premise VDI implementation would contribute to the following College strategic goals:-

- Encourage learners and staff to bring their own devices (BYOD) (Digital Strategy Action Plan)
- Create flexible spaces for collaborative learning, developing estates for technology (Digital Strategy Action Plan)
- Secure Configuration (Cyber Resilience Public Sector Action Plan) – Only requires to be configured once for all devices rather than once for each device
- Patch Management (Cyber Resilience Public Sector Action Plan) – Only needs applied to one image rather than individual workstations.

2.2.2 Preferred Solution

The ideal solution, with budget not being a consideration, would be to move towards a Desktop as a Service model where the desktop is stored in the Cloud and users access it from there. This removes the requirement for expensive infrastructure purchases to support it. However, currently, this will not provide the College with value for money. The current costings are in the region of £20 per user per month which adds up to £960,000 per annum, based on 4000 devices (we would need to clarify precise costings around whether this per device or per current user). This should be reviewed over the next five years as costs of Desktop as a Service will reduce and potentially become financially viable.

The preferred solution is to expand VDI. The College has made a significant investment in the VDI infrastructure over the last three years and it can be demonstrated that it delivers significant benefits. The first steps towards this would be to bring in consultancy to review performance of the current VDI infrastructure and develop options for expanding this solution to meet the needs of additional users. We are currently licensed for 1000 users which means we are under utilising our asset. The focus should be on expanding the capacity to allow 1000 concurrent to use the

system successfully. Once in place the College can make an informed decision over whether it would be best to reinvest in VDI or adopt a rolling device replacement programme.

2.2.3 Expected additional budget for the next 5 years

Investment	Costs	Notes
Capital Costs	£100,000	Expansion of VDI infrastructure
Annual Costs	£50,000	Annual Costs cover expansion of resources as College becomes more ICT reliant
Total Costs over 5 years	£350,000	

2.3 Replacement Firewalls

The College has not replaced its firewall infrastructure since 2010. The two firewalls the College have implemented are different depending on Campus. Gardyne Campus has a Cisco firewall which is no longer supported and the Arbroath campus use a CheckPoint firewall which is still under a maintenance contract and we receive security updates for. The College rely on these security updates to ensure that the firewall infrastructure is fully aware of any new threats. By reinvesting and replacing the College firewalls we will:-

- Have infrastructure which is still under support from vendors and as a result we will continue to receive security patches which will improve the College's ability to block information security threats. The support from the firewall vendors would be expected to last 5 years.
- Be using the same firewall across all the campuses which will simplify maintenance of the systems.
- Allow the College to have a fully resilient data connection. Currently due to incompatibilities between firewalls the College can't automate the failover to backup lines that are currently available. As a result, if firewalls are replaced and one of the two connections go down users should not notice a difference in performance.

2.3.1 Strategic Benefits

By replacing the firewall infrastructure we will meet the following strategic goals linked to the Cyber Resilience Public Sector Action Plan:-

- Boundary firewalls and internet gateways
- Secure configuration
- Malware protection Patch management

2.3.2 Preferred Solution

The Preferred solution would be to replace all the College's firewall infrastructure soon, as maintenance is no longer provided by suppliers. This will reduce the College's exposure to the risk of a data security incident.

Additionally, we currently have a separate web filtering service, Smooth Wall, which is due for renewal in 2021. We can migrate to using the firewall supplied web filtering service at that stage and save on annual costs.

There are expected to be no additional annual costs due to the College currently paying maintenance on one of the current firewall solutions.

2.3.3 Expected additional budget for the next 5 years

Investment	Costs	Notes
Capital Costs	£75,000	Replacement of firewall infrastructure
Annual Costs	£0	No additional annual costs
Total Costs over 5 years	£75,000	

2.4 Replacement Switches and Clear Pass

As with the firewalls in section 2.3 the College is required to apply updates to its network switches as and when they become available. This will ensure the devices are aware of the latest information security threats and therefore more likely to block attacks before they become security incidents. By replacing network switches, there will also be improved performance for our end users. Some of the switches which the College use are getting to the end of their supported status and as a result will no longer have security updates available to them.

Additionally, Clear Pass can provide additional information security capabilities as well as provide a better service to Staff and Students. The benefit this will give is to change access to services from being device specific to truly role-based access for users. This means that as a user moves from one device to another they will have the same access to a service regardless of device. This also improves security, if a user was to use a device which is not their normal device they will not acquire additional privileges. Currently access to services is partly based on the device which is being used.

2.4.1 Strategic Benefits

Replacement of switches and implementation of ClearPass will help achieve the following strategic goals:-

- Make existing and new systems intuitive, free and accessible in all areas (Digital Strategy)
- Encourage learners and staff to bring their own devices (BYOD) (Digital Strategy)
- Create flexible spaces for collaborative learning, developing estates for technology (Digital Strategy)
- Secure Configuration (Cyber Resilience Public Sector Action Plan)
- Patch Management (Cyber Resilience Public Sector Action Plan)

2.4.2 Preferred Solution

There are around 170 switches in the College infrastructure (of which there are around 50 that are reaching their end of life). Switch technology is expensive, so it is important that there is a rolling schedule of replacement. This means costs can be spread over several years.

Alternatively, rental of networking infrastructure from a third party would possibly be a better way of managing the estate and allow the College to have a network which is fit for purpose. This would allow the infrastructure to always be under vendor support whilst not requiring a large capital outgoings on 5-10 year cycle.

2.4.3 Expected additional budget for the next 5 years

Investment	Costs	Notes
Capital Costs - Switches	£500,000	Purchase of initially 50 switches then a rolling schedule of replacements
Capital Costs - ClearPass	£20,000	
Annual Costs	£0	No additional annual costs
Total Costs over 5 years	£520,000	

2.5 Review WiFi and Improve Provision

The College estate has had significant investment in the last 7 years to improve the WiFi which is offered. However, there are a number of pressures which are placing strain on the WiFi network:-

- Students and Staff are now potentially carrying 3-4 devices with them all connecting to the same access point
- Continued growth in the number of laptops the College provides to students to support the digitisation of the curriculum
- Expansion of VDI means less of the processing is done locally which places strain on the WiFi network

The College receives an increasing number of complaints from Staff and Students around WiFi performance due to the number of coverage blackspots and access points being swamped by the number of devices it is servicing. Additionally, the provision of the guest network needs to be improved to allow a more secure process for guests to the College to be able to access the network.

2.5.1 Strategic Benefits

By reviewing the WiFi and improving provision we will achieve the following strategic goals linked to the Digital Strategy:-

- Make existing and new systems intuitive, free and accessible in all areas
- Encourage learners and staff to bring their own devices (BYOD)
- Create flexible spaces for collaborative learning, developing estates for technology

2.5.2 Preferred Solution

The review and improvement of WiFi should be a high priority for the College as it is a key service to allow the successful delivery of the Digital Strategy. As demand continues to grow, the College will continue to see the WiFi service slowly deteriorating over the next five years if there is no investment.

2.5.3 Expected additional budget for the next 5 years

Investment	Costs	Notes
Capital Costs -	£100,000	Increase WiFi coverage with additional access points
Annual Costs	£15,000	Provide guest access through BT Cloud Service
Total Costs over 5 years	£175,000	

2.6 Additional Costs

There are some additional costs which will be ongoing throughout the period of this paper which will come from operational budgets. There will be an ongoing cycle of replacement of AV equipment in classrooms and meeting rooms and there will be a replacement cycle for student workstations.

Additional investigation is required to decide how we address the improvement of the College phone system and replace with something that is fit for purpose and is under a support contract. More work is needed to investigate

options over whether SIP technology is appropriate which has the potential to save the College considerable funds over the current VOIP solution.

3. Systems High-Level Direction

3.1 Systems Direction

Since the creation of Dundee & Angus College the Corporate Information Systems strategy has been a mixture of adopting a 'best of breed' approach through procurement and a significant focus on in-house development. This approach, while serving its purpose for several years, is required to be reviewed and a new strategic direction employed to overcome some issues the College has encountered.

The reliance on in-house development has created problems around person dependencies, non-standard approaches and continuing ability to support and further develop. The in-house approach opens the College up to significantly more risk as there is no support contract and Service Level Agreement in place to ensure continuation of service. The College should recognise however that in some scenarios the in-house approach is appropriate due to the unique requirements of the business and potential costs involved in procuring an alternative.

3.2 Consolidation of Systems

The College should be looking to consolidate systems so that processes can be simplified, user experience will be improved, and savings made. Some example of this that should be progressed are

1. The College currently has a separate application management system, CAMS, supported by Inisoft. There are some issues when integrating with our student record system, Unit-e. Unit-e has a built-in application system which the college is licensed for. By adopting Unit-e's application system we resolve the integration issues we have with the current set-up, improve student experience and remove the licensing costs for CAMS (£5,954 exc VAT per annum)
2. The College has a bursary management system, Tequios, supported by Inisoft. The student record system also offers bursary management through Unit-e. The College should be looking to move their bursary management to Unit-e to improve integration between products and student experience. It should be noted that we are not currently licensed for this module, so this would potentially not realise a saving.
3. The College is currently expanding the use of the HR and Payroll system iTrent so that it not only delivers payroll functionality, but it is to be used as a People Management System. This will allow the in-house developed HR system, Hydrogen, to be retired. As there is no licensing involved with an in-house application there will be no up-front saving. However, the College will save on staff resource for development of the in-house system and will accrue software updates with no additional cost for iTrent.
4. The College has started a process for consolidating its ePortfolio offering. Currently there are several packages which are supported, Mahara, OneFile and PaperFree. By consolidating on OneFile there will be a saving of £8,300 exc VAT per annum. This will also improve supportability and user experience.

3.3 Enterprise Data Layer

In 2016 the College started to build an Enterprise Data Layer (EDL). The EDL acts as a central point that data transitions through as it integrates into other systems. There are many benefits of this Data Layer:-

- Provides a single source of the truth e.g. all staff data comes from the People Management System into the Data Layer and then disseminated to other systems that require staff information.
- Improves security as we can block all access to core systems other than the Data Layer. This helps with GDPR.
- Simplifies system migration. When a new system is procured we are not required to build integrations with all other corporate systems. We only need to connect it to the EDL.
- It acts as a Data Warehouse for simplified reporting. We can 'de-normalise' our datasets so that it when presented to teams who build reports the data is in a more understandable format.

4. Recommendations

Please note that this paper is for the Finance and Procurement Committee to approve the strategic direction of travel, and to note the cost projection ahead of individual business cases.

Please see summary costings and proposed implementation schedule below. The schedule of implementation of each aspect of the plan is based on priority of change to the College, finances being available and capacity of the College to implement these changes.

	Cloud £'000	VDI £'000	Firewalls £'000	Switches £'000	WiFi £'000	Systems £'000	Total £'000
Capital							
2018-19	31		75				106
2019-20	20	100					120
2020-21	40				100		140
2021-22	20			270			290
2022-23				250			250
Total	111	100	75	520	100		906
Annual							
2018-19	7						7
2019-20	7	50				-8	49
2020-21	17	50	-3		15	-13	66
2021-22	22	50	-3		15	-13	71
2022-23	22	50	-3		15	-13	71
Total	75	200	-9		45	-47	264



**FINANCE & PROPERTY COMMITTEE
12 March 2019**

Financial Strategy

PAPER F



FINANCE AND PROPERTY COMMITTEE – 12 MARCH 2019

5-YEAR FINANCIAL STRATEGY

1. Background

- 1.1. In March every year the Board approves a financial strategy, which covers the current year forecast and a further 5 years. The key targets are to achieve a break even operating result and to maintain cash balances sufficient to support short-term working capital movements.
- 1.2. The 2018 financial strategy was refreshed in November to reflect revised assumptions as set out in the SFC Financial Forecast Return guidance. This refresh was submitted to FPC in November for noting.
- 1.3. This paper sets out the draft financial strategy for the years 2019-20 to 2023-24 to achieve the above targets. Projected operating cash, sensitivities and assumptions are set out in appendices to this paper.
- 1.4. FPC is asked to recommend to the Board that the strategy is approved, subject to any amendments advised.

2. Assumptions

2.1. Credits.

The indicative College credit target for 2019-20 is as follows, with 2018-19 shown for comparison:

	<u>2019-20</u>	<u>2018-19</u>
Core	103,314	103,314
ESF	4,433	4,494
Additional credits		1,500
Total	<u>107,747</u>	<u>109,308</u>

Note: there is a separate target for childcare places, to be delivered from within the above core credits.

In 2018-19 the College has received a non-recurring additional allocation of 1,500 credits, as a result of redistribution from other colleges who have signalled they will be unable to meet their target and have therefore surrendered credits and funding in the current year. SFC have allocated additional funding to the College of £231k, with the surrendering colleges retaining a portion of funding related to the transferred

credits, reflecting the balance of fixed and variable costs involved in curriculum delivery.

In addition to the above, a final sector reconciliation of ESF-funded teaching credits delivered in 2017-18 has allowed SFC to allocate additional non-recurring funding of £81K in 2018-19.

For subsequent years, the strategy follows the schedule contained in SFC's guidance note on preparation of the 2018 Financial Forecast Return (FFR), which indicates that the 2019-20 credit target will continue unchanged until 2022-23, when there will be a reduction of 3.2% at the end of the European Social Fund (ESF) programme.

With the College demonstrating its ability to deliver a higher number of credits than target in 2018-19, the case will continue to be made to SFC that our target and associated funding should be increased. This position will be kept under review as changes to the shape of the curriculum are considered in order to meet evolving needs of the local region and demand from learners.

2.2. Funding changes

The 2019-20 indicative allocations include an additional £576k, the final tranche of transitional funding to meet additional costs arising from harmonisation of pay and conditions for curriculum staff. There is a small increase in ESF funding of £8k. Other than these adjustments, the indicative revenue allocation is "flat cash".

Again following FFR guidance, the strategy assumes "flat cash" for the following two years, followed by a reduction of £0.8m in 2022-23 at the end of the ESF programme. While the sector reduction in credit funding in 2022-23 is forecast by SFC to be 1.2%, redistribution of transitional harmonisation funding would see the College's reduction in that year equating to 2.9%.

The College has been successful in its bid for Scottish Government funding aimed at reducing child poverty, with £225k awarded per year for 3 years. With the funding period commencing in October 2018, £185k of funding along with associated costs have been included in 2018-19. As fresh confirmation is required for each annual funding tranche, a conservative assumption has been made in the strategy, with nothing included for subsequent years.

2.3. Non-core income

Price levels for all non-core income, including commercial, are assumed to rise by 1.5% annually. As many non-commercial funding streams are closely tied to costs of delivery, which are expected to rise by a higher percentage, it is hoped that this is reasonable. In addition to price increases, the volume of commercial income is assumed to rise by 2% annually. This latter assumption is of course challenging and will be strategically planned and closely monitored. There is a general understanding across the College that existing commercial activity needs to be maintained and new streams delivered, and this is reflected in the "stretch target" included in annual budgets.

In the FFR guidance, SFC reconfirmed the ability of colleges to donate commercial surpluses to arms-length foundations by the end of March each year, provided they have the necessary cash and resource budget cover. It is clear that we would have this cover for FY 2018-19 but we would still need to identify commercial activity

which has generated a surplus on a full cost basis, ie after taking account of all direct and overhead costs.

See below for a summary of in-year increases to non-core income:

	2019-20	2020-21	2021-22	2022-23	2023-24
	£'000	£'000	£'000	£'000	£'000
Tuition fees – price	57	58	59	60	60
Other income – price	64	66	68	70	73
Other income – volume	85	88	91	94	97
Total non-core increase	205	211	217	224	231

Note: this equates to £80k for every percentage point increase per year on non-core income.

2.4. Pay costs

The transitional harmonisation period comes to an end on 1 April 2019 at which point curriculum staff migrate fully to the new national pay scale. The full year effect of this is reflected in staff costs in 2019-20.

The effective date for support staff job evaluation is September 2018 but it is not at all clear when this may be implemented. The approach taking in previous versions of the financial strategy continues whereby costs and associated funding are not reflected at all, on the basis that costs will be fully funded and therefore there will be a nil net effect. The funding is being held back by SFC until implementation and so there is no need to factor back-dated payments for job evaluation into our cash flow planning.

Cost of living awards for support staff have been agreed up to the end of August 2020, with year on year increases (including a final five months pro rata increase) as follows:

Salary range	Increase
Up to £21,667	£650
£21,667 to £36,500	3%
£36,500 to £80,000	2%
Over £80,000	£1,600

Annual cost of living increases for subsequent years in the strategy period have been included at 2%, in line with the FFR guidance.

Cost of living awards for curriculum staff have not yet been agreed for the three years from April 2017 to March 2020 and are currently subject to industrial action. It is very difficult to assess the likely outcome and we continue to make prudent assumptions. Increases for subsequent years have been included at 2% as above.

Employer's contributions under the Scottish Teachers Superannuation Scheme, one of the schemes administered by the Scottish Public Pensions Agency (SPPA), are due to rise by 5.2 percentage points from April 2019. The increase will cost the College £225k in 2018-19 and £675k in the full year. In a departure from the management accounts, this strategy includes an assumption that the College will receive transitional support for the first 12 months after the date of the increase,

which improves the current year and 2019-20. An announcement is expected in early April following confirmation of Barnett consequentials.

See below for a summary of changes to pay costs:

	2019-20	2020-21	2021-22	2022-23	2023-24
	£'000	£'000	£'000	£'000	£'000
Prior year	29,133	30,642	30,437	30,658	30,256
Harmonisation – final step	476				
Vacancy adjustments	317				
Other adjustments	(115)				
SPPA increase	450				
Cost of living	756	670	596	598	594
VS costs (change)	125	(125)	125	(250)	(125)
VS savings	(500)	(750)	(500)	(750)	(250)
	30,642	30,437	30,658	30,256	30,475

2.5. Non-pay costs

It is assumed that operating costs will rise in line with general inflation but that price increases will be off-set by efficiency savings. Over the long term, the annual cost of unfunded early retirement will fall from its current level of £400k per annum but the strategy assumes continuation of this level throughout the planning period.

