



Estates Committee

Wednesday 8 December 2021

Minute – Website Version

Note: This is an edited version of the full Estates Committee minutes. The majority of papers for Estates Committee are closed but where possible minute text has been provided. This may not be the full minute for each item.

- Present:** Jonathan Seckl, Senior Vice-Principal
Frank Armstrong, Co-opted Member of Court
Grant Ferguson, Interim Director of Estates
Dave Gorman, Director of Social Responsibility and Sustainability
Lee Hamill, Director of Finance
Gary Jebb, Director of Place
Gavin McLachlan, Chief Information Officer and Librarian to the University
Catherine Martin, Vice-Principal Corporate Services
Ellen MacRae, EUSA President
Theresa Merrick, Director of Communications and Marketing
Alistair Smith, Co-opted Member of Court
Rona Smith, Director of Strategic Planning & Insight
Carina Svensen, Director of Accommodation, Catering and Events (ACE)
Richard Terry, External Member of the Committee
David Robertson, Vice-Principal and Head of the College of Science and Engineering
Moirra Whyte, Vice-Principal & Head of College of Medicine & Veterinary Medicine
- In Attendance:** Helen Tweedie, Estates Governance and Committee Officer
Karen Adamson, Head of Estates Finance
Tommy Angus, Interim Director of Estates Operations
Kyle Clark-Hay, Head of Estates Business Services
Terry Fox, Director of Specialist Services, Finance
Jane Johnston, Director of Estate Development
Hannah King, Policy and Governance Manager
Liz Lovejoy, College Registrar, College of Arts, Humanities and Social Sciences
Peter Mathieson, The Principal and Vice-Chancellor
Liz Reilly, Director of Philanthropy and Donor Relations, Development & Alumni
Beth Simpson, EUSA Vice-President Community
Zoe Stephens, Head of Organisational Development and Change
- Apologies:** Chris Cox, Vice-Principal for Philanthropy and Advancement
Dorothy Miell, Vice-Principal & Head of College of Arts, Humanities & Social Science
Sarah Smith, Vice-Principal Strategic Change and Governance and University Secretary

1. Minute

The minute of the previous meeting on 29 September 2021 was approved subject to correcting the year in the second sentence of minute item 3 'Estates Response to Covid-19 September 2021 Update' from 2020/21 to 2021/22.

2. Matters Arising

The Chair noted that since the last Estates Committee meeting on 29 September 2021, the following papers had been approved:

- Carbon Sequestration Through Forests and Peatland - University Court on 6 October 2021 approved expenditure of capital to enable the purchase of land for carbon sequestration through forests and peatland; and, noted expenditure of the associated revenue elements and that this would be found from within existing resources for 2021-22 and factored into the University's planning round for future years.
- Secondary Sub-Station for the Advanced Computer Facility at Easter Bush - University Court on 6 October 2021 approved a lease and related cable rights from a Date of Entry to be agreed for a Secondary Substation for the Advanced Computing Facility at Easter Bush.
- Institute of Genetics & Cancer - Additional Project Funding Request - Exception Committee approved additional funding to enable the award of the contract for construction services.
- Co-location of Biomedical Research Facilities (BRF) and Bioresearch and Veterinary Services (BVS) Estates Strategy - University Court on 29 November approved funding from University Resources and external funding to deliver the Biomedical Research CDBS co-location project and associated, essential works within a BRF.

3. Estates Response to Covid-19 December 2021 Update

An update was presented, on the actions that the Estates Department have taken to support the University's response to the Covid-19 pandemic.

Estates Committee noted the update.

It was further noted that the recent emergence of the Omicron variant may require a further update to be presented at the next Estates Committee in March 2022.

4. Estates Committee - Key Decision Forward Plan

A Forward Plan was given of reports expected to be presented to Estates Committee in the coming year and decisions that would be required by Estates Committee.

Estates Committee noted the Key Decisions Forward Plan as detailed in the appendix.

5. Capital Plan

5.1 Development of a New Capital Plan 2021-2027

The report was introduced by the Principal. It was advised that this had been a prioritisation exercise by the Capital Plan Working Group (CPWG), and that it was not a finalised list of approved projects that would all proceed. All projects which had been prioritised within the plan would still be subject to scrutiny of their business cases and affordability. It was also highlighted that the plan was subject to the University generating an adequate level of operating surplus.

