



## **Estates Committee**

**Wednesday 13 May 2020**

### **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 (Convener)  
Frank Armstrong, Co-opted Member of Court  
Lee Hamill, Director of Finance  
Gary Jebb, Director of Estates  
Gavin McLachlan, Chief Information Officer and Librarian  
Catherine Martin, Vice-Principal (Interim) Corporate Services  
Dorothy Miell, Vice-Principal & Head of College  
Bruce Nelson, Registrar, Science & Engineering  
Clare Reid, Co-opted Member of Court  
Tracey Slaven, Deputy Secretary, Strategic Planning  
Sarah Smith, University Secretary  
Richard Terry, External Member of the Committee  
Moira Whyte, Vice-Principal & Head of College of Medicine & Veterinary Medicine  
Andrew Wilson, President, Students' Association
- In Attendance:** Angela Lewthwaite, Committee and Administration Officer (Secretary)  
Karen Adamson, Head of Estates Finance  
Kyle Clark-Hay, Head of Estates Business Services  
Michelle Christian, Director - Property & Residential Services  
Catherine Elliott, College Registrar, College of Medicine & Veterinary Medicine  
Grant Ferguson, Director of Estates Operations  
Terry Fox, Director of Specialist Services  
Jane Johnston, Director of Estate Development  
Colm Harmon, Vice-Principal, Students  
Hannah King, Policy and Governance Manager  
Ellen MacCrae, incoming EUSA President  
Peter Mathieson, The Principal and Vice-Chancellor  
Theresa Merrick, Director of Communications and Marketing  
Liz Reilly, Director of Philanthropy and Donor Relations, Development & Alumni  
Zoe Stephens, Head of Organisational Development and Change  
Rosheen Wallace, Vice-President Community, Students' Association
- Apologies:** Chris Cox, Executive Director Development and Alumni

## **1. Estates Response to Covid-19**

The Committee noted the update on the actions that Estates had taken to support the University's response to the Covid-19 global pandemic and the role of Estates in the University's strategic planning for recovery which will ensure that the University emerges from the crisis in a strong position.

The Committee recognised the exceptional work of a number of staff from the Estates Department in responding to the Covid-19 emergency and provided its thanks.

## **2. Minute**

The minute of meeting held on 4 December 2019 was approved.

## **3. Matters Arising**

The Committee noted:

- Policy & Resources Committee on 3 April 2020 had approved minor updates to the Estates Committee's Terms of Reference; and approved the appointment of Terry Fox, Director of Specialist Services, Finance Department as the Chair of the Board of UoE Estates Services Company.
- Court on 27 April 2020 had approved the extension of the lease at Argyle House.

The Committee thanked Student President, Andrew Wilson and Vice-President Community, Rosheen Wallace, whose terms of office will conclude in early June, for their service to the Committee and the University over the past year.

The Committee recorded its thanks to Hugh Edmiston, Vice Principal Development and Director of Corporate Services and Richard Kington, Director of Accommodation for their contribution over many years on the Committee.

## **4. Estates Annual Capital Plan 2019-20 to 2028-29**

The Estates Capital Plan 2019/20 to 2028-29 was presented. It had been prepared in response to the Covid-19 emergency and incorporated proposed mitigation to increase affordability. Further the report reflects changes in project timing due to site closures resulting from the shut-down and an estimate of when sites would re-open.

Estates Committee noted that the University's forward planning forecast expenditure was over the ten year period.

The following 13 projects within the Capital Plan had been modelled with a 12-month deferral:

- |   |  |
|---|--|
| • Chancellors Building Refurbishment for Biomedical Research Facility (BRF) | • Building a New Biology Project Hive, Tower and BRF |
| • Furbush Outdoor Centre  | • Peffermill Sport Facilities                        |
| • QMRI Refurbishment for BRF  | • Strathclyde Park Rowing Centre                     |
| • Student Centre Teviot Row House   | • Peffermill Student Accommodation                   |
| • Edinburgh College of Art Phase 1  | • Quartermile Gap Site (Shell & Core)                |
| • Central Area Development placeholder                                      | • Western General BRF Short Term                     |

- Engineering

Additional modelling had been undertaken to show the impact of a further 12 month delay (24 months in total).

It was noted that due to the impact of Covid-19 on the University's finances, it was not possible to comment on the affordability of the plan. The Ten Year Forecast is not a stable guide at this time due to the inherent uncertainty of the financial impact of Covid-19. Therefore the Estates Capital Plan presented to Estates Committee cannot currently be described as affordable until such time as there is greater clarity on the University's financial position. 'Subject to affordability' has long been a caveat to all capital plans.

## **5. Capital Project Update**

An overview was provided of the projects above £1m which are currently on site including an update of the impact of Covid-19 on the delivery of the Capital Programme. The impact of Covid-19 on site activities had been significant. Following Scottish Government advice all construction companies employed by the University shut their sites during week commencing 23 March 2020. The Advanced Computer Facility project, which had been confirmed as an "essential" project had returned to site on 29 April 2020. All other projects were awaiting further guidance from the Scottish Government. In preparation for a return to site, all contractors were updating and revising their Site Operating Procedures to ensure that Physical Distancing measures are in place and adopted prior to a return of their workforce.

The Committee noted:

- the update in relation to the impact of Covid-19 on construction activity and on projects where the contractor had not yet appointed;
- the overview of projects above £1m on site;
- the financial summary of projects completed in the last 7 years against approved budgets, showing a small overall underspend;
- the additional measures which have been adopted to improve the financial reporting and management of projects; and
- the market commentary within the paper which could have an impact on the Capital Plan pipeline and on-site or recently completed works.