As annual capital repayments of £571k are made on our outstanding loan, interest charges fall by c£20-30k per year. The term loan with Santander will be fully repaid by July 2028.

2.6. Capital expenditure

It is assumed that capital expenditure will be fully-funded, principally through the SFC capital grant and bids to Dundee & Angus Foundation, although other external funding will continue to be sought. Other than an assumption of continuing annual Capital & Maintenance Grants from SFC, nothing is included in the strategy for capital projects.

3. Financial Recovery Plan

3.1. Savings required

Based on the above assumptions, without any ameliorative action, the cash- backed result for each year, along with the cash balances at the year end, would be as follows:

	Cash-backed result	Year end cash balance
		£'000
2018-19	2,315	2,316
2019-20	356	2,100
2020-21	(543)	986
2021-22	(926)	(511)
2022-23	(2,139)	(3,221)
2023-24	(2,534)	(6,326)

The profile set out in the table above is different from that set out in recent years. The forecast is that the result for 2018-19 will be a significantly higher cash-backed surplus at over £2.3m (including SPPA funding) than previous years (2016-17 - £149k; 2017-18 - £184k). After the capital loan repayment of £571k and negative working capital movements of £600k, the forecast is for a net cash inflow of £1.1m, almost doubling the previous year end cash balance of £1.2m.

The proposed strategy is to take the opportunity offered by this strong current position, allowing there to be a balance between the need to break even year on year with a realistic set of annual savings targets.

The following table sets out the proposed savings targets for each year of the strategy period, along with the resulting cash-backed results and year end cash balances:

	Savings required	Cash-backed result	Year end cash balance
	£'000		£'000
2018-19		2,065	2,066
2019-20	500	481	1,975
2020-21	750	467	1,871
2021-22	500	484	1,784
2022-23	750	307	1,521
2023-24	250	338	1,288

As additional income generation and non-pay savings have already been factored into the projections, the savings required above are likely to come from reduced head count.

The assumption is that these staff savings will be achieved through voluntary severance (VS). This assumption is conservative, as savings will also accrue from natural staff turnover and redeployment. Under the terms of the current VS scheme, a full year saving incurs average severance costs of approximately 50% of the saving.

3.2. Action plan

The Executive Leadership Team has started working on an action plan to achieve the required savings in 2019-20, including the following:

- Applications are being actively considered under the current voluntary severance (VS) scheme which remains open until 26 April. To date, four applications have been approved, generating £200k of savings, with associated costs of £106k.
- Robust controls continue to be exercised on other staff departures, with close consideration of the option not to replace being undertaken in every case.
- Savings are expected on non-pay costs in 2019-20 through effective procurement processes. For instance, participation in a recent national tender for mobile phone services is projected to generate a cost reduction of around £40k per annum. These savings, however, are effectively factored into the strategy's flat cash assumption on non-pay budgets, with inflation offset by savings.
- It is anticipated that the comprehensive review currently being undertaken into Catering will significantly improve the trading position. Similarly, actions to maximise utilisation of the nursery on the Arbroath campus are hoped to bring it back into a break even position.
- Good progress continues to be made following the introduction of new management arrangements for Gardyne Theatre Ltd. The target is for the small surplus being projected for the current year to improve further in 2019-20.

4. Projections, assumptions and sensitivities

- 4.1. Projections for five years to 2023/24, along with the current year forecast as at Month 6, are set out in Appendix 1.
- 4.2. A summary table setting out key assumptions can be found at Appendix 2.
- 4.3. The impacts of a range of alternative assumptions are set out in the sensitivity analysis in Appendix 3.
- 4.4. The approved financial strategy will provide the parameters for the 2019/20 budget-setting exercise.

5. Recommendation

- 5.1. FPC is invited to consider the financial strategy and, subject to any amendments, recommend that the strategy approved at the Board meeting on 19 March.

Catriona Blake
Vice Principal Corporate Services
5 March 2019

	2018-19	2019-20	2020-21	2021-22	2022-23	2022-24
INCOME						
Funding council grants	30,806	30,998	30,548	30,548	29,725	29,725
Tuition fees and education contracts	3,796	3,853	3,911	3,969	4,029	4,089
Other income (incl GTL net)	5,275	4,384	4,538	4,697	4,861	5,031
Total income	39,877	39,235	38,996	39,214	38,615	38,845
EXPENDITURE						
Staff costs before VS savings	28,883	30,767	31,447	32,068	32,701	33,347
VS costs (in-year)	250	375	250	375	125	0
VS savings (cumulative)	0	(500)	(1,260)	(1,785)	(2,571)	(2,872)
Other operating expenses	8,488	7,954	7,954	7,954	7,954	7,954
Interest payable	191	158	138	118	98	78
Total expenditure	37,812	38,754	38,529	38,730	38,308	38,507
Cash-backed surplus/(deficit)	2,065	481	467	484	307	338
Net depreciation	(2,736)	(2,736)	(2,736)	(2,736)	(2,736)	(2,736)
Other non-cash	(36)	(36)	(36)	(36)	(36)	(36)
Operating surplus/(deficit)	(707)	(2,291)	(2,305)	(2,288)	(2,465)	(2,434)
Cash-backed surplus/(deficit)	2,065	481	467	484	307	338
Working Capital / Provision movements	(600)					
Loan repayments	(571)	(571)	(571)	(571)	(571)	(571)
Cash movement	894	(90)	(104)	(87)	(264)	(233)
Cash balance b/f	1,172	2,066	1,975	1,871	1,784	1,521
Cash movement	894	(90)	(104)	(87)	(264)	(233)
Cash balance c/f	2,066	1,975	1,871	1,784	1,521	1,288

Element	Period	Financial Strategy - March 2018	Financial Strategy - updated November 2018	Financial Strategy - March 2019
Credit funding	2019-20	As 2018-19 plus final curriculum harmonisation increase		
	2020-21 and 2021-22	Flat cash		
	2022-23	Flat cash	3.2% reduction	
Non-SFC income	All years	1.5% price increase on all non-SFC income plus 2% volume increase on commercial income		
Cost of living - academic	April 2017	1% (consolidated)	1% (non-consolidated)	
	April 2018	1% (consolidated)	2% (non-consolidated)	
	April 2019	1%	2.5%	
	April 2020 onwards	1%	2%	
Cost of living - support	April 2018	Public sector pay policy	Public sector pay policy, subject to minimum £650	
	April 2019	1%	Public sector pay policy, subject to minimum £650	
	April - August 2020	1%	Public sector policy pay pro rata, subject to minimum £300	
	September 2020 onwards	1%	2%	
Pensions	All years	No increase	SPPA to increase to 22.4% from April 2019	
Non-pay	All years	Inflation off-set by efficiencies		
Student Support Funds	All years	Assume funding sufficient to cover costs	£200k shortfall in 2018/19, thereafter risk transferred	Assume funding sufficient to cover costs

SENSITIVITIES

Element	Base case	Change	July 2020 cash balance	July 2024 cash balance	July 2020 - change from base	July 2024 - change from base
Base case			1,975	1,288	0	0
Savings	2019-20 £500k saving	Target missed by 30%	1,900	582	-75	-706
Savings	2019-20 £500k saving	Target missed by 6 months	1,725	1,017	-250	-271
SFC core funding	Job evaluation fully funded	25% shortfall	1,646	224	-329	-1,064
SFC core funding	1 year funding SPPA	No funding	1,300	613	-675	-675
SFC core funding	Flat cash 2020-22	1% increase	1,975	3,186	0	1,898
SFC core funding	2.9% reduction in 2022-23	50% replacement funding	1,975	2,111	0	823
Non-core income	1.5% price, 2% volume	Zero growth	1,770	-1,914	-205	-3,202
Cost-of-living pay awards	2% after current awards	2.5% after current awards	1,946	-266	-29	-1,554



FINANCE & PROPERTY COMMITTEE
12 March 2019

Capital – Estates Strategy

PAPER G



FINANCE AND PROPERTY COMMITTEE – 12 MARCH 2019

ESTATES STRATEGY 2019 - 2024

1. Introduction

- 1.1. The attached Estates Strategy covers a five-year period from 2019 to 2024.
- 1.2. In March 2014, the newly merged College approved a 5 year Estates Strategy covering the period 2014 to 2019. It was subsequently updated annually through capital budget plans. To a great extent the specific objectives set out in that strategy have been achieved.
- 1.3. This Strategy sets out the strategic context and external environment, along with the curriculum requirements which drive it. It describes the existing estate in detail, providing a clear assessment of its current physical condition and the suitability of accommodation for our learners and for staff. Finally, it sets out a master plan to be followed during the five-year period and how this plan will be implemented.

2. Development of the Strategy

- 2.1. In December 2016 the College submitted an Outline Business Case (OBC) to the Scottish Funding Council (SFC) for the redevelopment of the Kingsway Campus. The preferred option was for a hybrid solution, involving redevelopment of the Tower and a new-build STEM centre.
- 2.2. Following the request from SFC to provide clarifications on a number of points, the College submitted a revised OBC in September 2017, with a complete new-build as the preferred option.
- 2.3. Since then, there has been little progress. There is neither a capital funding pot available to support major projects like the Kingsway redevelopment, nor a revenue funding model to provide an alternative route.
- 2.4. At its strategy session in January 2019, the Board considered the existing position and resolved that an Estates Strategy should be brought to the March Board meeting for approval, followed by business cases to progress elements of the master plan.
- 2.5. The broad parameters for the master plan as set out in the Strategy are as follows:
 - Confirmation of our vision of “three campuses, one College”.
 - An assessment that the need for investment in the Arbroath and Gardyne campuses is largely confined to backlog maintenance, with generally high quality accommodation.

- Prioritisation of redevelopment of the Kingsway Campus.

2.6. The following broad shape of the master plan for Kingsway was approved at the strategy session:

- Returning to the hybrid model
- Progressing the redevelopment of the Tower through a package of projects
- Building the case for major funding for a new-build STEM centre

3. Recommendation

3.1. Finance & Property Committee is invited to approve submission of the draft Estates Strategy to the Board for approval at its meeting on 19 March.

Catriona Blake
Vice Principal Corporate Services

Billy Grace
Head of Estates

5 March 2019



Estates Strategy 2019 – 2024

March 2019

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1. EXECUTIVE SUMMARY

The purpose of the Estates Strategy is to set out how Dundee and Angus College will develop and manage an estate which supports an excellent, future-focussed curriculum and provides an environment which promotes the physical and mental wellbeing of our learners and staff.

The needs of our learners are constantly evolving, particularly with technological change, the demand for new generic attributes in the worker of the future, and the need to adapt to the evolving skills requirements generated by “the fourth industrial revolution”. The watchword in terms of our curriculum, teaching staff, and learners themselves is “flexibility” and this needs to be placed at the heart of all estates planning.

The strategy sets out how the development and management of the estate helps to support the delivery of the College’s Regional Outcome Agreement and how they are linked to a range of other internal strategies and policies, including those relating to curriculum, finance, people, technology and sustainability.

The external environment within which the College operates provides opportunities as well as constraints and challenges. We have strong partnerships locally, regionally and nationally with a wide range of public sector entities, including local authorities, schools, universities, government agencies, and employers of all types and scale across the region. These partnerships are crucial to helping us transform the lives of our learners and supporting the development of the regional economy. This has seen decline over recent years, particularly in manufacturing, but there are a number of areas with potential for future growth, particularly in life sciences, digital, tourism and hospitality.

Unfortunately, funding for the college sector is significantly constrained. Revenue funding has experienced a long-term decline over recent years and this is expected to continue over the period of this strategy, with the continuation of austerity-driven public funding settlements, pressure from an increasing cost base, and the impact of departure from the EU.

The capital funding landscape is equally challenging. The College is almost entirely reliant on grants from the Scottish Funding Council (SFC), as we are unable to build up our own cash reserves or take out loan funding. Annual capital grants are limited and the College is reliant on these to fund ongoing maintenance before it is able to deploy them on infrastructure or accommodation enhancement. At the time of writing, SFC are unable to provide financial support for major capital projects in the college sector, with a new funding model being developed.

The condition of our existing estate is mixed, with the requirement for an extensive range of critical backlog maintenance across all three main campuses and major redevelopment of one of these. The recent condition survey commissioned by SFC identified a funding requirement of £26m in order to bring all the buildings on these campuses to a minimum condition standard. This is likely to be the focus of limited capital funding over the period of this strategy. In addition, the learning spaces at the Kingsway Campus in Dundee require significant redevelopment in order to provide acceptable accommodation to meet the needs of the curriculum. While options exist for some buildings at Kingsway to be redeveloped to address these issues, other parts of the Campus require to be replaced in their entirety.

Despite the challenges of the condition of much of the estate, significant progress has been made in meeting, and indeed exceeding, our obligations under climate change legislation. As well as achieving impressive reductions in carbon footprint through targeted investment in infrastructure, the emphasis placed on engagement and awareness-raising among our

learners and staff has the potential to bring even greater progress towards our sustainability goals.

Space utilisation has been a particular focus in the three years prior to the start of this strategy period. The estate continues to be used intensively on weekdays during the teaching year, but with lower usage at other times. Comprehensive processes have been put in place to ensure that room allocations are planned effectively and utilisation levels monitored rigorously on an ongoing basis.

Driven by the condition of the existing estate, the masterplan focuses on dealing with the backlog maintenance requirements and delivering the transformation of the Kingsway Campus. We expect to be reliant on SFC funding to allow us to carry out backlog maintenance works. In order to reconfigure the retained elements of Kingsway, we hope to be able to utilise funding from SFC as and when it becomes available, along with grants from other sources including The Dundee and Angus Foundation. The vision for a new STEM centre to replace the other buildings on the Kingsway will be pursued vigorously, with a compelling case being developed around delivering the regional STEM strategy through a partnership model.

Total funding required in order to implement the master plan is estimated to be in the region of £90-100m, including the redevelopment of the Kingsway Campus and completion of all backlog maintenance works. It is anticipated that expenditure would be phased over the five-year period of this estate plan. The master plan will be implemented utilising robust business cases and financial plans, with excellent procurement and risk management processes utilised throughout.

2. INTRODUCTION

Dundee & Angus is a regional college serving a population of 265,000 across the local authority areas of Angus and Dundee City, as well as attracting learners from surrounding areas of Fife, Perthshire and Aberdeenshire. The College provides education and training to over 11,000 learners, employs around 1,000 members of staff, and manages total funds of £44m.

The College operates across three main campuses, one in Arbroath and two in Dundee (Kingsway and Gardyne), comprising buildings with a range of original construction dates and current condition. They house general learning spaces, specialist centres for vocational skills, and social spaces for learners, as well as office and other support areas. The College also delivers curriculum at two outreach centres in Forfar and Montrose and two specialist centres in Arbroath.

In March 2014, the newly merged College approved a 5 year Estates Strategy covering the period 2014 – 2019. It was subsequently updated annually through Capital Plans. To a great extent the specific objectives set out in that strategy have been achieved.

This new strategy covers the 5 year period 2019 – 2024. It is a framework which outlines our aspirations for the estate and focuses on the long term strategic aims and objectives of the College rather than a prescribed short-term plan of action. While it sets out clear parameters for the development of the estate, it is designed to adapt to the changing needs of the College and be sufficiently flexible to ensure ongoing consistency between this strategy and the evolving needs of the curriculum.

The strategy addresses the short, medium and longer term needs of the estate and will be reviewed and updated on an annual basis. It will be fully refreshed after five years, with

specific reference to the Regional Outcome Agreement, the Curriculum Strategy as well as other College strategies and external influences.

The Board of Management has responsibility for the oversight and governance of the Estates Strategy, with detailed review being primarily undertaken through the Finance & Property Committee, whose remit includes consideration of the estates/property strategy (including capital proposals), monitoring capital expenditure against agreed development plans, ensuring that the College's existing buildings are fit for purpose, and providing a healthy and safe environment for the College's staff, students and visitors.

3. STRATEGIC CONTEXT

The College mission is to generate regional economic growth and social wellbeing through the provision of skills and education for individuals, employers and the wider community. Our ambition is that, from 2020 onwards, we will be the outstanding model of how regional colleges in Scotland operate and how they impact on their local economy.

In order to achieve the mission and ambition, we aim to:

- develop confident, successful learners who are inspired by their learning experience, achieve their full potential and are actively sought by employers;
- have a major impact on regional and national economic success;
- be highly valued and trusted by all who work with us;
- have staff who are excellent at what they do and are proud and happy to work here;
- create learning spaces and facilities that are dynamic, inviting and inspire success;
- deliver innovative and exciting technology solutions that widen access, transform learning and enhance work;
- ensure financial sustainability and generate significant funds for future investment.

The mission and ambition are underpinned by a strong set of College values, which thread through all our activities and provide a positive culture for learners and staff:

- Inspiration
- Innovation
- Trust
- Respect
- Success

The College curriculum is regularly refreshed to meet the needs of the future, embracing the emerging technologies which characterise the so-called Fourth Industrial Revolution. We have used our Good to Great strategy (see below) to update the curriculum to meet areas of unmet demand, particularly in STEM subjects, and to overhaul the processes of teaching and learning themselves. Responding to the needs of the modern workplace, we ensure that our learners gain attributes beyond their technical training and become adaptable, flexible and highly employable. We provide seamless support to students through streamlined and joined up services in administration, finance and student advice.