The Director of Place provided a full update on the work carried out by the CPWG to develop the new Capital Plan for the period up to July 2027. The update set out the recommended six-year Capital Plan and highlighted how this was different to the previous Estates Capital Plan. An update was also provided of discussion from the University Executive meeting on 7 December 2021.

Committee highlighted that although a number of the University buildings had remained closed since the start of the pandemic, they were considered not suitable for disposal at this time. In limited circumstances, appropriate disposal of surplus buildings would be considered but buildings could also be re-purposed.

It was also highlighted that the design phase of any future projects would consider the changing nature of how we work, noting the increase in home and hybrid working methods as well as the requirement for more collaboration spaces.

It was noted that the exact cost of the journey to Carbon Net Zero was not possible to quantify at this early stage. However, it was expected that some Government and third-party funding would become available and through industry collaboration there would be the potential of pump priming. It was agreed that it was important not to rush spending at a time when the science of solutions was still relatively immature.

A question was raised over what proportion of the university resources was new or existing debt. The Director of Finance will circulate exact figures following the meeting.

Action: Director of Finance

Estates Committee recommended the proposed Capital Plan as detailed in appendices one to three, to Policy and Resources Committee and subsequently University Court; and noted that relevant approvals for funding would be sought in due course from Estates Committee, Policy and Resources Committee and University Court as necessary.

Estates Committee agreed that when the report was presented to Policy and Resources Committee further background information would be included on how the Plan fits in with Strategy 2030.

Action: Director of Place

5.2 Capital Plan 2021-22 to 2026-27

Estates Committee was presented with a summary of the impact of adopting the new Capital Plan for the six-year period 2021-22 to 2026-27. The financial impact of the transition to the proposed Capital Plan was set out, and the consequences of its implementation were highlighted, with a particular focus on expenditure for the current year, 2021/22.

Estates Committee noted:

- the University's forward planning forecast expenditure over the six-year period 2021-22 to 2026-27. This was based on the proposed Capital Plan.
- that the proposed Capital Plan had been developed to be affordable by the Capital Plan Working Group.
- the forecast expenditure for 2021-22.
- the update to the European Investment Bank (EIB) projects; and further noted the funding requests.

6. Climate Change - Estate Net Zero Pathway update

An update was provided on the current activity that underpins the Estates contribution to the University's Net Zero 2040 target.

Estates Committee noted the update.

7. Overview of Student Accommodation Supply and Demand

An overview was provided on the University's ability to satisfy student demand for residential accommodation. It was advised that Accommodation, Catering and Events were focussing on current housing market conditions and stock supply in the next 10/15 years.

Estates Committee noted the report, including the current and future impact of the supply of accommodation. Committee further noted the development opportunities which were available to maintain the current stock levels and potentially expand the portfolio to meet anticipated future demand.

8. Capital Projects Update

An overview was provided on the projects above £1m, which were currently committed, and in the construction stage on site or which had been completed since the last Estates Committee meeting on 29 September 2021. An update was also provided on the impact of Covid-19 on the delivery of the Capital Programme.

Estates Committee noted:

- the update in relation to the impact of Covid-19 on the construction activity;
- the overview of the projects contained in the paper and in the attached Appendix 1;
- the specific update in relation to the Edinburgh Futures Institute (EFI);
- the update in relation to the asbestos removal contract for the New Biology Project; and
- the market commentary within the paper, which could have an impact on the Capital Plan pipeline and on site or recently completed works.

9. Estates Committee Sub-Group and Estates Tender Review Panel Approvals

Estates Committee was updated on the decisions taken by Estates Committee Sub-Group (ECSG) since the last Estates Committee meeting on 29 September 2021. A list of contract awards was also presented (greater than £250,000) over the period 1 September 2021 to 30 November 2021 that had been approved via the Estates Tender Review Panel (ETRP).

Estates Committee noted the following decisions taken by ECSG:

- Institute of Genetics & Cancer - Additional Project Funding Request & Main Contractor Construction Services: ECSG recommended to Exception Committee, the approval of additional funding from University resources to enable the award of the contract for construction services. ECSG approved the award of the contract for construction services in respect of the IGC Expansion to Willmott Dixon (with Robertson Construction Central East (RCCE) as the regional delivery partner), subject to the approval of the additional funding from Exceptions Committee and receipt of planning approval for the decant temporary accommodation.