## **6. Small Works Programme Update 2019/2020**

As a result of the Covid-19 crisis an examination was undertaken of the small works programme as part of a wider Capital Plan review. A summary was provided of the financial position for each of the funding categories in the programme and the risk of deferring projects. It was highlighted that in relation to accessibility and fire egress programmes that deferring projects was higher risk and work in these areas should be prioritised. Estates Committee approved the recommendation to defer projects from the small works programme 2019/2020 until 2020/2021. At this point only essential compliance works will be instituted. The works phase of most of the projects will move into 2020/2021 with most of the delivery taking place in summer 2021. There would be limited expenditure before 31 July 2020.

## **7. Management Information Systems in Estates - Risks**

The ongoing risks with Estates Management Information Systems (MIS) were noted. There was a requirement to upgrade and improve Estates MIS.

The Committee recognised the risks to the University and agreed to bring forward an options appraisal to the next meeting of Estates Committee.

## **8. Estates Operations Update**

The Committee noted:

- the progress in evolving the services to meet the University's requirements;
- the achievements within each service area of the Estates Department; and
- the continuing programme of change and impact of Covid-19.

## **9. Sustainable Campus Fund (SCF): Performance Update**

The Committee noted the current performance of the SCF:

- the fourth year of the SCF has continued to see a strong performance;
- seventy-five projects (76%) have been approved following screening by the Utilities Working Group.
- The spend allocated and approved including projects subsequently funded and delivered through the SFC Universities and Colleges Carbon Reduction Fund.
- projects already approved for the University of Edinburgh funded SCF are estimated to bring annual financial savings of £502k, annual carbon saving of 1,430tCO<sub>2</sub>e. These projects have a combined payback of 5.0 years.

## **10. Estates Department Risk Register**

The Committee noted:

- the risks that are rated as high and extreme in the Risk Register and the mitigation activities that are in place to manage these risks;
- the change to risk ratings since the register was considered by Estates Committee Sub-Group (ECSG) in March 2020; and
- the two new risks that relate specifically to the ongoing Covid-19 emergency.

## **11. Estates Committee Sub-Group and Estates Tender Review Panel Approvals**

Due to the Covid-19 outbreak, the Estates Committee meeting scheduled for 18 March 2020 was cancelled and a meeting of the Estates Committee Sub-Group (ECSG) held instead, via conference call. The Committee noted the decisions taken by ECSG as detailed in the minutes of the meeting.

The Committee noted the following approvals provided by the Estates Committee Sub-Group:

### Small Mechanical Works up to £250k Framework Agreement

- Due to the size of the estate, the framework was split into two geographical lots. The appointment of the following contractors for a period of four years was approved:
  - Atalian Servest AMK Limited (T/A Arthur McKay & Co. Ltd) (ranked first);

- FES Support Services (ranked second) to Lot 1 - Medicine and Veterinary Medicine and Science and Engineering; and
- CHC Group Ltd (ranked first) to Lot 2 - Humanities, Arts and Social Sciences / Accommodation, Catering and Events.

#### Solar Projects – Ground Mounted Solar Farm

- approved the appointment of FES Support Services Ltd as Main Contractor to complete the detailed design and construction of the solar PV ground mounted panel installation at the Easter Bush campus farm site.

#### King's Buildings Nucleus

- approved the recommendation to award the contract for construction services in respect of the King's Building Nucleus project to Wates Construction Limited (with regional delivery partner McLaughlin and Harvey).

#### Institute for Regeneration and Repair Expansion Building and Edinburgh BioQuarter Enabling Infrastructure Work

- approved the recommendation to award the contract for construction services in respect of the IRR Expansion and Edinburgh BioQuarter Enabling Infrastructure projects to Balfour.

#### Contract awards greater than £250k.

- noted the total value of contract works greater than £250k over the period 21 November 2019 to 2 March 2020 were approved by Estates Tender Review Panel.
- noted the total value of contract works greater than £250k over the period to 3 March 2020 to 30 April 2020 were approved by Estates Tender Review Panel.

## **12. Strategic Acquisitions Disposals and Leases**

The Committee approved entering into the following leases:

#### *12 Meadow Lane lock up garage:*

- 1 year lease of lock up garage at 12 Meadow Lane to CHC Group.

#### *Cottage at 37 Easter Bush*

- A month to month licence to occupy a former tied cottage had been granted at nil rental to a retired University staff member from 9 April 2020.

The Committee noted the following:

#### *Bilston Land sale:*

- The final payment was paid on 30 April 2020. This was for the southern portion of the site which was sold to Barratt Homes at the end of July 2019.

#### *Roslin Expansion Land:*

- Conditional missives of sale have now been adjusted with a consortium of CALA and Barratt. A 3-month extension to the deadline for completion has been agreed in light of delays due to the Covid-19 crisis.

*Acquisition of land plots 3, 7 & 8 at BioQuarter from Scottish Enterprise:*

- Progress on the BioQuarter plot acquisitions from Scottish Enterprise (SE) had been very slow. The University awaited an offer to sell the plots from SE's solicitors.

*Acquisition of EFI Retail Units*

- The University and Quartermile Venture Ltd have agreed a price for the purchase of the retail Units and the adjacent access strip. Quartermile Ventures Ltd require to pursue a correction of the original conveyancing in relation to ownership of the public toilets on Middle Meadow Walk prior to the transaction with the University being concluded. The Keeper was not able to process this type of title correction at present due to Covid-19 restrictions at Register House. When restrictions were lifted the registration of title and conclusion of the transaction would be prioritised.

**13. Development & Alumni Capital Project Update**

Development & Alumni continued to progress its business plan to double gift income over a five-year period, starting from the baseline received in 2015-16. The update was noted.

**14. Date of next meeting: Tuesday 15 September 2020 - 9:30 - 12.30 - Venue to be confirmed.**