In order to achieve the College's mission and ambition, it is imperative that a strategy is in place for developing and managing an estate which supports our first-class, future-focussed curriculum. The leadership team across Dundee and Angus College has a shared vision and commitment to provide excellence in facilities and service, which will enhance the learning and working experiences of students and staff respectively and be a key enabler for their physical and mental wellbeing.

The learning environment will be designed for the future and will motivate students to engage with all aspects of college life. State-of-the-art facilities will be developed and the use of new and emerging technologies will be maximised. Specialist centres of skills excellence will be provided, promoting an environment which encourages ambitious, confident and successful learners.

The strategy will be based on a set of guiding principles in order to ensure value for money is achieved from the estate:

- **Scale:** the estates will be of appropriate size and scale, applying rigorous space utilisation targets, and estate planning will exploit opportunities to consolidate space and collaborate with partners.
- **Suitability:** campuses will be in the right places for our learners, with buildings accessible to all; space will be functionally suitable, legally compliant and designed to the highest level.
- **Flexibility:** buildings will be designed for maximum efficiency and space utilisation (see above); facilities will be capable of continuous modernisation in response to changing curriculum needs, working practices and technology advances.
- **Sustainability:** investment will support the College's commitment to carbon reduction, achieving the highest possible level of environmental performance measured against externally accredited sustainability standards.

The Estates Strategy will be closely aligned with the College's Regional Outcome Agreement, as well as other College strategies such as learning and teaching, digital, people, finance, ICT. It will also take account of strategic documents from the Scottish Government, the Scottish Funding Council (SFC), and a range of external stakeholders and partners.

The College's Regional Outcome Agreement sets out the framework for the College to meet the Scottish Government's post-16 education reform priorities to improve life chances, support jobs and growth, and ensure sustainable post-16 education. The Government has stated its intention to develop a world-class vocational education system and has set out five key national outcomes:

- a) A more equal society because learning is accessible and diverse, attracting and providing more equal opportunities for people of all ages, and from all communities and backgrounds.
- b) An outstanding system of learning where all students are progressing successfully and benefiting from a world-class learning experience, in the hands of expert lecturers delivered in modern facilities.
- c) A more successful economy and society with well prepared and skilled students progressing into jobs with the ability, ideas and ambition to make a difference.
- d) High performing institutions – a coherent system of high performing sustainable institutions with modern, transparent and accountable governance arrangements.
- e) Greater innovation in the economy – a national culture of enterprise and innovation leading to a more productive and sustainable economy

Each year the Regional Outcome Agreement sets out a number of priority outcomes for the College which are designed to support achievement of the above national outcomes. The

effective implementation of the Estates Strategy will be a key factor in achieving these priority outcomes.

It is imperative that the Estates Strategy is fully aligned with a number of other strategic planning documents which direct outcomes across the College, including:

- *Curriculum*
This strategy outlines the aims, principles and priorities to support the delivery of learning and teaching. This is the key driver for the space required, in terms of size, utilisation, level of specialism, and standards.
- *Digital*
The College's Digital Strategy provides a key vision and direction for building digital skills within both staff and learners to enable them to learn, work and live in the 21st century. This strategy is backed by a clear self-assessment route and comprehensive professional development support to enhance skills and meet our objective of having all staff certified as competent digital users.
- *STEM*
The College has a strong commitment to ensuring Science, Technology, Engineering and Maths (STEM) subjects are embedded within every course and to meeting the recommendations, aims and objectives made in the STEM Education and Training Strategy for Scotland, 2017. The regional STEM Strategy builds capacity in areas of key economic strategic importance, addresses weaknesses or gaps in STEM activity and provision, and aligns STEM curriculum, economic development and employer needs.
- *Good to Great*
The Good to Great strategy is a two-year transformation project to ensure that by 2020 the College will be the outstanding model of how a regional college in Scotland should operate. This is being achieved by modernising the curriculum and placing labour market information and industry intelligence at the centre of our planning. Learning and teaching will be geared to moving learners up the SCQF chain and will be based on our digital and wellbeing strategies. Support services will be streamlined and improved to be more efficient and effective by using service design techniques to ensure we deliver the changes that our learners, staff and partners need. Finally, our communications will be sharpened to project a dynamic, visionary college doing excellent work for our community and economy.
- *Finance*
This strategy sets out how the College plans to maintain financial sustainability in order to enable it to continue to deliver the highest possible learning outcomes within the funding envelope available. As the College is no longer able to retain cash reserves or to access bank loans, the financial strategy assumes that any capital investment is grant-funded.
- *ICT*
The College is sector-leading in the use of technology to enhance learning and teaching. The needs and impact of investment in ICT infrastructure and services need to be fully understood and reflected in estates planning.
- *Commercial*
The College seeks to deliver learning which meets the changing needs of the workplace, is a key driver for inclusive economic growth in the region, and encourages innovation. These strategic aims will impact on the design of future facilities.

- *Procurement*
The Procurement Strategy provides the framework for our purchasing activities, which supports our strategic objectives, delivers value for money, and ensures legal and regulatory compliance.
- *Risk*
The Risk Management Policy outlines approaches and arrangements in respect of the management, oversight, control, mitigation, evaluation and reporting of risks associated with College operations and activities. This is supported by a Strategic Risk Register and departmental risk registers and assessments. The project methodology employed by the College includes a rigorous risk management approach tailored to the scale and inherent level of risk of each project.
- *People*
The Workforce Plan sets out a vision of flexibility for how we work which has implications for the size and type of space required for staff. The College has a strong commitment to promoting the wellbeing of its staff and this includes ensuring that the workplace contributes to positive physical and mental health. The vision is that staff will enjoy a working environment which supports the aspiration to perform at the highest possible level and as a result staff will feel proud to be associated with the College.
- *Sustainability*
There is a strong commitment to developing individual 'creative and innovative' approaches in order to demonstrate leadership in embedding environmental and social responsibility across the whole College, as evidenced by successive reductions year on year in our carbon footprint which exceed legislative and sector requirements.
- *How good is our College?*
The condition of the current estate at the Kingsway campus is highlighted in respect of the 'How good is our college?' quality framework for Education Scotland as a factor that limits the quality of learning, teaching and outcomes for the College. This limiting factor runs contrary to College ambitions for learners and the contribution that we can make to our regional economy.

4. EXTERNAL ENVIRONMENT

The Estates Strategy is influenced and constrained by a range of external environmental factors, many of which are outwith the College's control. They will necessarily shape the direction of estates planning and they must be kept under constant review so that the Strategy adapts responsively to changes in the environment.

Demographic trends

The total population of the College Region is 265,000, comprising 117,000 in the Angus local authority area and 148,000 in Dundee City. The most recent projection from the National Records of Scotland is for this population to grow to 269,000 by 2041, with the 1.4% increase lower than the 4.5% projected growth for Scotland as a whole. The population of children (0-15) is expected to fall in Angus by 4.6% and in Dundee City by 2.3% during this period. These demographic trends will impact on the longer term strategic planning for the College.

However, levels of student activity will fluctuate over time for other reasons as well as demographic trends, including changing behavioural choices made by young adults, further

development of our schools offer, and a return to more part-time study by those in employment. Crucially, they will also be determined by government priorities, as the majority of our overall activity is grant-funded. Regardless of changes to total student numbers over time, other changes can have a material impact on the size and type of space needed by our learners, such as the balance between full-time / part-time or day / evening and curriculum mix.

There are clear signals from our main funder, SFC, that a significant reduction in funded student numbers is anticipated during the period covered by this Strategy, mainly due to a major European Union funding stream coming to an end. While the Strategy must be responsive to future unknown shifts in activity, this known downward trend will require to be factored into planning from the start of the period.

Revenue and Capital Funding

During the years prior to this strategy period, revenue funding has seen zero or small increases even in cash terms, with any real terms increases ring-fenced for specific activities or to cover particular cost pressures. With no end in sight for government spending plans heavily influenced by austerity, it is not expected that the sector will see real terms increases for a number of years. This presents real challenges in terms of management of our existing estate, with staff numbers and non-pay budgets squeezed in order to cover cost of living awards and other increases in pay costs.

Capital funding is significantly constrained. Annual formula grants from SFC are barely enough to maintain the existing estate in its current condition, including minor refurbishment works and investment in equipment, and is not sufficient to address the backlog maintenance burden from an ageing estate. The revenue funding model which was used for a few years to deliver major capital projects in the sector is no longer available and major capital funding on a cash basis is likely to remain elusive for many years.

Legislation

The way we manage and develop our estate is influenced by local, national and international legislation and regulation, relating to issues such as local planning and development, building control, fire safety, health and safety, environment, community empowerment etc. As well as making sure that we abide by these requirements at any given time, we need to do what we can to anticipate changes to the legislative and regulatory environment in order to avoid potentially disruptive and costly remedial action in the future.

The Scottish Government is committed to tackling climate change and in 2009 the Scottish Parliament passed the most ambitious change legislation anywhere in the world. The Climate Change Act (2009) set a target of 42% reduction in emissions by 2020 with an 80% reduction by 2050.

As a public sector body, the College is legally required via the Mandatory Public Bodies Climate Change Duties Reporting to demonstrate how its operations are driving down carbon emissions. The College has, since 2009, reduced its carbon emissions by an outstanding 53% which significantly exceeds the Scottish government 42% target for 2020.

A significant aspect of the mandatory reporting relates to Climate Change Adaptation which requires a risk assessment to be carried out to identify the risks that climate change may have on the College estate. Control measures require to be implemented to mitigate these risks. This will be a key consideration when planning projects linked the College Estates Strategy. The Adaptation Risk Assessment process for the College has started.

Student and staff engagement and awareness-raising continue to be a priority as we strive to promote sustainability and social responsibility into all curriculum areas. This is in line with

SFC's Outcome Agreement guidance which requires all universities and colleges to develop individual 'creative and innovative' approaches to demonstrate leadership in embedding environmental and social responsibility across the whole institution. The College is working very closely with the Environmental Association for Universities and Colleges and Learning for Sustainability Scotland to design a professional learning programme focusing on how to embed sustainability in learning and teaching within a Further Education College.

It is hoped that embedding sustainability and social responsibility into the curriculum will have profound impact on influencing behaviour change amongst our students and staff to make a positive contribution to mitigating the effects of climate change. This would in turn have a positive impact on the effective and environmentally sustainable management of the College Estate.

In our strategic decision-making and operational management, we have to pay close regard to Scottish Government policy, particularly issued by the department responsible for education. Specific examples of policy which would directly affect our Estates Strategy might include the promotion of particular curriculum areas in order to meet the needs of the economy, which in turn would be reflected in the size and type of space in the College estate. For example, expansion of nursery places has led to an increase in learner numbers in early years practice.

Regional economy

Output from the Dundee and Angus region as measured by Gross Value Added (GVA) was £5.1bn in 2014, which represented 4.2% of total Scottish output. Productivity was lower than the averages for Eastern Scotland, Scotland and the UK, as measured by GVA per hour worked. When measured by GVA per head, which is impacted by levels of employment in the population, the comparison is even poorer. In both cases, the relative positions of the region, Eastern Scotland and Scotland have all declined compared with the UK. See the table below for details, with UK as the base index at 100.

	Date	Dundee and Angus	Eastern Scotland	Scotland	UK
GVA per hour worked	2007	95.5	98.6	93.8	100
	2014	94.2	98.1	97.5	100
GVA per head	2007	83.4	98.7	95.1	100
	2014	78.8	92.1	93.9	100

Note: all values are at 2016 price levels

While GVA measures the performance and wealth of the local economy, the alternative indicator Gross Domestic Household Income (GDHI) measures the economic wellbeing of the local population. The GDHI for the region declined slightly from 88.7% of the UK figure in 2007 to 88.1% in 2014:

	Date	Dundee and Angus	Eastern Scotland	Scotland	UK
GDHI per capita	2007	£13,524	£15,022	£14,478	£15,255
	2014	£15,828	£17,489	£17,095	£17,965

Note: all values are at 2016 price levels

Average earnings for those resident in Angus and those working in Dundee are broadly in line with averages across Scotland and the UK. However, average earnings for those working in Angus and those living in Dundee are 10-15% lower, indicating that higher paid jobs in Dundee are held by those commuting into the city.

In common with the picture across the UK, there are significant numbers of small employers in several STEM sectors, particularly construction, ICT, and professional, scientific & technical services. This significantly influences the strategic approach taken by the College in establishing effective training opportunities with local businesses.

Between 2014 and 2024 employment in the agriculture, manufacturing, education sectors are projected to decline. Employment in other sectors are projected to grow at greater rates than the UK averages with particular growth in real estate, professional services and support services sectors. In particular, the following sectors are expected to experience strong development:

- Retail, hospitality and tourism, stimulated by the opening of V&A Dundee in 2018 and the wider developments along the waterfront.
- Renewable energy and decommissioning, as the oil and gas industry moves into a post-mature phase.
- Skilled work in health and care, particularly expansion of pre-school provision.
- Food and drink and life sciences.
- Digital and creative industries.

The College is a major player in a number of projects to be funded through the Tay Cities Deal, which brings together public, private and voluntary organisations in the council areas of Angus, Dundee, Fife and Perth & Kinross to deliver a smarter and fairer region. The partners have negotiated with the UK and Scottish Governments to secure significant investment funding, which will be used to encourage skills development and progress infrastructure such as roads, rail links, buildings and communications networks. The funding received will be paid back over an agreed time period through increased business and tax receipts to the UK and Scottish Governments.

The Fourth Industrial Revolution

Technological advances are driving what has been called “the fourth industrial revolution”. The world of work is moving faster, and becoming more global and mobile, supported in particular by digital transformations. New technologies are being developed to help people communicate, connect, collaborate, and share resources. Members of a new generation, fully accustomed to all the digital tools at their disposal, are entering the workforce and are being given greater freedom in managing how they work, and when. The modern workplace requires the following: individual access to devices and business applications, an appropriate communications infrastructure, a team-oriented workplace environment, and robust information security.

Automation and advanced manufacturing techniques may suggest we need less traditional workshop space but we still need to be alert to retraining opportunities for engineers keen to enter the renewables and decommissioning industries that will still rely on practical mechanical engineering skills.

Technological advances are also changing learning and teaching, and the impact this will have on the size and shape of our future College will need to be considered very carefully. Our students are seeking learning without walls: they require constant access to learning materials, resources and support, and autonomy in how and when they learn. This aspect of our operating environment means our campuses will require to be more flexible, a blend of the physical and digital, with ICT more embedded into the infrastructure. These smart buildings and digital learning approaches will be driven not only by our students, but also by changing and evolving teaching approaches and employers' needs.

Balanced against that, however, are our growing markets in young learners and those with learning or physical disability. Many of the younger or 'hard to reach' learners still require a classroom experience and traditional relationship with a teacher/mentor. Many of our learners are not equipped for independent learning but need to develop those skills over time.

5. CURRICULUM REQUIREMENTS

In its Regional Outcome Agreement with SFC, the College sets out how it will deliver on the following national priority outcome: an outstanding system of learning where all students are progressing successfully and benefiting from a world world-class learning experience, in the hands of expert lecturers delivered in modern facilities.

The delivery of high quality learning, teaching and learner experiences is a key driver for the College, featuring strongly within our vision, purpose and ambitions. Comprehensive systems are in place to review and enhance curriculum quality, planning, outcomes, and target setting. These systems include detailed self-evaluation by academic and support teams, a drive on Business Intelligence to make data-driven decisions and audit, feedback and review arrangements involving the Board of Management, Executive, Learners, Staff, Employers, and Awarding/Certification Bodies.

High levels of learner retention and attainment continue to be maintained, with the College consistently delivering among the best outcomes for learners in Scotland. Despite this success, the College is committed to continuous improvement for itself, and to supporting improvements for the sector as a whole. Our target is to ensure that learner outcome levels in **all** curriculum areas are above national average.

Our Future Talent initiative is a whole College approach to employability and enterprise, with a clear focus on careers information, advice and guidance. This initiative links together a number of national strategies and priorities, including Developing the Young Workforce, Career Education Standards, Work Placement Standards for Colleges and the Development of Learner Employability in Scotland's Colleges.

The College's Digital Strategy provides a key vision and direction for building digital skills within both staff and learners to enable them to learn, work and live in the 21st century. This strategy is backed by a clear self-assessment route and comprehensive professional development support to enhance skills and meet our objective of having all staff certified as competent digital users.

Regional Economy

The College delivers a curriculum that is directly informed by local employers and undertakes regular review and development of the curriculum in order to ensure that it continues to meet the needs of the regional and national economy. This review activity focuses on both what we deliver (ensuring it meets the needs of the regional economy) as well as how we deliver our curriculum, and the different modes, delivery styles and technology enhanced methods required to meet the needs of today's learners and employers.

The College seeks to remain at the cutting edge of exciting economic changes predicted within our region, responding to trends in technology, leisure activities and new business processes. We respond to, and indeed anticipate, trends in demography and working patterns by flexing our offer, for instance ensuring that part-time opportunities are available for those in employment who are seeking to upskill and progress their career.

To support our curriculum review processes, the College engages extensively with employers through our Stakeholder Advisory Boards and with a wide range of other partners on a routine basis. All of this work ensures that our curriculum addresses current needs (and is matched to forecast future skills demands) to ensure that our provision is aligned fully with the employment priorities of business and industry.

Through a range of measures, the College sets out to improve the employability of all our students. We actively encourage self-employment and entrepreneurship, particularly through our enterprise facilities at our Arbroath and Gardyne Campuses.

Access for all learners is achieved through offering a broad range of learning opportunities at SCQF levels 4, 5 and 6, targeting the DYW priority groups, supporting employability and reducing youth unemployment by engaging younger learners on their journey into meaningful employment. A key focus will continue to be placed on further enhancing the level of sustained positive student destinations, by expanding work placement activities, further developing opportunities to learn in realistic workplace environments, increasing opportunities for student volunteering and mentoring, and supporting student enterprises.

