THE UNIVERSITY of EDINBURGH

Estates Committee

Wednesday 14 December 2022

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: Frank Armstrong, Co-opted Member of Court
David Argyle, William Dick Chair of Veterinary Clinical Studies, Royal (Dick) Sc of Veterinary Studies
Sue Currie, External Member
Grant Ferguson, Interim Director of Estates
Iain Gordon, Vice-Principal and Head of College of Science & Engineering
Dave Gorman, Director of Social Responsibility and Sustainability
Graham, Provost, College of Arts, Humanities and Social Sciences
Lee Hamill, Director of Finance
Colm Harmon, Vice-Principal (Students)
Gary Jebb, Director of Place
Catherine Martin, Vice-Principal Corporate Services
Gavin McLachlan, Chief Information Officer and Librarian to the University
Mark Parsons, EPCC Director and Dean of Research Computing
Prescott, Vice Principal, Head of the College of Arts, Humanities and Social Sciences
Niamh Roberts, EUSA President
Rona Smith, Director of Strategic Planning & Insight
Carina Svensen, Director of Accommodation, Catering and Events (ACE)
Richard Terry, External Member of the Committee

In Attendance: Helen Tweedie, Estates Governance and Committee Officer
Tommy Angus, Interim Director of Estates Operations
Anne-Marie Coriat, College Registrar, College of Medicine and Veterinary Medicine
Terry Fox, Director of Specialist Services, Finance
Jane Johnston, Director of Estate Development
Liz Lovejoy, College Registrar, College of Arts, Humanities and Social Sciences
Katie McBain, Estates Policy and Governance Manager
Liz Reilly, Director of Philanthropy and Donor Relations, Development & Alumni
Zoe Stephens, Director of Business Services
Weir, Director of Information Technology Infrastructure (ITI), ITI Directors Office
Damien Toner, Director of Estates

Apologies: Leigh Chalmers, Vice-Principal and University Secretary
Chris Cox, Vice-Principal for Philanthropy and Advancement
Theresa Merrick, Director of Communications and Marketing
Alistair Smith, Co-opted Member of Court
Jo Craiglee, Head of Knowledge Management and IS Planning
Peter Mathieson, The Principal and Vice-Chancellor
Jennifer Milne, Deputy CIO
Anne Payne, College Registrar, College of Science
and Engineering
Isi Williams, Edinburgh University Student
Association, Vice President

1. Minute

The Minute from the last meeting of Estates Committee on 15 September 2022 was approved as a correct record.

It was noted that, at the meeting of Policy and Resources Committee on 14 November 2022, with immediate effect, this committee – the Estates, Digital and Infrastructure Committee (ED&IC) was renamed the Estates Committee.
This change was intended to avoid any potential misidentification with the pre-existing Equality, Diversity & Inclusion Committee (EDIC), particularly when the committees were referred to by their acronyms.

It was further noted that there had been no change to the remit or approval powers of the Committee, this was simply a change in the title alone and Estates is taken to mean physical estate, digital estate and all infrastructure.

Apologies were noted from Anne Marie-Coriat, Chris Cox, Alistair Smith, Peter Mathieson, and Leigh Chalmers.

It was noted that Alistair Fenemore, Chief Information Security Officer, was joining the meeting to assist in presenting Item 11 on the agenda - Managing User Access.

The Director of Place introduced and welcomed Damien Toner who would be officially joining the University in January 2023, as the new Director of Estates.

The Director Place then thanked Grant Ferguson for his time as Interim Director of Estates, and noted that Grant would be remaining with the University, but in the new role of Director of Estates Net Zero and Carbon Leadership.

This position was created in the context of rising energy costs and the climate emergency with Estates exploring how best to intensify the response to the University's commitment of Net Carbon Zero.

Director of Estates Net Zero and Carbon Leadership, would be responsible for championing and directing the de-carbonisation of the estate, providing expert advice and direction to the University, and the wider community, on the strategic development and operation of the University estate in relation to Carbon and Energy Operations.

The role will report in to Damien Toner as Director of Estates when he takes up his role in January 2023.

2. Matters Arising

The convener noted that the logistics and infrastructure behind Estates Committee was being continually developed. Timelines would be examined in more detail, with the intention of maximising the time given to reviewing papers.

Pollock Halls District Heating Pipework Replacement
Estates Committee noted that on 14 November 2022, Policy and Resources Committee (PRC) considered the request of the Pollock Halls District Heating Pipework Replacement, and approved a loan from the University to UoEESCo to urgently renew the district heating pipework network on the Pollock Halls Campus, with the loan to be repaid by income from the subsidiary's commercial activity.

The Interim Director of Estates Operations presented a verbal update on the project and noted that a detailed, costed construction plan would be in place by January 2023 with full works commencing in March 2023.