Exception Committee subsequently approved the additional funding and planning consent has been confirmed in writing by the City of Edinburgh Council.

- Purchase of 15A Buccleuch Place - ECSG noted that in August 2021, ECSG had approved the purchase of 15A Buccleuch Place, Edinburgh, off-market and that the executors for the flat had received two reports from reputable property agents indicating that a greater price could be secured if the property was to be placed on the open market. ECSG approved additional funding of from University Resources to secure the purchase of 15A Buccleuch Place, off market and to proceed with the necessary legal formalities to secure the property.

Estates Committee also noted the contract awards approved by Estates Tender Review Panel over the period 1 September 2021 to 30 November 2021 as outlined in Appendix 1 of the report.

10. Development & Alumni Capital Project Update

An update was presented, and summarised the progress with fundraising approaches for the current priority capital projects. It reported back on progress against stretching multi-year targets for gift income towards the University's capital plans, that were discussed and noted at the December 2016 Estates Committee.

Estates Committee noted the update

11. Strategic Acquisitions Disposals and Leases

An update was provided on strategic acquisitions, disposals and leases.

Estates Committee:

- approved the disposal of 17 Guthrie St which is surplus to University requirements and was being marketed for sale through external agents.
- approved the disposal of 6 Buccleuch Terrace flat 4F3 which was being marketed for sale through external agents, and was noted as surplus to requirements by Accommodation, Catering and Events (ACE) and would satisfy the requirement to identify a suitable property for sale in exchange for the purchase of the flat at 4F2, 35 Buccleuch Place which was completed in June 2019.
- delegated authority to the Director of Estates to approve the sale prices and terms and conditions of the above two disposals in due course.
- approved the allocation of Corporate Resources for the purchase of 23 acres or thereby of semi-natural native woodland immediately adjacent to the Firbush Outdoor Centre, and delegated authority to the Director of Estates to approve the final price and terms and conditions of the acquisition in due course. It was noted that a full business case for the intended use of the 23 acres of would be prepared in due course.

Action: Interim Director of Estates

- noted that the 15 year lease of the pharmacy in the Wellbeing Centre was approved by University Court on 16 June 2021 concluded on 20 October 2021 along with the sale of the pharmacy licence as detailed in Appendix 1.
- noted that the 10 year lease of premises in Rosyth to accommodate the Fastblade project, as previously approved by Exception Committee, concluded on 5 November 2021 as detailed in Appendix 2.
- noted that since September 2021 Estates Committee, nine leases had been approved under sub-delegation arrangements which were presented to Estates Committee for noting as detailed in Appendices three and four.
- noted the report in relation to additional student accommodation requirements, and that discussions were under way with ABRDN, the new owners of the Gilmore Place development (230 beds), in relation to proposed Heads of Terms for a 20 year lease.
- noted that discussions were ongoing with HUB residential, the new owners of the Baltic Street development (612 beds), in relation to proposed Heads of Terms for a 20 year lease.

Estates Committee noted the updates on Strategic Acquisitions and Disposals.

Estates Committee further noted the ongoing dialogue with Barratt Homes relative to the potential sale of a 50% portion of the North Bilston site for housing development.

12. Western General Hospital Biomedical Research Facility (WGH-BRF) - Feasibility Study for Integration into the Institute of Genetics and Cancer

An overview of the WGH-BRF - Feasibility Study for Integration into the Institute of Genetics and Cancer (IGC) was presented.

Estates Committee approved funding from University Resources to undertake a feasibility study for relocating the WGH-BRF from its current building into another existing building also on the WGH campus.

Estates Committee noted that the funding would be used for design team fees and surveys to develop the design to the end of RIBA Stage 1 (Feasibility Study).

13. Closed Circuit Television (CCTV) Policy and Protocols

Estates Committee recommended to University Executive approval of the Closed Circuit Television (CCTV) Policy and associated protocols.

Estates Committee noted that feedback had been received from Information Services Group which would be included in updated versions of the policy and protocols presented to University Executive.

14. Date of next meeting: Wednesday 16 March 2022