Partnerships

The College works closely with employers to develop the ambition of our students and to enable them to pursue careers in their chosen disciplines/areas of employment. Our website has employability at its heart, with our Career Coach portal backed up by robust labour market data across the key industries within the region. This links qualifications with wider career pathways to support prospective students, pupils, teachers and parents to be better informed about subject choices based on the real career opportunities and current/future jobs available within the region.

The College places a strong strategic focus on growing and enhancing its school/college partnerships. We offer vocational pathway opportunities for all of the senior phase school pupils, a full range of taster sessions for S1-S3 pupils, and enrichment opportunities for S6 pupils to support and widen existing career pathways. The offer developed is designed to meet the progression needs of school pupils at different stages of their learning journey, equipping pupils to progress into employment, into apprenticeships, or on to further study at college or university.

The College has a successful and increasing range of agreements with university partners locally and further afield to ensure that students have the opportunity to gain access, progress and articulate to degree programmes. We are also committed fully to the Associate Student scheme, whereby learners participate in classes both at college and at university and are jointly supported by both institutions. We also participate in the Scottish Wider Access Programme, enabling adult returners to access Degree level study in the areas of Science, Nursing and Humanities.

The College has a strong commitment to ensuring Science, Technology, Engineering and Maths (STEM) subjects are embedded within every course and to meeting the recommendations, aims and objectives made in the STEM Education and Training Strategy for Scotland, 2017. The regional STEM Strategy builds capacity in areas of key economic strategic importance, addresses weaknesses or gaps in STEM activity and provision, and aligns STEM curriculum, economic development and employer needs.

Student Numbers

The College has over 20,000 enrolments with a total of almost 110,000 credits delivered across the three main campuses and elsewhere:

	Enrolments	Credits	Ful-time equivalent
Arbroath Campus	5,283	31,106	2,194
Gardyne Campus	7,103	44,545	3,142
Kingsway Campus	5,703	27,941	1,971
Distance/offsite/outreach	2,602	5,768	
Total	20,691	109,360	

Note: the full-time equivalent numbers for the main campuses above have been derived, as student data is not held in this format. They are included here as they provide the truest indicator of space requirements, as a significant element of our activity is not credit-bearing.

The curriculum delivered across the three campuses covers a wide range of vocational and classroom-based subjects. See Appendix 6 for 2017-18 enrolments and credits analysed by curriculum area / mode of attendance and by campus.

The strategy for the curriculum is predicated on an assumption that we intend to maintain a range of subject areas in each of Angus (Arbroath campus) and Dundee (Gardyne and Kingsway campuses), supporting our vision of “three Campuses, one College”.

While it is difficult to be definitive about forecasting future student numbers within an agile, demand-led curriculum, there are some likely trends over the period of this Estates Strategy:

- We expect the overall size of the curriculum offer to remain broadly unchanged until 2022-23, when the European Social Fund programme under which the College receives funding comes to an end. Early indications are that this will reduce credit targets by 3%.
- Within this, there are specific targets for early years practitioners in our Care curriculum area.
- Full-time numbers are expected to remain broadly unchanged in total but there are likely to be shifts in priorities between curriculum areas and campuses, in response to local needs and demands.
- After a significant reduction during the previous ten years, numbers of part-time learners are expected to increase by around 5%, particularly through schools, community and work-based delivery.
- The drive to ensure efficient class sizes will continue, building on good progress made under the College’s Good to Great Strategy.

The above considerations mean that any significant capital planning will be broadly based on current curriculum delivery patterns and numbers. However, refreshed detailed student number projections will be carried out at the time to underpin any business case for major capital projects to create new or reconfigured buildings.

Future Trends in Learning and Teaching

What is likely to change are the assumptions around patterns of delivery, some of which impact on space requirements for the campus of the future. These include:

- Clear focus on digital delivery, capitalising on the flexibility this offers for our learners. By the end of this Estates Strategy period, we will be the outstanding model of how Colleges operate in the digital landscape. Our learners will engage with and benefit

from relevant and exciting digital curricula and be empowered digital practitioners. Our staff will engage in lifelong digital learning, independently analysing and implementing tools and resources to support their work and curriculum developments.

- Development of the “T-shaped” learner, where knowledge and skills acquisition are strongly supported by a range of transferable professional and personal attributes, such as creativity, critical thinking, communication, team-working and leadership. This supports the development of enterprising, work-ready individuals who meet the needs of local and national employers, particularly in STEM-related industries.
- Further strengthening of inter-disciplinary work, bringing together two or more curriculum areas in joint work, mirroring real life scenarios. This will be pursued through powerful mechanisms to deliver cross-curricular provision such as project-based learning, peer-driven and/or mentored learning, shared workshops and taster days.

Whilst we will always evolve the type of learning spaces we need, it is possible to predict that we will need fewer traditional classroom spaces. Our emphasis will be on group work, interdisciplinary work, real time project work and the development of digitally enabled 21st century skills. We will need flexible spaces, more learning hubs and areas for group work. Whilst we will need a balance of specialist areas and formal classrooms, the dominant feature of our new learning spaces will be flexibility.

6. EXISTING ESTATE

Description of existing estate

The estate comprises three main campuses, three outreach centres and two specialist facilities:

- Arbroath Campus
- Gardyne Campus (Dundee)
- Kingsway Campus (Dundee)
- Montrose Learning Centre
- Kirriemuir Learning Centre
- Forfar Learning Centre
- The Glebe, St Vigean's (Arbroath)
- Saltire Centre (Arbroath)

The estate across the three main campuses extends to 59,612m² Gross Internal Floor Area (GIFA), as detailed in the table below:

Campus	GIFA (m ²)
Arbroath	16,097
Gardyne	22,765
Kingsway	20,750
Overall Estate	59,612

A map showing the above locations can be found in Appendix 1.

Arbroath Campus

The College's main campus in Angus is based in Arbroath and is located on a hectare of freehold land owned by the College, close to the town centre and within easy walking distance from the rail and bus networks. Car parking arrangements are good.

Operating on a "community college" model, a large range of curriculum areas are delivered on the Arbroath campus, including classroom based areas such as business and social science, and vocational areas such as care, engineering, hair and beauty, sport, landbased and IT.

The Arbroath campus comprises six buildings of varying ages, with a total gross internal area of 16,097m²:

- Community Access and Learning Centre (CALC)
- Clova
- Creative Studies Workshop (CSW)
- Esk
- Isla
- Helping Hands Nursery

Full details are provided at Appendix 2.

Gardyne Campus

Gardyne Campus opened in June 2011 following a £49m redevelopment project. It is an outstanding state-of-the-art facility, with highly intelligent learning spaces and innovative social spaces. It is fully technology-enabled which allows us to provide students and staff with a real 21st century learning and work environment. The campus houses a range of curriculum subjects for Care, Creative and Digital Industries, Progression, Business and Retail, ESOL and Sport. The sports facility includes a number of gyms and a swimming pool, and there is a theatre embedded in the main building.

The campus comprises two buildings, with a total gross internal area of 22,675m²:

- Main building, which includes the theatre and sports facility
- North Annexe

Full details are provided at Appendix 3.

Kingsway Campus

The Kingsway Campus is located in the north of the city of Dundee and is located on approximately 5 hectares of freehold land owned by the College.

The curriculum delivered at this campus falls mainly into STEM areas, such as construction, building services, engineering, landbased and science, or service areas, such as hospitality and hair and beauty. Along with these STEM and service areas, performing arts and retail and tourism are based at Kingsway.

There are eight buildings on the Kingsway Campus, most built in 1963, with a total gross internal area of 20,750m²:

- Main Tower
- Library and Learning Centre
- Catering and Hospitality

- Gymnasium
- Construction Trades
- Engineering
- Science and Horticulture
- The Space

Full details are provided at Appendix 4.

Montrose Learning Centre

This centre on the outskirts of Montrose, the first of the College's learning centres, was opened in 1996. The building was bought freehold and is a stone built property on three storeys. There are four general purpose teaching rooms, two PC rooms, reception and small social space. The property is situated about 1km from the town centre, with only street parking available. There is a small garden to the rear which the students use during good weather, for social space. The classroom accommodation is small and inflexible and the upper floors are not wheelchair accessible.

Kirriemuir Learning Centre

The centre at Kirriemuir was purchased freehold by the College from Angus Council in 2000. The building accommodates two classrooms and two computer rooms with reception, kitchen and interview rooms and a small private car park. The walls of this building are unusual in that they are covered in grey slate and the roof is flat with a single waterproof membrane. This centre has not been used in recent years and in 2018 the Board approved its disposal.

Forfar Learning Centre

The Forfar Centre is leased from a local business and houses two classrooms and two computer rooms with reception, interview room and kitchen facilities, all of which are located on the ground floor. The centre is situated close to the centre of town, is fully utilised and cannot meet the current demand for training in the Forfar area. It has its own private car park for 20 cars. At the time of writing, the College is in negotiation with Angus Council to re-locate the Forfar Centre to a council building at Orchardbank on the outskirts of Forfar.

St. Vigean's Glebe

The Glebe is approximately 15 acres of land, leased to the College for educational use only, by the Church of Scotland at a peppercorn rent. In 1999 the College extended a timber-framed storage shed measuring 260m² and these facilities are used exclusively for the storage of tractors and horticultural tools and the delivery of the landbased curriculum.

The Saltire Sports Centre

The Saltire Sports Centre is a Council owned facility which was extended in partnership with Angus College and opened in September 2006. The College, through a Service Level Agreement, has exclusive use of the 1,550 m² extension during term time with the balance of the time available to the local community, an arrangement which meets both the College and the local community's requirements. The centre houses two classrooms, a fitness suite, dance studio, gymnasium, changing facilities and associated academic staff workroom. The Centre is a steel frame composite metal construction and is managed and maintained by the Council.

Valuation

Our estate is included in the balance sheet at Depreciated Replacement Cost, as most buildings are highly specialised and therefore open market valuations would not be appropriate. As at 31 July 2018, this resulted in a net asset value of £79m following the most recent triennial revaluation exercise carried out by independent chartered surveyors. The

Insurance Replacement Value, which reflects the cost of replacing buildings on a like-for-like basis, was assessed at £150m as at the same date.

Condition surveys

In 2008/09 SFC commissioned a condition survey (the Watts survey) of all of Scotland's Colleges which resulted in the identification and prioritisation of backlog maintenance requirements. For many years this survey underpinned the College's capital plans, with short, medium and long-term priorities informed by its findings.

In 2017 SFC commissioned Gardiner & Theobald to carry out another condition survey of the college sector estate across Scotland. The purpose was to identify the total cost of the works required to bring the estate up to a minimum of condition B, with a proposed scheduling of these works over the subsequent four years by college and campus based on the following priority ratings: very high, high, medium, low. The results of the survey were published in December 2017 and identified a total funding requirement for the sector of £163m. This excludes fees, VAT, inflation and optimism bias and, once these are added in, the sector total rises to £363m.

Many of the buildings in the College are at condition B, with one building at each of Arbroath and Gardyne at condition C, and the majority of the buildings at Kingsway at condition C. However, most buildings contain a mix of elements which usually covers the whole range from A to D and therefore investment is still required in those buildings with an average B condition.

The following table sets out in summary form the costs to bring the whole College estate to a minimum of condition B. The costs quoted in the table include fees, VAT, inflation and optimism bias, using the uplift multiplier of 2.24 from the sector totals.

	Very high	High	Medium	Low	
	£'000	£'000	£'000	£'000	£'000
Arbroath	911	4,322	4,197	0	9,431
Gardyne	154	886	928	1,152	3,119
Kingsway	294	595	7,980	4,853	13,723
	1,358	5,803	13,105	6,006	26,273

Details of building conditions and remediation costs are shown in Appendix 5.

The total cost of £26m is 7.2% of the sector total cost of £363m. It is recognised that this exercise was a snapshot in time and any updated valuation will depend on subsequent works carried out and any further deterioration in building condition.

The College believes that the above costs underestimate the work requiring to be done and underplay the urgency. Having scrutinised the condition survey report, we expressed our concerns to SFC that it does not capture the immediacy of the need to address a number of the backlog maintenance elements, in particular at our Kingsway Campus. All of the high spend is projected 4 and 5+ years from now, whereas we believe that a high number of the highlighted elements need to be addressed as soon as possible. We also feel that the costs put against some of the elements, for instance the cladding in the Tower, are insufficient. Finally, there are other significant maintenance elements that have not been included in the report. In summary, we believe that the report understates the cost by £3.8m. See Appendix 5 for details.

Space utilisation

When considering the development of the estate, we must continue to seek opportunities for space rationalisation and operational efficiencies, as building costs are typically a college's second largest annual expenditure after staff costs.

At the College, timetabling and room allocation processes are carried out by individual curriculum teams with oversight provided by one "super-user" per campus. Efficient space utilisation is closely monitored through a suite of reports drawn from the College's timetabling system. These reports are actively used to analyse utilisation on a room-by-room basis, identifying instances where rooms are not occupied or where their full capacity is not being used.

In addition to clear processes and system reports being used to manage room allocations and monitor utilisation, physical checks are conducted periodically throughout the session. Efforts are made in our management of space to strike the right balance between flexibility, avoiding the assumption of room ownership and territorial behaviour, and the need to foster a sense of belonging, particularly for some of our learner groups. It is worth noting that there is little evidence of lower occupancy on Fridays or Wednesday afternoons, which we are aware can be a problem in tertiary education institutions.

Since the introduction of the above system in 2017-18, space utilisation has improved across the College. Rooms have been reallocated to curriculum teams in order to ensure that they meet the size and range of courses on offer in that area. Some course provision was moved from Gardyne to Kingsway to reduce the burden on the Gardyne campus. Future developments, in line with the curriculum review, will continue to seek improvements in overall space utilisation, ensuring the curriculum is best delivered in the most suitable learning space for the benefit of the students and for college overall.

With the above improvements in managing our space easing some pressure points, the situation at the start of this strategy period is that we have broadly the right amount of space at each of our three campuses to meet the demands of our current student numbers and range of curriculum.

While the above indicates that utilisation of our estate is generally effective, this is largely confined to the main teaching periods, with low room usage during the evening, at weekends and outwith the standard 32-week teaching year. Consequently, the College strategy involves focusing on maximising efficiency during the main teaching periods, where possible extending usage of our estate during off-peak times, and minimising property costs when there is no activity taking place.

A key metric used across the sector to measure estate efficiency is m²/FTE. The following table sets out data for each of the three main campuses:

	FTE	m ²	m ² /FTE
Arbroath	2,194	16,097	7.34
Gardyne	3,142	20,750	6.60
Kingsway	1,971	22,765	11.55
Total/average	7,307	59,612	8.16

Sector norms for a **new build** college tend to sit at 6.5 m² per FTE. However, care must be exercised in applying benchmarks when reviewing use of existing space or planning the development of new or replacement space. Buildings which were developed in the past for educational use may not lend themselves to configurations which enable space efficiency.

Moreover, it is important to understand that space requirements vary markedly across our curriculum areas, with vocational areas tending to require significantly more space than classroom based subjects. This is the main reason why the above table shows Kingsway with a poorer space efficiency measure than Arbroath and Gardyne. It is not possible to drill down to show comparisons by curriculum area for each campus, as curriculum delivery takes place across a range of spaces, including dedicated specialist areas and generic classrooms.

See Chapter 4 for more detail on space requirement of particular curriculum areas.

Despite the caveats with applying benchmarks, we would expect the specification for any new buildings to include an assumption that a reduction in floor area of around 10-12% should be achievable. In addition, we will continue to improve efficient utilisation of our existing estate.

Managing the estate

The management of the College's estates assets is undertaken by the Estates Department, comprising 84 full-time equivalent staff with responsibility for around 60,000 m² of accommodation across 3 campuses, along with outreach centres and other accommodation.

The Estates Department is responsible for:

- Capital projects
- Major property repairs
- Facilities management
- Utilities
- Waste management
- Sustainability and the Environment
- Health and Safety
- Planned and reactive maintenance
- Caretaking and cleaning
- Catering
- Management of the College fleet of vehicles
- Furniture
- Other professional services, for instance lease management, project management, interior design.

All catering, caretaking and cleaning services are undertaken by in-house staff, along with a range of planned and reactive maintenance. Other minor works and specialist services are delivered through local and national contractors through rigorous procurement procedures. At all times, the balance between in-house and contracted out is kept under review in order to secure best possible value for money, balancing quality, responsiveness, flexibility and cost.

The College incurs £5.7m in relation to estates operating costs on an annual basis, which represents around 13% of total expenditure. Principal categories of expenditure included in these operating costs are as follows:

	£,000
Staff costs	2,227
Utility costs	848
Repairs and maintenance	1,005
Rent, rates and insurance	403

Catering	601
Other	621
Total	5,705

Those costs which are captured by location (utilities, repairs & maintenance, rent & rates) are similar across the three main campuses, ranging from £24 to £26 per m².

Overall assessment

The College has established a strategic objective of ensuring that all the buildings in its estate support the curriculum of the future, providing facilities of the highest possible quality to ensure an excellent learning experience for our students and working environment for our staff.

This section clearly demonstrates the diversity of our existing estate. Buildings are of varying sizes, ages and conditions and the condition survey confirms that capital investment over the next 5 years needs to be targeted at certain campuses and buildings.

The Arbroath Campus comprises a mix of building ages, with varying degrees of refurbishment over the years. The majority of the backlog maintenance requirements relate to mechanical and engineering infrastructure, rather than room accommodation.

The Gardyne Campus underwent major redevelopment within the last ten years and, with the exception of a small part of the main building, is expected to continue to provide high quality and adaptable accommodation for the period of this estates strategy.

The Kingsway Campus has the highest proportion of buildings with an average condition C. As well as the infrastructure requirements, the teaching spaces across most of the campus are critically in need of modernising in order to meet the needs of the current, let alone the future, curriculum. For this campus, we consider that major capital investment is required, for which significant funding support is being sought.