3. Key Decision Forward Plan

The forward plan was presented including the reports that are expected to be presented to Estates Committee in the coming year and the decisions that will be required by Estates Committee.

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

It was noted that the Digital Strategy was being developed and its cost plan was being established, as this progressed, more projects would evolve and be added to the Key Decision Forward Plan in due course.

It was noted that both capital and revenue costs must be captured as part of this exercise and recorded appropriately.

The convener recognised that there was a particularly high number of strategic papers and business cases expected to be presented to Estates Committee in March 2023, and noted that Estates Committee would respond to the needs of the University accordingly. Therefore if a longer meeting was required in March to process requests, this would be accommodated.

4. **Estates Annual Capital Plan 2022-23 to 2027-28**

A summary of the Capital Plan for the six year period 2022-23 to 2027-28 was presented. It set out the movements in the Capital Plan compared with the Capital Plan presented at Estates, Digital and Infrastructure Committee in September 2022, the forecast for 2022-23 and the requests for funding sought at this Estates Committee.

The paper also discussed the financial impact of construction inflation on the plan.

It was noted that a balance should be established between the cost of Net Zero and cost of capital plan. Decarbonisation was a University strategy that Estates Committee must be able to track.

Finally, it was noted that the Estates Annual Capital Plan was expected to be reviewed again by midway through 2023.

5. **Benefits Assurance Update**

The Director of Finance verbally introduced the Benefits Assurance Update, and noted that this would be a regular item at future committee meetings, starting in March 2023.

This regular report was intended to update Estates Committee on the progress and performance of previously approved projects, against borrowings and investments.

Estates Committee noted the verbal update.

6. **Engineering Hub - Business Case**

The revised Full Business Case for the Engineering Hub was presented for approval. It recommended the approval of funding to Policy and Resources Committee (PRC) and subsequently University Court, in order to progress the project to completion.

The Vice Principal, Head of the College of Sciences and Engineering presented a verbal introduction to the Business Case. This introduction illustrated the strategic alignment of the project and provided context which Estates Committee agreed was essential, and should be included in the paper.

Estates Committee approved the revised Full Business Case.

Estates Committee noted that this funding request was in addition to the previously approved funding for Design Team fees and enabling works.

Estates Committee recommend that PRC and subsequently University Court approve funding to progress the project to completion. However, this recommendation to PRC, was on the condition that the verbal context provided at Estates Committee was written into the paper prior to it being submitted.

It was therefore agreed that the paper would be redrafted, and the updated version circulated to Estates Committee for comment in the week commencing 16 January 2023.

The finalised paper would then be presented to PRC as scheduled on 6 February 2023.

Action: The Vice Principal, Head of the College of Sciences and Engineering

7. **Edinburgh Futures Institute - Updated Business Case**

A paper was presented, responding to the May 22 Estates Committee decision to endorse the release of additional capital funding to the Edinburgh Futures Institute (EFI) major capital development.

The paper provided a Business Case update (Excel-format FBC submitted in parallel) as requested by the Director of Finance following that previous approval.

Whilst the size and scale of the capital building project investment had changed since the initial acquisition of the site, so too had the circumstances and vision for EFI as a proposition. This impacted assumptions, figures and timelines, with aspects being re-tested, as appropriate for a long-running project, but there remained confidence in current expectations of income to offset the costs.

The paper offered high-level comments on project position (paragraphs 8-14) financial position (paragraphs 15 – 21) with an income & expenditure account summary plus cashflow graphic provided in Appendix 1.

Estates Committee noted the update.

8. **Western General Hospital Biomedical Research Facility (WGH-BRF) Integration into the Institute of Genetics and Cancer**

A request for funding was presented to progress the RIBA Stage 2 Concept Design of a facility at the Western General Hospital (WGH) campus. The design integrated the aged WGH Biomedical Research Facility (BRF) into another building.

Estates Committee noted the outcome of the feasibility study that presented two main options to consolidate the WGH-BRF.

Estates Committee approved funding from University Resources to progress the design to RIBA Stage 2 (Concept Design) including preparation of outline costs.

Estates Committee noted that this work was not prioritised on the Capital plan which would mean treating any subsequent proposal as an emerging need.

9. Advanced Computer Facility Exascale Update

An overview was provided stating considerations to date and the outcome of the Stage 3 Developed Design with costs for the Advanced Computer Facility (ACF) Exascale project as well as a remobilisation programme should Government funding become available.

Estates Committee noted the received transfer of funding for Stage 3 Design Team fees from University Corporate Resources (Strategic Priorities Budget) which would be refunded by EPSRC upon confirmation of UKRI funding for Exascale.

Estates Committee noted that, if approved, the project would be fully funded by UK Government.

Estates Committee noted the progress of the Stage 3 Developed Design and the associated costs.