7. SUSTAINABILITY

The issue of environmental sustainability is addressed in the planning of all new accommodation and redevelopments. The main priorities for the College are providing energy efficient buildings, safe friendly environments that promote wellbeing, accessibility, a well-designed and aesthetically pleasing built environment which is in good condition, fit for purpose and meets the needs of the communities which are served by the College.

A key driver for the College's sustainability aspirations is the Scottish Government's commitment to tackling climate change. In 2009, the Scottish Parliament passed the most ambitious change legislation anywhere in the world. The Climate Change Act (2009) set a target of 42% reduction in emissions by 2020 with an 80% reduction by 2050.

In 2009, when the Climate Change Act was passed, both legacy Colleges signed up to the Universities and Colleges Climate Commitment for Scotland (UCCCfS) supported by the SFC and the Carbon Management Programme (CMP) supported by the Carbon Trust Scotland. An initial five year action plan was developed for each College, and both planned to reduce their carbon emissions by 25% within the life of the plan. The initial emission target set by Angus was met in August 2012 at the end of the second year and Dundee exceeded its initial target at the end of year one. At the point the two Colleges merged in 2013, the actual carbon reduction was 30%.

In 2013, the newly merged Dundee and Angus College signed up to a new Universities and Colleges Climate Commitment for Scotland (UCCCCfS) and developed a Carbon Management Plan, with a further carbon reduction target of 15% set to be achieved from a baseline year of 2012/13 by 2018. However, by the end of the five year plan, the College had reduced its carbon emissions by 53% and a new five year Carbon Management Plan is currently being developed, with the College targeting a further 10% reduction during this period.

The College has continued to invest in a range of Sustainable Technologies that have greatly assisted with our carbon reduction successes. In addition to the installation of a 1MW biomass boiler for the Arbroath Esk and Isla buildings, a further 800kw of biomass plant was installed at our Arbroath Campus to provide heating and hot water to the Clova, CALC and CSW buildings. This means that all of our heating and hot water requirements are supplied via biomass, although gas fired boilers have been retained as backup. The installation of the additional biomass plant has assisted with significantly reducing our carbon footprint.

Other sustainable projects have included replacement of gas-fired boilers to the main Kingsway Campus boiler house and the replacement of the single glazed windows in the ESK building with double-glazed units. We have also completed similar window replacement projects in the Main Tower, Catering Block and Science Annexe at our Kingsway Campus and in the North Annexe and PE Block in our Gardyne Campus. All of these projects have further enhanced the sustainability credentials for Dundee and Angus College.

While the range of sustainable projects in recent years highlights the College's commitment to reducing its impact on the environment, there is still a lot to be done to mitigate the poor environmental rating of the old buildings at Kingsway and Arbroath. Nonetheless, the College will continue to identify and develop plans to improve energy efficiency across all of our estate and these will be included in the short, medium and long term Backlog Capital Works Programmes.

Effective student and staff engagement and awareness raising will be key to the College meeting its Climate Change responsibilities and we continue to strive to promote sustainability and social responsibility into all curriculum areas. This is in line with SFC's Outcome Agreement guidance which requires all universities and colleges to develop individual 'creative and innovative' approaches to demonstrate leadership in embedding environmental and social responsibility across the whole institution.

The College is working very closely with the Environmental Association for Universities and Colleges and Learning for Sustainability Scotland to design a professional learning programme focusing on how to embed sustainability in learning and teaching within a Further Education College. It is hoped that embedding sustainability and social responsibility into the curriculum will have a profound impact on influencing behaviour change amongst our students and staff to make a positive contribution to mitigating the effects of climate change. This would in turn have a positive impact on the effective and environmentally sustainable management of the College estate.

8. THE ESTATES MASTER PLAN

Introduction

As set out in Chapter 5, our assessment of the existing estate leads to the following broad conclusions regarding future investment needs at each of our campuses:

- Arbroath: some significant backlog maintenance requirements relating to mechanical, electrical and external fabric infrastructure, with some remodelling of accommodation to deliver modern curriculum.

- Gardyne: some backlog maintenance requirements relating to mechanical and electrical infrastructure, rather than room accommodation.
- Kingsway: significant and critical backlog maintenance requirements, relating to mechanical, electrical and external fabric infrastructure, with extensive remodelling of accommodation urgently required to deliver a modern curriculum.

Capital Backlog Maintenance Projects

The College has a prioritised list of backlog maintenance projects, which is refreshed annually in order to inform the Capital Budget for the coming year. As explained earlier, we are almost entirely reliant on SFC funding to meet the costs of these projects. We are also constrained by the results of the condition survey, with a significant element of the SFC annual Capital & Maintenance Grant ring-fenced to deal with backlog maintenance work set out in the survey report.

The backlog maintenance prioritisation process takes account of future development plans, in order to ensure we lever maximum value for money from any funds which become available. However, with significant uncertainty around the timing and value of capital allocations to fund these development plans, certain high priority works have to be undertaken even where this potentially conflicts with longer term plans.

As this strategy covers a 5-year period, it does not contain a full detailed list of all the backlog maintenance needs at the time of writing. Instead, two illustrative lists are included in Appendix 7:

- A selection of major projects completed during the previous 5 years
- The highest priority projects anticipated over this strategy period

Financial planning

Since reclassification as a public body in 2014, the College has been unable to borrow funds in order to meet the cost of estates development without the permission of the Scottish Government, which is highly unlikely to be granted. The College is prohibited from generating surpluses and building up cash reserves in order to fund capital projects from its own resources.

Therefore, the College depends almost entirely on SFC for capital funding. In recent years, SFC has itself been reliant on utilising the “Non Profit Distributing” revenue funding model to fund estates developments but this is now not available for college projects. A replacement funding model was not in place at the point this strategy was published.

For some colleges, disposal proceeds may be a significant element of total funding for a capital project. The only property which is deemed to be surplus to requirements is the Kirriemuir Learning Centre but the proceeds from its sale are expected to be modest. It is expected that these will be deployed towards refurbishment or maintenance projects.

The College is able to bid for funding from external bodies. This includes The Dundee and Angus Foundation, which was set up through a donation from the two legacy colleges prior to merger. The College relates to the Foundation on a fully arms-length basis, submitting applications for funding which meet the charitable criteria, in the same way as any other body seeking support. The level of funding potentially available through the Foundation

would only be sufficient to provide a relatively small element of match funding as part of a much bigger funding strategy.

Kingsway redevelopment

The need for significant redevelopment of the Kingsway campus is fully recognised by SFC. Since early 2016, a number of high level meetings have taken place between the College and SFC in order to identify a sustainable solution to the pressing need to improve learner experience on this campus.

In December 2016, the College submitted an Outline Business Case (OBC) to support the bid for major capital funding. The conclusion of the OBC was for a hybrid solution:

- Major redevelopment of the infrastructure and learning spaces in the Tower and Tower Extension, with demolition of the Library and creation of a new atrium space to provide a much-needed “heart” for the campus.
- Construction of a new STEM centre, to replace a number of existing facilities which currently house construction and building services, engineering, science and horticulture.
- Retention of The Space, constructed in 2002.

The total capital cost was estimated to be £61.5m, with an expected commissioning date of August 2021.

Following detailed discussions about the College’s vision, a revised OBC was submitted in September 2017, which set out an alternative vision. The College’s preferred option was now for a full new-build solution to replace all existing buildings, with the exception of The Space. The total capital cost was estimated to be £72.6m, with an expected commissioning date of April 2021.

By the point this Estates Strategy was finalised, little progress had been made since the submission of the revised OBC, primarily due to the position with capital funding. There is no obvious route to secure the capital funding necessary to undertake the scale of redevelopment required at Kingsway.

Given the uncertainties around substantial capital funding becoming available in the near future, the College Board of Management has decided to return to the vision set out in the first OBC, with an initial focus on packages of work to redevelop the Tower, Library and Tower Extension within their existing footprints. The College believes that this approach is more likely to align with the availability of smaller amounts of capital which it hopes might become available through bids to the SFC and to the Foundation.

The emphasis will be on preparing our estate to train the hospitality and service sector workers critical to the regional vision of regeneration through the development of cultural tourism around the Tay Waterfront. This requires a wholesale refurbishment of all of our traditional areas of food production, training restaurant and hair and beauty studios. We also require to address the lack of central student space and to provide a social ‘heart’ to the campus.

In parallel, the College will pursue a longer term strategy to secure capital funding sufficient to deliver a new build STEM centre on the north side of the campus. Inevitably, we will look to SFC as the major source of funding for this development, as well as seeking a contribution from the Dundee and Angus Foundation. It is likely that some capital funding will

be levered through the Tay Cities Deal and other potential sources of match funding will be fully explored.

The STEM centre will be an ambitious project to provide a locus for the development of advanced manufacturing, renewables engineering, and 'state-of-the-art science' training relevant to the growing Biomedical cluster in the city and to the skills agenda within the Tay Cities Deal.

It would be the logical next step in delivering the vision set out in the 2017 Regional STEM strategy, which was developed by a range of partners across the Dundee and Angus region, including local authorities, universities, the Dundee Science Centre, and a range of skills and employability organisations. The strategy set out the potential for a collaborative approach for schools and the College, with closer integration resulting from sharing resources, attracting funds and working with local employers

We will continue to engage with local partners in co-operating with us to make the STEM centre truly regional in focus, providing a pipeline of young people with the skills and personal qualities to fill the posts required in our universities and in employers in sectors such as pharmaceuticals, decommissioning and renewables.

The above twin track strategy will be taken forward through detailed business cases, with the aim initially of securing approval from the Board of Management and subsequently of obtaining the necessary funding from SFC and other sources.

Information Technology (IT)

The College's Digital Strategy and its multi-year IT resource plan between them set out the technological requirements needed to support the activities of the College. The current and future impact of technology requires to be understood and factored into estates management and development. Plans for IT infrastructure and the Estates Strategy need to evolve together in order to ensure seamless development of both.

The College's approach to IT infrastructure is based on the following requirements:

- Meets the learning and teaching needs of curriculum and quality.
- Supports innovation in learning and teaching.
- Provides online access to established and emerging learner and support processes.
- Ensures existing hardware and software assets are utilised to their maximum potential.
- Embraces mobile and flexible ways of learning and working.
- Promotes the benefits of collaborative working and shared service delivery.
- Ensures compliance with regulatory and policy requirements.
- Provides required levels and standards of IT service delivery.

The condition of the College's IT infrastructure at the start of the period covered by this Estates Strategy is generally good, with significant investment having been undertaken since merger. However, there is a major ongoing investment requirement, to maintain, replace and upgrade existing hardware and software, and to respond to technological advances. Without sustained investment we risk not being able to meet future needs and so it is essential that the College continues to invest in its IT infrastructure on an ongoing basis. This requirement has to be taken into consideration when allocating scarce capital funding on an annual basis.

Technological advances will have a direct impact on space planning, as indicated in the sections above on the curriculum of the future and the evolving needs and demands of our

learners. They will also play a major part in supporting our sustainability objectives, as we move away from a default assumption that we need to have physical spaces and to travel between these. Our campuses will require to be more flexible, with asset optimisation a key objective, as staff and learners operate within an integrated network of physical and virtual technologies and smart, sustainable buildings.

Procurement

The College's Procurement Strategy 2016-20 was designed to ensure legislative compliance with the Procurement Reform (Scotland) Act 2014 and other relevant legislation and is aligned with the College's and SFC's key strategic outcomes as detailed in our Regional Outcome Agreement.

The 2014 legislation requires us to:

- publish a procurement strategy;
- maintain a public contracts register on our external website;
- increase the scope of our regulated procurements;
- publish an annual procurement report;
- meet the sustainable procurement duty.

The Strategy sets out challenging but realistic goals for the development of our procurement activities during the 4-year period, with these subject to regular and transparent review. The successful implementation of this Strategy will significantly contribute to the future sustainability of the College through the reinvestment of resulting savings and efficiencies from our procurement activities.

In addition, the College's Procurement Policy sets out the following:

- Responsibilities of senior managers, departmental heads and the procurement team;
- Approach to securing value for money, through effective tendering and use of frameworks;
- Efficient procurement processes, including e-tendering and supplier management;
- Clear purchasing thresholds, linked to the scheme of budgetary delegation set out in the Financial Regulations.

The College is supported in its procurement activities by membership of Advanced Procurement for Universities and Colleges (APUC) in order to ensure we secure best value for money in the purchasing of goods and services.

The approach set out in the Procurement Strategy, along with the Procurement Policy and associated procedures, will support the Estates Strategy in ensuring that we adopt best practice public sector procurement in developing our estate and in delivering projects.

Risk management

The College's Risk Management Policy governs the approach to be taken to the management of risk across the College. Its purpose is to:

- outline approaches and arrangements in respect of the management, oversight, control, mitigation, evaluation and reporting of risks associated with College operations and activities;
- ensure that significant risks are monitored and managed more closely;
- confirm the roles and responsibilities of the Board of Management, senior management and others in the effective management of risks.

The College's risk management framework is integrated with strategic planning arrangements and relates directly to strategic developments and detailed analysis of the regional operating context for the College. Within these arrangements, senior management undertake the ongoing monitoring mitigation of risks significant to the College.

The Strategic Risk Register details eighteen high level risks the College faces in achieving its organisational goals set out in the Regional Outcome Agreement. Risks are managed based on a series of risk factors determined by assessment of the likelihood multiplied by the impact of each specific risk using a scale of 1 (low) to 5 (high). Mitigating actions are listed, with clear accountability identified, along with arrangements for ongoing monitoring. The Register is formally reviewed and updated quarterly through the Audit & Risk Committee and the risks contained within it are discussed by the Board of Management twice a year.

The following sections of the Risk Management Policy are of particular relevance to the management and development of the College's estate:

3.4 Operational Risk Frameworks

Managers ensure that significant risks related to the outcomes, activities and operational objectives of their area of responsibility are identified, assessed and monitored. Operational risks are appraised on a rolling basis through team/service/project meetings and emerging risks are communicated and managed as required. Where necessary, the impact of risks in respect of the achievement of operational outcomes is detailed within self-evaluation records.

3.5 Determination and Management of Project-Based Risks

Approval of all capital and revenue projects where College contribution is in excess of £250k in value will include the requirement to create and manage specific risk register in relation to the project or activity. This determination and rating of risk must include the following:

- Risks impacting on project/College objectives.
- Significant financial and other operational risks.
- Reputational or other risks.

Project based risk registers may be necessary in other circumstances where the nature of the project or the level of non-financial risk involved warrants this.

A key element to our risk management approach is to conduct rigorous post-project evaluations for all capital developments, referring back to the risk register established at the outset of each project. Through this approach, we will ensure that we learn from each project and are therefore better placed to manage risks in future developments.

The key risks associated with the delivery of the Estates Strategy are considered to be:

- Lack of funding impacting on the College's ability to:
 - sustain effective management of the existing estate;
 - address backlog maintenance requirements;
 - achieve its ambitions to create spaces which meet future curriculum needs.
- Poor project definition leading to:
 - delays in contracts being concluded;
 - cost escalation during implementation;

- sub-optimal delivery outcomes.
- Poor project management resulting in:
 - lack of co-ordination of project components;
 - disruption to normal business activities;
 - cost and time overruns.

These and other risks associated with delivering the Estates Strategy will be kept under close review throughout implementation in order to ensure that they are effectively managed.

9. IMPLEMENTATION

In taking forward the business cases for elements of this master plan, the College will continue to adhere to the following fundamental principles which are embedded in this Estates Strategy:

- Flexibility – to accommodate current and evolving pedagogies
- Future Proof – to enable space to be re-allocated and re-configured
- Creative – to energise and inspire learners and staff
- Supporting – to develop the potential of all learners no matter what style of learning
- Enterprising –to make each space capable of supporting different purposes
- Sustainability – to ensure an excellent learning environment that is suitable, safe, aesthetically pleasing, preserves equity and is conducive to good health and wellbeing

The College has a strong track record in consulting with staff and students on estates projects. Stakeholder engagement was a strong feature of the redevelopment of the Gardyne Campus, from initial concept through detailed design and post-implementation. As part of the Kingsway OBC, a Consultation Engagement Plan was produced and workshops were held with key stakeholders at critical points in the design process. A micro-site was developed for the staff portal, attracting great interest and a number of thoughtful contributions.

In a more recent example, extensive consultation was undertaken to inform the reconfiguration of reception areas at each campus to accommodate the new Help Points for students. This exercise benefitted from the College's embracing of Service Design methodology, which creates an effective user-led set of solutions to physical and organisational design issues.

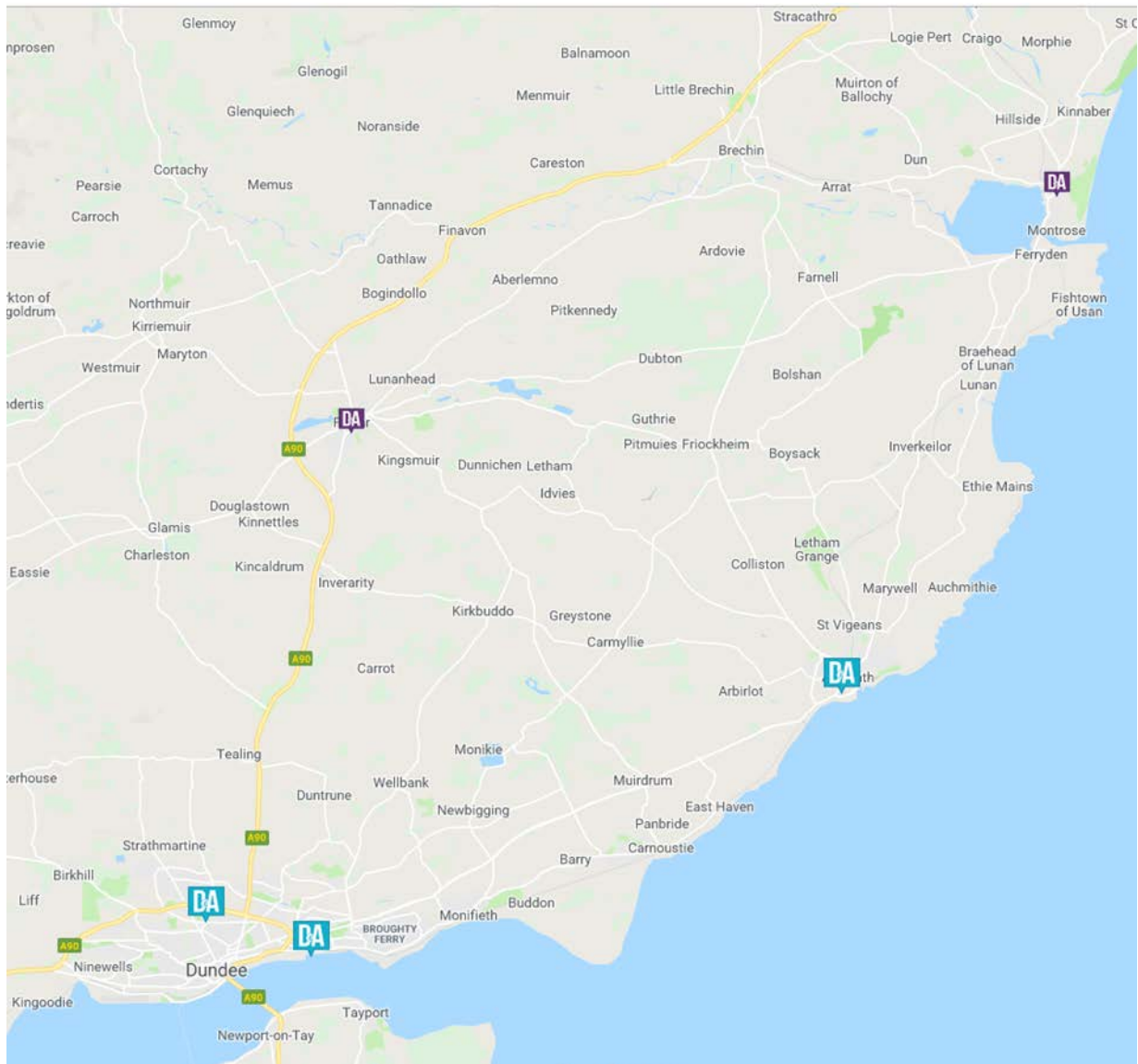
These principles will underpin detailed consultation processes, with staff from across all curriculum and support areas, and with learners through the Students' Association and other channels. This will build on extensive consultation undertaken to support the drafting of the two OBCs, with workshops held with staff and students, and a micro-site set up to gather views from across the College.

The backlog maintenance requirements at the Arbroath and Gardyne campuses, along with any space reconfiguration, will be planned on an annual basis. This will take as its starting point the SFC Capital & Maintenance grant, which is allocated by fiscal year from April to March. A Capital Budget is submitted annually to the March meeting of the Board of Management Finance & Property Committee for approval.

The Kingsway redevelopment will be progressed through the twin track approach described above. Major reconfiguration of the Tower, Library and Tower Extension will be progressed

through a business case process, with funding likely to be sought from SFC and the Dundee and Angus Foundation. In parallel, the College's goal of securing major capital funding for a STEM centre will be progressed, working closely with partners in schools and universities to achieve a common vision as set out in the regional STEM strategy.

Appendix 1 - Map of campus locations



Appendix 2 – Arbroath Campus details

There are six buildings at the Arbroath Campus.

Community Access and Learning Centre (CALC)

The CALC was constructed in 2004 and provides 2,397 m² Net Internal Area (NIA) of space on three storeys. It accommodates the College library, a Learning and Technology Suite (LTS), Business and Social Sciences and Computing suites, with associated academic staff workrooms.

It is a steel frame structure with composite metal panel and reconstituted stone in-fill with a pitched reconstituted slate and polymer roof.

Heating to the building is to mainly steel radiant panels, via the 800kw Biomass boilers located in the Clova boilerhouse, although the gas-fired boilers have been retained as back-up. The heating and ventilation systems are partially controlled by a Building Management System.

The electricity supplies are provided via a main Moulded Case Circuit Breaker Panel Board which in turn feeds various Distribution Boards throughout the area. Local lighting and power is provided via local distribution boards to the various learning and teaching areas.

A passenger lift serves all floors.

Clova Building

This building has been extended on at least four separate occasions since it was first opened in 1956, consequently the structure varies throughout. The latest addition of a construction workshop was completed in 2006. It now provides 3,920 m² NIA of space, the majority of which is single storey. The building houses classrooms and workshops for the trowel trades, joinery, slating, motor vehicle, mechanical and electrical engineering and welding, with associated academic staff workrooms. It also has a Learning Technology Suite and a diner, coffee bar and student social space.

The building is of concrete frame construction with brick in-fill, concrete flat roof over the classrooms and barrel and flat roofs over the workshops. The extension to the construction workshops is steel frame, with concrete block and insulation panel in-fill and insulated composite flat metal roof.

Heating to the building is provided by steel radiators via a biomass boiler which was installed in 2016 with the additional back up of gas fired boilers located in the CALC and CSW boilers. The heating system is controlled automatically by a Continuum Building Management System (BMS).

The electricity supplies are provided via a main Moulded Case Circuit Breaker Panel Board which in turn feeds various electrical Distribution Boards throughout the area. Local lighting and power is provided via local distribution boards to the various learning and teaching areas.

A passenger lift serves all floors.

Creative Studies Workshop (CSW)

This building was opened in 2003 and measures 666 m² NIA. It accommodates classrooms and workshops for the land based and painting and decorating teams, with associated academic staff workrooms.

It is steel frame with brick and block in-fill and flat concrete roof.

Heating and hot water to the building is provided by steel radiators via a biomass boiler which was installed in 2016. There are also gas-fired boilers which act as back up to the biomass system. The heating system is controlled automatically by a Continuum Building Management System (BMS).

The electricity supplies are provided via a main Moulded Case Circuit Breaker Panel Board which in turn feeds various Electrical Distribution Boards throughout the area. Local lighting and power is provided via local distribution boards to the various learning and teaching areas.

Esk Building

The Esk building is 4 storeys at the front and 3 storeys at the rear. It was built in the 1930s, extended by one storey in the 1950s and extensively refurbished in 1990 and 2004. The building now measures 2,709 m² NIA incorporating an Enterprise Centre, production training kitchens, a restaurant, student social space, art and photography studios, general purpose classrooms, independent living space for the community programmes, hair, beauty and complimentary therapy salons with associated academic staff workrooms. It was constructed from stone with concrete and timber flooring and a pitched metal frame roof covered in mineral bitumen felt. The inefficient sash timber framed single glazed windows were replaced with double glazed replacement windows during 2017.

Heating and hot water to the building is provided via the 1MW biomass system installed during 2013 to steel radiators. The building has retained their gas-fired boiler heating systems which will be used as back-up in the unlikely event of the biomass breaking down and the heating and ventilation systems are controlled by a Building Management System.

The electricity supplies are provided via a new Main Electrical Panel Board which was installed in summer 2018. The Panel Board in turn feeds various Electrical Distribution Boards throughout the area. Local lighting and power is provided via local distribution boards to the various learning and teaching areas.

A passenger lift serves all floors.

Isla Building

This is the oldest building of the estate and was originally the Arbroath High School from 1894 to 1985. It was extensively modernised in 1990, 2004 and again between 2014-15. It now houses the majority of the College's support offices, a diner, a business suite, board room and two specialist classrooms. It is also now the location of a bright and vibrant student social space and Learner Engagement office.

It measures 1,268 m² NIA and is two storeys with two small single extensions to the rear. The construction materials are traditional stone with timber flooring and timber stairs. The roof is timber with traditional slate and lead covering. It is also a grade B listed building. The timber framed single glazed windows were draught-proofed in 2011.

Heating and hot water to the building is provided via the 1MW biomass system installed during 2013 to steel radiators. The building has retained their gas-fired boiler heating systems which will be used as back-up in the unlikely event of the biomass breaking down and the heating and ventilation systems are controlled by a Building Management System.

The electricity supplies are provided via a new Main Electrical Panel Board which was installed in summer 2018. The Panel Board in turn feeds various Electrical Distribution

Boards throughout the area. Local lighting and power is provided via local distribution boards to the various learning and teaching areas.

A passenger lift serves all floors.

Helping Hands Nursery

This listed building was constructed in 1894, extended in the 1950s and converted to a modern nursery in 2003. The building is single storey, measuring only 198 m² NIA, and was constructed from local stone with timber flooring and timber pitched roof with traditional slate covering.

The heating system is partially controlled by a Building Management System.

Mechanical Systems

A new 1MW bio-mass boiler was installed at Angus in 2013 and now provides heating and hot water to the Isla and Esk buildings. The £1m system was installed free gratis by Angus Biofuels who funded the project using government grants. The College's contribution of £50k was for the inclusion of classroom facilities within the boiler and will allow the College to lead the FE sector with the provision of training programmes and qualifications linked to the renewables industry.

A further 800kw of Biomass plant was installed in 2016 designed to provide heating and hot water to the Clova, CALC and CSW building. Both systems are fuelled by woodchips and both still have the existing gas boiler located in the CALC and CSW buildings as back-up for the biomass plant. The heating and hot water systems are controlled by a Contactium Building Management System.

Low Temperature Hot Water for all areas of the Campus is pumped around heating circuits by Grundfos pumps and heating to the areas is provide via steel radiators, radiant panels and fan coil units. Hot water across the campus is generally generated by the heating boilers and stored in hot water cylinders and pumped to the various locations. The cold water is supplied either directly from the mains or from the cold water storage tanks, located at roof level of each building.

The campus buildings are generally naturally ventilated with some rooms having additional roof or wall mechanical fans. Specialist ventilation systems are also installed within the catering, engineering, and construction areas.

Air-conditioning has been installed in some key areas of the College including IT server rooms and food storage areas.

Electrical Systems

The Electrical systems in a number of areas and buildings have been upgraded in recent years. The main electrical panel boards serving the Isla and Esk buildings were replaced in summer 2018. Statutory Periodic Inspection and Testing was also carried out in all buildings during 2018.

All fire alarm systems have been upgraded to L1 standard, which is automatic detection in all rooms, escape routes and voids.

Appendix 3 – Gardyne Campus details

Gardyne Campus opened in June 2011 following a £49m redevelopment project.

The Gardyne Campus is an outstanding state-of-the-art facility, with highly intelligent learning spaces and innovative social spaces. It is fully technology enabled which allows us to provide students and staff with a real 21st century learning and work environment. The campus houses a range of curriculum subjects for Care, Creative and Digital Industries, Progression, Business and Retail, ESOL and Sport.

On campus is the Gardyne Theatre. The theatre has an auditorium capacity of 400. It is operated by Gardyne Theatre Limited (GTL) – a wholly owned subsidiary of the College. GTL operates the theatre under a Licence to Occupy arrangement. This arrangement runs to 2021. The theatre is fully owned by the College – and thus the College has maintenance and capital obligations to meet and fund in order that the theatre is fit for purpose.

Main building

The main building external walls are polyester powder coated aluminium rainscreen cladding with insulation to cavity and polyester powder coated aluminium double glazed windows and curtain walling.

The roof comprises single ply polymeric roofing membrane on insulation on concrete screed.

The electricity supplies are provided via the main building switch room located adjacent to the main boilerhouse supplying electrical Distribution Boards on each floor which in turn provides local lighting and power to learning, teaching and office areas.

The area is covered by automatic fire detection in all rooms and escape routes with manual call points at exits and sounders.

Two passenger lifts serve all floors, and a further passenger lift serves the floors within the main atrium space.

Air-conditioning has been installed in some key areas of the College including IT server rooms and a range of south facing classrooms and workrooms.

Heating and hot water to the building is provided via gas fired boilers to a range of fan coil units, radiant panels and air-handling units. The heating and hot water is controlled via a TREND Building Management System.

PE Block

There are also sports facility which comprises of a number of gyms and a swimming pool. The PE Block external Walls are cavity block-work construction, comprising of 100mm inner and outer leaf, nominal cavity and insulation.

The roof comprises Asphalt roofing felt on Woodwool insulation slabs spanning timber purlins.

The main electrical Panel Board was replaced in the summer 2018 and there has been an ongoing replacement of the electrical wiring systems which is nearing completion.

The area is covered by automatic fire detection in all rooms and escape routes with manual call points at exits and sounders.

Heating and hot water to the PE Block is provided via the main boiler house gas fired boilers to a range of radiant panels and steel radiators. The heating and hot water is controlled via a CYLON Building Management system.

North Annexe

There is also a single storey building to the north of the campus (North Annexe) which houses a range of standard classrooms and IT classrooms, along with staff workrooms and facilities for PACE and Prince's Trust projects. The external walls are cavity block-work construction, comprising of 100mm inner and outer leaf, nominal cavity and insulation with double glazed uPVC windows that were installed in early 2017.

The roof comprises Asphalt roofing felt on Woodwool insulation slabs spanning timber purlins.

Appendix 4 – Kingsway Campus details

There are eight buildings at the Kingsway Campus.

Main Tower

The main building is a seven storey Tower building which accommodates a range of academic and support functions. Levels ground, 1 and 2 house support functions including the Executive, HR, Registry, Quality, External Relations Group and Finance. Level 2 also houses the main IT hub as well as the IT technical support team. Levels 3, 4 and 5 are a mix of general purpose classrooms, specialist classrooms and IT classrooms. Level 6 is the location of the hair and beauty department.

The Tower is of cast in-situ concrete framed construction dates from the 1960's. The existing single glaze timber and aluminium framed windows were replaced in summer 2018 with uPVC double glazed units.

The roof is comprised of a concrete deck with a parapet wall detail to the perimeter and a central gutter with outlets, which drain to internal downpipes. The roof covering was replaced in December 2013 and comprises a layer of 1200mm insulation on the existing structure with a single layer of bituminous felt. The new roof has a 20 year guarantee.

The immediate external areas comprise a macadam surfaced car park and concrete slabbed and cobbled pathways.

The electricity supplies are provided via the main building switch room to a busbar riser supplying electrical Distribution Boards on each floor which in turn provides local lighting and power to learning, teaching and office areas.

The area is covered by automatic fire detection in all rooms and escape routes with manual call points at exits and sounders. Two passenger lifts serve all floors.

Library, Open Learning Centre, Lecture Theatre

This building group comprises steel and concrete framed structures, and it is joined to the Main Tower. The flat roofs comprise concrete decks with wood wool slabs noted within the construction of some roof decks. Reconstituted stone and concrete cladding panels have been used for external cladding to parapets. Rainwater goods comprise cast iron internal downpipes, which serve flat roof outlets. External walls are formed in cavity masonry construction with facing brick externally. The existing timber framed, single glazed windows were replaced with uPVC double glazed units in summer 2018. The new windows have been installed in such a way to facilitate the future creation of an additional floor within this building.

The central plant located within the main tower building provides heating to these areas in the form of steel radiators and fan coil units. There is also an Air Handling Unit located under the library which provides heating via floor vents.

The electricity supplies are provided via the main building switch room to an electrical Distribution Board situated on the raised stage area of the Library which in turn provides local lighting and power to learning, teaching and office areas.

The area is covered by automatic fire detection in all rooms and escape routes with manual call points at exits and sounders.

Refectory, Hospitality and Tourism Departments

These functions are an integral part of the Main Tower, and include 3 specialist teaching kitchen facilities along with specialist and IT classrooms, staff workroom and student and staff changing facilities. The College refectory kitchen and seating areas are co-located here.

The building section is a single storey structure, which had a new kitchen extension added, along with additional seating facility constructed within an existing quadrangle formed by the older building sections. The structures are mainly steel framed with flat roof and there is a northlight roof detail to the centre of the Restaurant and Tourism department roof. A pitched roof was installed over the whole of this structure in 2010 with adaptations made to the various mechanical heating and ventilation systems maintaining flow of intake and extract air. External walls are formed in cavity brickwork with facing brickwork to the external elevation. Concrete blockwork has been used internally in newer building sections.

The Refectory incorporates a pitched roof and with profiled steel cladding. The Restaurant incorporates a pitched roof with a similar cladding to roofs and upper walls. Windows are uPVC double glazed units which installed in the summer of 2014. External doors are mainly of timber construction, some incorporating glazed viewing panels.

Heating to the building is via Air Handling Units, steel radiators and fan coil units.

The electricity supplies are provided via the main building switch room to a main Moulded Case Circuit Breaker Panel Board supplying electrical Distribution Boards which in turn provide lighting and power.

The area is covered by automatic fire detection in all rooms and escape routes with manual call points at exits and sounders.

Kingsway Gym

This building which originally was a single storey gym facility was redeveloped in 2014 into a 2 storey facility which now houses a state-of-the-art dance studio and toilet and storage facilities on the ground floor and an additional dance studio on the upper floor. The original changing facilities have been adapted into office space for technical staff as well as a wardrobe department. The building section is a single storey structure, mainly steel framed with flat roofs, which are covered by built up mineral felt roofing. The roof of this structure was replaced in 2015.

External walls are formed in cavity brickwork with facing brickwork to the external elevation. Windows are all uPVC double glazed units.

Heating to the building is via steel radiators and fan coil units.

The electricity supplies are provided via the main building switch room electrical Distribution Boards throughout the area which in turn provides lighting and power.

The area is covered by automatic fire detection in all rooms and escape routes with manual call points at exits and sounders.

Construction Trades Workshops

The building houses classrooms and workshops for the trowel trades, joinery, plumbing and electrical, with associated academic staff workrooms.

These single storey workshops were constructed in the 1960's with a steel framed extension added in 2000.

The structure is concrete framed with concrete flat roof slabs, which are covered by mineral felt. The roofs previously incorporated steel framed north light details, which were single glazed and incorporated a corrugated, asbestos cement sheet cladding to the upper mono-pitched roof slopes, but this has been replaced and this has greatly improved the U values and heat retention within the building.

External walls are formed in cavity brickwork with facing brickwork to the external elevation.

Heating to the building is via panel heaters, steel radiators and fan coil units supplied via a boiler plant that was installed within the Construction block in 2011.

The electricity supplies are provided via the main building switch room to a main Moulded Case Circuit Breaker Panel Board in each block supplying Electrical Distribution Boards which in turn provides lighting and single and three phase power.

The area is covered by an automatic fire detection system with manual call points at exits and sounders throughout.

Engineering Workshops

The building houses classrooms and workshops for the motor vehicle, mechanical and electrical engineering and welding, with associated academic staff workrooms.

These single storey workshops were constructed in the 1960's.

The structure is concrete framed with concrete flat roof slabs, which are covered by mineral felt. The roofs incorporate steel framed north light details, which are single glazed and which incorporate a corrugated, asbestos fibre cement sheet cladding to the upper mono-pitched roof slopes. External walls are formed in cavity brickwork with facing brickwork to the external elevation.

Heating to the building is via panel heaters, steel radiators and fan coil units.

The electricity supplies are provided via the main building switch room to a main Moulded Case Circuit Breaker Panel Board in each block supplying Electrical Distribution Boards which in turn provides lighting and single and three phase power.

The area is covered by a manual fire system with manual call points at exits and sounders throughout.

Science Annexe

This is a three storey building, constructed in the 1960's. The building is of concrete framed construction with a flat concrete roof deck, which is covered by mineral felt. The roof incorporates a small parapet perimeter detail and drains to central rainwater outlets, which in turn discharge through internal cast iron downpipes.

External walls are formed in cavity brickwork with reconstituted concrete and stone cladding panels externally from first floor upwards. Windows are uPVC double glazed units which were installed in summer 2014. External doors are double glazed with aluminium frames.

Adjacent external pathways are mainly of precast concrete slab construction.

Internally, there are two full height staircases of concrete construction.

Heating to the building is via steel radiators and fan coil units. A renewables teaching classroom is also connected to two Dimplex air heat pumps. The heating gas fired boilers and associated plant were replaced in 2011.

The building is generally naturally ventilated, but there are also fume cupboards for the science labs.

The electricity supplies are provided via the main building switch room to a main Moulded Case Circuit Breaker Panel Board located in the Annexe boiler-house supplying electrical Distribution Boards which in turn provides lighting and power.

The area is covered by automatic fire detection in all rooms and escape routes with manual call points at exits and sounders.

A passenger lift serves all floors.

Horticulture Block and Vehicle Workshop

These are single storey buildings, assumed to date from circa 1970. The buildings are of cavity wall construction with flat steel framed roofs, which are covered by mineral felt.

The roofs incorporate small parapet perimeter details and drain to central rainwater outlets, which discharge through internal uPVC down pipes. A replacement roof was installed in summer 2018.

External walls are formed in cavity brickwork with facing brickwork to the external elevations. Windows are uPVC double glazed units which were installed in summer 2014 and spring 2015. Adjacent external areas are mainly finished in cast in-situ concrete and macadam.

The buildings are generally naturally ventilated with mechanical extract to toilets and dedicated extract to the spray paint workshop.

MCB distribution boards are located throughout. Recessed module luminaires, strip fluorescents and circular bulkheads illuminate the buildings. External lighting is provided via wall mounted bulkheads, controlled via photocell.

The area is covered by automatic fire detection, manual call points at exits and sounders.

The Space

This is a bespoke, three storey building, completed in 2001, of cast in-situ concrete and steel framed construction. Roofs are covered by single ply membrane and drain via internal downpipes. A new roof was partially installed in January/February 2019 following storm damage caused by high winds. External walls are clad in cast in-situ concrete and glazed curtain walling. External doors are double glazed with aluminium frames. Adjacent external pathways are mainly of precast concrete slab construction.

The heating to The Space building comes from the main building via underground pipework. Rooms are heated via wall mounted steel radiators, perimeter low level heaters or via the central AHU systems. The hot water generation comes from the main building with all cold water being direct mains fed without storage.

The electricity supplies are provided via the main Moulded Case Circuit Breaker Panel Board located in the lower ground plant room supplying Electrical Distribution Boards which in turn provides lighting and power.

The fire alarm is a "Gent - Vigilant". The building is covered by automatic detection with manual call points at exits and sounders.

Mechanical Systems

The Tower building houses the heating plant that supplies the Tower, Library, Open Learning Centre, Lecture Theatre, Catering block, Gymnasium, the Space building and classroom side of the Engineering block. Replacement Hamworthy Wessex 250kw boilers and associated plant and Cylon heating control panel were installed in summer 2015.

The Science and Horticulture area also houses heating plant and the boilers and associated plant were replaced in 2011 with two Buderus boilers.

A heating plant room was developed for the Construction Trades area in 2009 comprising Wessex 200 modular boilers and provides heating within the Construction Trades area and extended to include the north block of the Engineering area.

LTHW for all areas of the Campus is pumped around heating circuits by Grundfos pumps and heating to the areas is provided via steel radiators, radiant panels and fan coil units. Hot water across the campus is generally generated by Hamworthy direct, gas fired water heaters situated in various locations, with the cold water supplied either directly from the mains or from the cold water storage tanks, located at roof level of the main tower. The Hamworthy gas fired generators in the main boilerhouse were removed in the summer 2018 and replaced with a domestic hot water storage cylinder supplied via the main boilers.

The campus buildings are generally naturally ventilated with some rooms having additional roof or wall mechanical fans. Specialist ventilation systems are also installed within the catering, engineering, construction and science areas.

Air-conditioning has been installed in some key areas of the College including IT server rooms and food storage areas.

All heating and domestic hot water systems for the whole campus are controlled via Cylon controls linked to a Building Management System located in the Estates office.

Kingsway Electrical Systems

The main Tower building's electrical switch room was replaced in 1995 and serves all other buildings on the campus with the exception of The Space building. The panel board is manufactured by Dorman Smith, with an air break isolation of 1250A at incomer. The sub-distribution equipment within the main tower building is generally separated floor by floor.

The main fire alarm panel is located within the electrical switch room. The FAP is a Notifier system and was replaced in July 2012 replacing the Honeywell system. This panel receives repeaters from the other buildings on the campus and in turn, is connected to a BMS system located within the Estates department (Space building). The campus now has automatic fire detection to L1 standard in all but the Engineering department.

Appendix 5 – Condition Survey

The tables below show the average condition of each building by campus, according to the following building maintenance definitions published by the Royal Institution of Chartered Surveyors:

Condition	Description
A	As new
B	Sound, operationally safe, exhibiting only minor deterioration
C	Operational but major repair or replacement needed soon
D	Inoperable or serious risk of failure or breakdown

Arbroath Campus

ISLA Building	B
ESK Building	B
Nursery	B
CALC Building	B
CSW Building	B
Clova Building	C
Store 1	B
Store 2	B
Store 3	B
Glasshouse & Polytunnels	B

Gardyne Campus

Main Building	B
PE Block	B
North Annex	B
Store 1	C
Store 2	B

Kingsway Campus

Tower	C
Library	C
Catering Block	B
Gym Block	B
Construction Block	B
Engineering Block	C
Space conf. venue	B
Science Annex	C
Motor Trades	C
Horticulture	C
Polytunnels & Greenhouses	C
Gatehouse North	B
Gatehouse South	C

Note: most buildings have elements which range from Condition A to Condition D and therefore remedial works are required even where the average condition is B.

The following tables set out the funding required in order to bring all building elements to a minimum of Condition B:

Arbroath	Very high	High	Medium	Low	Total
	£'000	£'000	£'000	£'000	£'000
ISLA Building	108	1,004	2,154		3,267
ESK Building	166	4	817		987
Nursery			48		48
CALC Building	339	28	325		692
CSW Building	21	7	114		143
Clova Building	272	3,272	724		4,267
Store 1	2		2		4
Store 2			2		2
Store 3	1	1	3		6
Glasshouse & Polytunnels	1	5	9		15
Total	911	4,322	4,197	0	9,431

Gardyne	Very high	High	Medium	Low	Total
	£'000	£'000	£'000	£'000	£'000
Main Building	3	714	159	1,134	2,011
PE Block	79	163	345		586
North Annex	58	9	394	18	478
Store 1	13		30		43
Store 2	1				1
Total	154	886	928	1,152	3,119

Kingsway	Very high	High	Medium	Low	Total
	£'000	£'000	£'000	£'000	£'000
Tower	132	356	3,475	3,814	7,778
Library	51	135	851	804	1,841
Catering Block		3	199		202
Gym Block	31	17	103		151
Construction Block	26	49	669		744
Engineering Block	15	4	1,289	65	1,373
Space conf. venue	6		324		330
Science Annex	1	23	810	61	895
Motor Trades	6		103	3	111
Horticulture		8	71	92	171
Polytunnels & Greenhouses	1		53	15	69
Gatehouse North			9		9
Gatehouse South	24		26		49
Total	294	595	7,980	4,853	13,723

Campus	External fabric	Internal fabric	Mechanical Infrastructure	Electrical Infrastructure
	£'000	£'000	£'000	£'000
Arbroath	1,314 (2,926)	841 (1,873)	813 (1,810)	1,952 (4,347)
Kingsway	2,746 (6,115)	834 (1,857)	1,946 (4,334)	546.5 (1,217)
Gardyne	369 (822)	597 (1,330)	30.5 (68)	204.5 (455)

[Add table showing analysis by main category, eg M&E, building fabric, etc]

Billy

Additional elements set out in the College's response to the SFC condition survey:

Campus	Building	Element	£'000
Arbroath	Isla	External elevations	150
Arbroath	Isla	Lifts	40
Arbroath	Car park	Resurfacing	100
Gardyne	Main	Lighting	250
Gardyne	PE Block	Roof	200
Gardyne	PE Block	Cladding	200
Gardyne	PE Block	Windows	25
Gardyne	Store 2	Roof	20
Kingsway	Tower	Windows	700
Kingsway	Tower	Electrical	100
Kingsway	Tower	Lifts	150
Kingsway	Construction	Brickwork	120
Kingsway	Construction	Windows	40
Kingsway	Construction	Electrical	35
Kingsway	Engineering	Roof	1,000
Kingsway	Engineering	Brickwork	120
Kingsway	Engineering	Electrical	30
Kingsway	Engineering	Fire alarm	100
Kingsway	Gym block	Render	35
Kingsway	Science	Cladding	260
Kingsway	Horticulture	Fabric	15
Kingsway	Horticulture	M&E	100
Total			3,790

Appendix 6 – Curriculum Data

The following tables sets out the 2017-18 enrolments and credits by curriculum area / mode of attendance and by campus:

BY CURRICULUM AREA / MODE	Enrolments			Credits		
	Full-time	Part-time	Total	Full-time	Part-time	Total
Access	74	304	378	1,260	1,548	2,808
Art & Design	371	459	830	5,301	101	5,402
Business	585	1,581	2,166	8,778	1,906	10,684
Children & Young People	370	871	1,241	5,721	1,806	7,527
Computing & Creative Media	434	652	1,086	6,285	610	6,895
Construction, Technology & Building Services	367	1,513	1,880	5,559	6,593	12,152
Engineering	350	945	1,295	5,520	2,462	7,982
ESOL	276	356	632	4,626	354	4,980
Essential Skills		493	493		1,051	1,051
Hair, Beauty & Comp. Therapies	380	610	990	6,213	1,470	7,683
Health & Social Care	321	1,179	1,500	4,806	2,732	7,538
Hospitality, Retail & Tourism	265	574	839	4,246	286	4,532
Land Based	242	435	677	3,855	558	4,413
Other		2,289	2,289		803	803
Performing Arts	115	1,175	1,290	1,742	1,267	3,009
Prince's Trust		73	73		536	536
Retail & Events	104	63	167	1,576	158	1,734
Science	129	128	257	1,557	266	1,823
Social Sciences & Transition	439	727	1,166	6,393	1,060	7,453
Sport & Fitness	300	629	929	4,704	887	5,591
Supported Education	157	251	408	2,790	513	3,303
Travel & Tourism	84	21	105	1,311	150	1,461
Total	5,363	15,328	20,691	82,243	27,117	109,360

BY CAMPUS	Enrolments				Credits		
	Full-time	Part-time	Total		Full-time	Part-time	Total
Arbroath	1,450	3,833	5,283		22,875	8,231	31,106
Gardyne	2,542	4,561	7,103		38,335	6,210	44,545
Kingsway	1,280	4,423	5,703		19,566	8,375	27,941
Distance/Offsite		2,352	2,352			4,215	4,215
Outreach	91	159	250		1,467	86	1,553
Total	5,363	15,328	20,691		82,243	27,117	109,360

Appendix 7 – Backlog Maintenance Projects

Selection of major projects completed during the previous 5 years:

Project	Campus	Year Completed	Cost £'000
Science Annexe window replacement	Kingsway	2014	107
Catering Block window replacement	Kingsway	2014	50
Tower Block roof replacement	Kingsway	2014	70
Games Hall roof replacement	Gardyne	2014	142
Main boiler plant replacement	Kingsway	2015	188
Tower Corridor door and screen upgrade	Kingsway	2016	100
Clova boiler plant replacement (biomass)	Arbroath	2016	350
Esk Building window replacement	Arbroath	2017	500
Tower building window replacement	Kingsway	2018	372
Road and pathway resurfacing	All	2018	158
Total			2,037

The following tables set out the backlog maintenance projects required over this strategy period. The values are taken from the Gardner Theobald survey, uplifted to include fees, VAT etc.

Most of the projects included in that survey are included here, with the exception of works to those buildings at Kingsway where the master plan identifies full replacement. Some other lower priority works are also excluded. Priorities (High, Medium) are those assigned by the College's Head of Estates.

Summary by Campus

	Arbroath	Gardyne	Kingsway	Total
	£'000	£'000	£'000	£'000
High	4,677	639	2,486	7,802
Medium	3,168	1,618	7,130	11,916
Total	7,845	2,257	9,616	19,718

Arbroath Campus

Project	Priority	Cost £'000
External Cladding – CALC Building	High	327
External Fabric Replacement and Repairs – Isla Building	High	891
External Fabric Repairs – Esk Building	High	120
Upgrade Mechanical Infrastructure – Clova Building	High	1,489
Upgrade Electrical Infrastructure – Clova Building	High	1,850
Replacement and Repair of External Curtilage	Medium	1,487
Internal Fabric – Decoration and Flooring –All buildings	Medium	1,556
LED Lighting Replacement – All Buildings	Medium	125

Gardyne Campus

Project	Priority	Cost £'000
External Paving and Road Repairs	High	639
Internal Fabric – Decoration and Flooring –All buildings	Medium	1,368
LED Lighting Replacement – All Buildings	Medium	250

Kingsway Campus

Project	Priority	Cost £'000
External Tarmac and Boundary Fence replacement	Medium	746
External Cladding of the Tower Block	Medium	3,000
Upgrade Mechanical Infrastructure – Tower Block	High	1,986
Upgrade Electrical Infrastructure – Tower Block	High	250
Upgrade Passenger Lifts – Tower Block	High	250
Upgrade Mechanical Infrastructure – Library	Medium	1,180
Internal Fabric – Decoration and Flooring –All buildings	Medium	2,004
LED Lighting Replacement –All Buildings	Medium	200



**FINANCE & PROPERTY COMMITTEE
12 March 2019**

Capital – 2019 – 2020 Capital Plan

PAPER H

FINANCE AND PROPERTY COMMITTEE – 12 MARCH 2019

CAPITAL PROGRAMME 2019/20 (Financial Year)

1. Capital & maintenance funding

The College receives an annual Capital & Maintenance (C&M) Grant from the Scottish Funding Council (SFC), covering the period April-March (Fiscal Year - FY). This is then reflected in the budget for the College's financial year, August-July (Academic Year - AY).

The funding for FY 2019/20 has just been announced and the allocation for the College is £1.646m which represents a significant reduction from the £2.009m we received over the 18/19 period.

Funding allocations for FY 2019/20 are summarised below, together with comparative values for the previous two years.

	2019/20	2018/19	2017/18
	£'000	£'000	£'000
Lifecycle maintenance	537	773	1,281
Very high priority backlog maintenance	1,109	1,236	-
Total	1,646	2,009	1,281

You will see from the table that a disproportionately high element is ring-fenced for backlog maintenance, thereby reducing our flexibility to spend elsewhere. Once we allocate our usual amount for lifecycle maintenance, we are only left with £50k and this will be earmarked for curriculum improvement projects that may be identified.

It is worth noting though that no big curriculum projects are anticipated and that the backlog maintenance allocation will allow us to still enhance the learning and working environment across our estate. The Backlog Maintenance allocation also allows the College to future proof a range of areas that have been identified in our Estates Strategy for future major development.

2. Very high priority backlog maintenance

Projects for 2019

The SFC commissioned a condition survey that was carried out by Gardner Theobald in 2017. You may recall that prior to the final report being issued, the College sent back a detailed response back to the Scottish Funding Council and to the surveyor (Gardner Theobald) highlighting that the draft information provided did not capture the immediacy of what we felt was needed to address a number of the Capital Maintenance elements around each campus. We also highlighted that there were a number of significant maintenance elements across all 3 campuses that had not been included in the report.

While this did not have an impact on the final report, we were able to subsequently influence SFC on allowing us to determine where we felt our high priority maintenance projects were required. We will again contact SFC to highlight where we feel our Backlog Maintenance priorities are for the 2019/20 allocation.

The ring-fenced Backlog Maintenance Grant has been confirmed at £1.109m for 2019/20 and there are a number of competing priorities. The list below highlights some of the projects we are considering.

The cost associated with fully addressing the projects detailed below are individually significant and so a phased approach will have to be adopted for each one.

Project	Campus	Indicative Cost £'000
External Cladding – CALC Building	Arbroath	125
External Stonework Repairs – Isla Building	Arbroath	50
External Stonework Repairs – Esk Building	Arbroath	50
Upgrade Mechanical Infrastructure – Clova Building	Arbroath	120
Upgrade Electrical Infrastructure – Clova Building	Arbroath	120
Internal Fabric – Decoration and Flooring –All buildings	Arbroath	50
External Paving and Road Repairs	Gardyne	30
Internal Fabric – Decoration and Flooring –All buildings	Gardyne	50
External Tarmac Repairs	Kingsway	80
*Upgrade Passenger Lifts – Tower Block	Kingsway	125
Upgrade Electrical Infrastructure – Tower Block	Kingsway	75
Upgrade Mechanical Infrastructure – Tower Block	Kingsway	75
Internal Fabric – Decoration and Flooring –All buildings	Kingsway	50
Various small scale backlog maintenance projects.	All	109
Total		1,109

* Not highlighted in the Gardner Theobald Condition Survey

3. Recommendation

Finance and Property Committee is asked to approve the proposed allocations set out above.

Billy Grace
Head of Estates
28 February 2019



**FINANCE & PROPERTY COMMITTEE
12 March 2019**

Capital – Forfar Outreach Centre

PAPER I

CAPITAL APPRAISAL – RELOCATION OF THE FORFAR OUTREACH CENTRE TO WILLIAM WALLACE HOUSE - ORCHARDBANK

1. EXECUTIVE SUMMARY

Dundee and Angus College has identified an opportunity to relocate the Forfar Outreach Centre from its current location in the High Street to William Wallace House which is an Angus Council building located in the Orchardbank area of the town.

The current lease is a long term arrangement; however, the terms of the lease have presented an opportunity to terminate the lease giving 6 months' notice. The opportunity to terminate the lease is only available once every 5 years.

The College sought permission from the Finance and Property Committee to terminate the lease at the November 2018 meeting and this was duly granted.

As part of this process, the college considered 3 different options

- **Option 1** – Remain in the existing facility
- **Option 2** – Re-locating to William Wallace House
- **Option 3** - Continue to explore other leasing options within Forfar

It is recommended that option 2 be approved by the Board of Management as this option provides the college with an enhanced learning and working environment for staff and students. There would also be a significant reduction in our rental costs.

2. PROJECT MANAGEMENT

2.1. Project Sponsor

Catriona Blake, Vice Principal Corporate Services

2.2. Project Manager

Billy Grace, Head of Estates

3. BACKGROUND CONTEXT

The current Forfar Outreach Centre is leased from a local business and houses two classrooms and two computer rooms with reception, interview room and kitchen facilities, all of which are located on the ground floor. The centre is situated close to the centre of town, is fully utilised, cannot meet the current demand for training in the Forfar area. It has its own private car park for 20 cars. While the facility is on the ground floor, it still has a split level which makes full access difficult for disabled users. There is also a lack of natural light available and ventilation is poor.

The building is old and the terms of the lease require then College to contribute to the communal repairs of the building. Repairs were carried out on the building during 2018 and the College's contribution was 53% of the total bill which amounted to £15k inclusive of VAT.

The rental costs associated with the current lease is £36k/year and we also have utilities costs of £4k/year.

Because of the age of the building, the layout and the very high rental charges, it was felt by the College Senior Management that we should take advantage of the opportunity to terminate the lease. It was felt that in addition to the high rent, it was highly likely that the college would incur further costs associated with communal repairs in future years.

Prior to terminating the lease, the College explored a range of options within Forfar to identify an alternative facility. This included liaising with our partners in Angus Council to establish if they had facilities available to lease and/or share. Public sector bodies are encouraged to explore the option to share facilities particularly in buildings that may have become surplus to requirements.

Angus Council identified William Wallace House as a possible option and this started a consultation process with students and staff to establish if the facilities would meet with demands of the curricular activities that would take place there.

The Estates team worked closely with curriculum colleagues and Student Association and visits were arranged for staff and students to view the facilities. It became apparent at a very early stage that staff and students were receptive of the possible move to William Wallace House.

Student Feedback

The main concerns from the student groups was around access and the distance from the town centre. The location of the centre, based on access to local services as well as visual impact and foot traffic was highlighted. They also queried travel time to the new building, primarily based on their childcare/school arrangements. Students were reassured regarding the regularity of the bus service, as well as the continued flexibility of timetables, where practical. For those that drive the access to car parking (however limited) is a positive. To provide clarity and balance, these concerns were from only a handful of students. On the whole the student groups recognised that the benefits of a move outweighed any potential additional travel or changes on their part.

The College's digital strategy was referred to and students were advised that Laptop Cabinets would be available to allow all rooms to be very practical and multi-use. This was generally supported. However, both groups did make similar observations in regard to laptops. When working on them for extended periods of time, they are not as accessible or practical as a PC. The suggestion of having access to a full keyboard as an addition to the laptop was made. Students were advised that this would be considered in the new facility.

It was also noted by the students that access to a fully equipped kitchen and social space would be of real benefit.

4. REQUIREMENT

The facilities at the existing Forfar Outreach Centre no longer meet the demands of learning in the Forfar area. This coupled with the very high rental charges and the once every 5-year opportunity to terminate the lease means that an alternative location should be sought. There is also a high risk of possible further communal repairs costs.

5. LINK TO COLLEGE STRATEGIES

Estates – retaining outreach centres in Angus is key for a number of our learners in the Angus area who rely heavily on local access. It is also important that we provide facilities that meet the aspirations of our learners and staff giving them the best learning and working experience.

Finance – The relocation to William Wallace House significantly reduces our costs as well as mitigating the risks of additional costs linked to communal repairs.

Digital – Access to Laptop Cabinets will make the learning spaces far more flexible.

6. OPTIONS

6.1 Option 1 - Remain in the existing facility

This is not an option because the existing facility is not fit for purpose and the rental charges are far higher than the current market demands.

6.2 Option 2 – Relocate to William Wallace House (Preferred option)

The proposal to move to William Wallace has been met with unanimous approval from staff and students involved in the consultation process.

The facilities at William Wallace provide a modernised facility which is fully accessible and meets the demands and aspirations of the curriculum that would be taught there. The rental costs associated with this proposed move are also significantly lower than the current arrangement.

The rental costs associated with moving William Wallace House would be £13k/year along with service charges of £12k/year. The service charges cover utilities, cleaning and maintenance costs associated with the building. This would provide a saving of approx. £15k/year.

Under the terms of the lease, we would be liable for repairs but we do not envisage this to be a material risk as the building is recently constructed and in good condition.

6.3 Option 3 – Continue to explore other leasing options within Forfar

We have kept an eye on the leasing market within Forfar throughout this process, but there has been nothing that compares with the facilities and costs associated with a move to William Wallace House.

7. NON-FINANCIAL BENEFITS

One of the main non-financial benefits would be the greatly enhanced learning and working environment for our staff and students along with unrestricted access for disabled learners.

8. FINANCIAL APPRAISAL

The recommended move to William Wallace House from the existing location will generate financial savings of approx. £15k/year.

8.1. Capital funding

N/A

9. RISKS

The potential risks associated with this project are –

- Cost escalation due to rent and service charge increases
- Accommodation not turning out to be suitable
- Difficulties with public transport
- Long term need for an outreach centre in Forfar

10. TIMESCALES

Subject to board approval, we would immediately enter into formal lease discussions with Angus Council. Our current lease for the existing lease ends on the 30 June 2019 and so we would intend starting our new lease at the new facility on 1 August 2019.

11. RECOMMENDATION

The current arrangement is not good for the College for a number reasons, not least the high rental cost, limited opportunity to terminate and the risk of future communal repair costs.

The move to William Wallace House will have a hugely significant impact on the learning and working environment for our students and staff.

In accordance with the scheme of delegation in the Financial Regulations, we will be seeking approval from the Board of Management to enter into an initial 5-year lease with Angus Council for the facilities within William Wallace House at Orchardbank.

Finance and Property Committee is invited to approve this business case and to approve submission of a short paper to the Board of Management seeking permission to enter into the lease.



FINANCE & PROPERTY COMMITTEE
12 March 2019

Capital – Post Project Evaluation
Kingsway Campus Windows

PAPER J

POST PROJECT EVALUATION SUMMARY

Project details:

Project title	Kingsway Campus Tower Window Replacement Project
Total cost - approved	£258,979.39 excl VAT
Source of funding	SFC Capital Backlog Maintenance Grant
Date approved by FPC	30 January 2018
Total cost - outturn	£278,200.00 excl VAT
Date completed	31 August 2018

Evaluation questions:

1. What were the key objectives and have they been delivered?

The key objectives of the Kingsway Tower Replacement project were to address the poor condition of the original windows from when the building was built in 1962. Because of their age a high number of the windows no longer opened or closed, and the existing windows were single glazed which promoted significant heat loss along with cold draughts during the winter months which impacted on the students, staff and customer experience. This was compounded in the summer months when a high number of windows that no longer open resulted in rooms being too hot. It was clear that many of the windows had reached the end of their serviceable life.

The replacement of the existing windows with double glazed units has had a hugely positive impact –

- We now have windows that are fully functional.
- Prior to the installation of the windows, John Mitchell - Course Leader in Construction - used the Kingsway Tower to survey heat loss using infra-red technology. Since the windows have been installed, John and his students have carried out further surveys and reported a 41% reduction in heat loss.
- We have also been able to significantly reduce our heating programmes due to the improved heat retention as a result of the windows. Our heating programme was previously 8 hours a day – this been reduced to 4 hours.
- Reduction in heating programme means a reduction in gas consumption and associated costs. It also results in a reduction in carbon footprint for the College. A 10% reduction in gas consumption is projected which equates to 400,00kwhs less consumption over a year which is financial saving of around £8k/year. The carbon footprint reduction equates to 75 tonnes/year.

2. Have there been any unplanned or wider benefits of the project?

No

3. What has been the impact on students?

The learning environment for students has been greatly enhanced as a result of the windows being installed. Classrooms are no longer cold and draughty and they are retaining heat more effectively making the learning environment much better.

4. What has been the impact on staff?

Similar to the student impact with academic staff also benefitting from a better learning environment. Equally support also have a better working environment.

5. What has been the impact on external stakeholders?

Not applicable

6. Have there been any significant operational/technical issues post-completion?

There have been no significant operational or technical issues since completion.

7. Were there any procurement issues?

There were no procurement issues. The project was tendered via the Public Contracts Scotland Portal.

8. Was the project delivered on budget? If not, provide an explanation.

The project was delivered £19,221 over budget. This was due to the existence of asbestos putty that was discovered when the existing windows were being removed. There was no asbestos identified at the time of the original asbestos survey. The removal of the asbestos was a non-licensed task and so there was no delay to the project. Additional costs were however incurred for the safe disposal of the asbestos.

There were also additional costs incurred for the installation of extra windows and there was also a change to the specification for the toilet windows which also incurred additional costs.

9. Was the project delivered on time? If not, provide an explanation.

The project bar some minor snagging issues was delivered on time.

10. Any other lessons learned.

It should be noted that the performance of the main contractor – Esk Glazing- throughout the project period was very good.



**FINANCE & PROPERTY COMMITTEE
12 March 2019**

VP Corporate Services Report

PAPER K

FINANCE AND PROPERTY COMMITTEE – 12 MARCH 2019

VICE PRINCIPAL CORPORATE SERVICES - REPORT

1. Introduction

This report brings to the Committee's attention matters which are not covered by other agenda items.

2. SFC funding update

The indicative allocations for 2019-20 were published by SFC on 28 February. A summary is provided below:

	2019/20 indicative	2018/19 current	Change from 2017/18 current	
Activity Targets				
Credits	103,314	103,314	0	0.00%
ESF Credits	4,433	4,494	-61	-1.35%
Additional credits		1,500	-1,500	-100.00%
Total credits	107,747	109,308	-1,561	-1.43%

Funding	£'000	£'000	£'000	%
Teaching – core*	27,112	26,537	576	2.17%
Teaching - ESF(DSW)*	1,162	1,154	8	0.66%
Revenue, excluding SSF and C&M	28,274	27,691	583	2.11%
Student support funding (before IYR)	8,958	8,184	774	9.46%
Capital & Maintenance	1,646	2,009	-363	-18.07%
Total cash	38,878	37,884	994	2.62%

The current forecast for student support funds suggests that we will significantly underspend the £1.3m which we were allocated through the in-year redistribution exercise. While work is ongoing to confirm the forecast, we have already provided SFC with early warning that we will be looking to return unused funding at the end of the year.

The College has accepted a one-off allocation in the current year of £231k to deliver additional credits which are being reallocated from another college. Following a final sector reconciliation of ESF-funded teaching credits delivered in 2017-18, SFC has allocated an additional £81K in the current year. *These are excluded from the funding figures above.

Following confirmation from SFC of in-year redistribution of transitional harmonisation funding to reflect revised FTE data, an additional £125k has now been included in the forecast.

As reported previously, the College submitted a bid through the SFC's strategic funding channels for Scottish Government funding to combat child poverty. We were informed recently that we had been successful in our bid, with funding of £185k confirmed initially for

the period October 2018 to July 2019. Confirmation of funding for the remaining 26 months of the three-year funding period will be provided annually, dependent on progress achieved.

SFC have reintroduced their “mid-year return” (MYR), with a submission date of 29 March 2019, in order to provide an update on the current year forecast included in the five-year Financial Forecast Return (FFR) in September. The reintroduction of the MYR is closely linked to SFC’s announcement in August 2018 that they would no longer require resource returns, which had, up to FY1718, been submitted quarterly for the first 3 quarters and then monthly in the final quarter.

3. National pay bargaining

Two days of strike action took place on 16 January and 5 February in support of the EIS claim for cost of living increases for April 2017, 2018 and 2019. There is no further progress in these pay talks and further strike days are planned for 6 and 21 March. Strike deductions have been reflected in the actuals to date in the management accounts.

4. Cyber Security

The College’s internal auditors, Henderson Loggie, recently carried out a review of progress against the Scottish Government’s Cyber Resilience Public Sector Action Plan (PSAP). The overall rating was “Satisfactory”, with three of the six key actions in the PSAP completed and work still ongoing on the other three.

5. Service Design Academy

A comprehensive business plan is currently being drafted up to support the commercial development of the Service Design Academy. The Chair and two other members of the College Board sit on the SDA Board, along with members of the Executive Leadership Team.

6. P2P

A post-project evaluation report has been submitted to the Senior Leadership Team on implementation of the “purchase to pay” system. Although it was below the authorisation threshold which requires FPC approval, I thought the Committee might be interested to note the following key points from the PPE report:

- the benefits of the new system have been realised, with departments now able to manage their purchasing processes end-to-end, with full visibility;
- the implementation of the system has been used as an opportunity to reinforce procurement, purchasing and authorisation procedures;
- the project was delivered within budget;
- there were a few learning points on project management, following an 8 month delay in full implementation.

7. Financial Regulations

The outcome of the most recent full review of the Financial Regulations was reported to FPC in March 2018, with two minor updates approved. In addition, a paper was submitted to FPC in November 2018 relating to processes around the operation of the Schedule of Delegation. In view of the above, and on the basis that the new VP Corporate Services may wish to carry out their own review of the Regulations, I have not carried out an annual review for this meeting.

8. Procurement Matters

The contracts register has now been published on the College Portal and is reviewed regularly in order to ensure that it informs forward procurement work plans and financial budgets / forecasts.

An online training programme on procurement has been developed, utilising the College's standard course authoring software (Rise), in response to feedback from staff been developed by the Procurement Officer. It was launched in February and it is hoped that it will help to promote best practice in tendering and contract management across the College.

Unfortunately, it has come to light that an area of spend, Audio-visual, was missed from the November paper on the Schedule of Delegation. Please see below 2 schedules supporting the request for approval for spend in this area - one for the equipment itself and one for installation, repair and maintenance. Please note that this will homologate approval from the Chair of FPC for purchase orders placed in late February.

Contract name	Audio-visual Equipment
Incumbent Supplier	Previous equipment purchased from Streamtec
Annual Value (2017/18)	£151,112.79 (APUC Framework agreement)
Estimated Contract Value	£173,675.39
Owner	Andy Ross
Original Start Date	N/A
Route to Market	Mini-comp under APUC Framework Agreement
Contract Start Date	25/02/2019
Contract Period	6 months
Rationale	One-off purchase of equipment via framework agreement
Risks	None

Contract name	Audio-visual Installation, Repair and Maintenance
Incumbent Supplier	Graham AV
Annual Value (2017/18)	£28,800
Estimated Contract Value	£140,000
Owner	Andy Ross
Original Start Date	N/A
Route to Market	Open tender
Contract Start Date	1 July 2019
Contract Period	3 years with 2 optional extensions, each of 12 months
Rationale	Currently non-compliant as annual spend exceeds regulated contract threshold and there is no formal contract in place. No tendering has previously been done for this work.
Risks	Currently non-compliant.

9. HMRC PAYE visit

The College will receive a visit from HMRC on 22 March in order to carry out a compliance check of our payroll records. Detailed planning within the Finance and People Teams ahead of this visit is ongoing.

Catriona Blake
Vice Principal Corporate Services
5 March 2019