Estates Committee further noted the indicative remobilisation programme that had been prepared should Government funding be confirmed, and the market commentary within the paper, which could have an impact on future costs for Exascale.

Estates Committee, was supportive in principle for the Exascale project but raised questions regarding the need for detailed consideration of potential University risks, including around energy costs, carbon implications and wider aspects of University business. Those would need to be addressed, and considered by Estates Committee, ahead of seeking any approvals for implementation of Exascale.

10. Data Centre Capacity

Options and recommendations were presented for provision of additional data centre capacity, with a focus on the requirement to create additional capacity for digital research services that would likely need to relocate from the Advanced Compute Facility (ACF) if Exascale was awarded.

Estates Committee gave in principle approval for the capital investment to create the additional capacity in the Mary Somerville Data Centre (MSDC), subject to receiving an updated paper addressing points/risks raised at the meeting both for the Exascale project and the Mary Somerville Data Expansion.

In order for Estates Committee to be assured that both the Exascale and the Data Centre Capacity proposals transparently addressed questions in relation to the University's revenue consequences, logistical challenges and carbon accounting.

It was agreed that an integrated piece of work would be commissioned bringing together these various elements to document further detail and clarity on the overall risks and dependencies for the University. This piece of work would include the data centre migration plan and the consequences of a break in data services on the rest of the University and would enable Estates committee to take an informed final view on approval of the Data Centre Capacity investment.

Action: Provost and Director of EPCC

11.   **Digital Estate Project**

A paper was presented providing response to feedback received at the March 2022 Estates Committee, on the previously submitted Digital Estate Project initial business case.

Estates Committee approved the updated Business Case including the spending request. Estates Committee noted the funding was included within the ISG Digital Estate Capital Plan.

Estates Committee noted that they will be presented with a further paper in early 2023, for approval once the final proposals including full costs have been developed.

12.   **Capital Projects Update**

An overview was provided of the Estates projects above £1m, which were currently committed, and in the construction stage on site or which had been completed since the last meeting.

Estates Committee noted the overview of the projects contained in the paper and in the attached Appendix 1.

Estates Committee noted the regular specific update in relation to the Edinburgh Futures Institute (EFI), and further noted the market commentary within the paper in relation to inflation and the potential impact on the Capital Plan.

13.   **Estates Committee Exception Group and Estates Tender Review Panel Approvals**

Estates Committee was updated on the decisions taken by Estates Committee Exception Group (ECEG) since the last Committee on 15 September 2022. The paper also presented a list of contract awards (greater than £250,000) over the period 1 September 2022 to 30 November 2022 that had been approved via the Estates Tender Review Panel (ETRP).

Estates Committee noted the contract awards approved by Estates Tender Review Panel over the period 1 September 2022 to 30 November 2022 as outlined in Appendix 1 of this report.

Estates Committee further noted the following decisions taken by ECEG:

Forest and Peat Site Acquisition Approval Request - Balnaboth
The Estates, Digital and Infrastructure Committee Exception Group (ED&IC EG) approved the submission of a letter of intent, for a University offer, subject to survey, to purchase hill land known as Balnaboth, Angus. The acquisition did not go ahead in the end, further detailed in the Strategic Acquisitions Disposals and Leases Paper, item 17 of today's agenda.

Extension to the Tursa High Performance Computer Service

Estates Committee Exception Group approved the purchase of an upgrade to the Tursa facility for Particle Physics for the HPC and approved funding for upgraded power and cooling infrastructure (both inclusive of VAT).

Estates Committee Exception Group noted that all costs were externally funded by Science and Technology Facilities Council (STFC), including operational costs, through a new Research Grant to start in April 2023.

Estates Committee Exception Group further approved that signing authority was delegated to Professor Iain Gordon, Head of College of Science & Engineering.

14. **Update from Knowledge Strategy Committee**

A paper was presented detailing the decisions taken by Knowledge Strategy Committee (KSC) since the last Estates Committee on 15 September 2022.

Estates Committee noted the key points.

15. **Information Services Group Capital Envelope 2021-2027**

An update was presented on the Information Services Group (ISG) 5-year capital envelope, 2021-27.

Estates Committee noted the updated forecast for years 2021/22 to 2026/27.

16. **Development and Alumni Capital Project Update**

A progress summary was presented with fundraising approaches for current priority capital projects. The paper 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.

Estates Committee further noted that should a project have the potential for philanthropic funding, engagement with the office of Development and Alumni should take place as early as possible and delays to projects could impact on donations.

17. **Strategic Acquisitions Disposals and Leases**

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

Estates Committee noted that since September 2022 Estates Committee (referred to as Estates, Digital and Infrastructure Committee at the time), 11 new leases of University property and 3 Licences of externally owned property had been approved under sub-delegation arrangements which were presented to Estates Committee for noting as detailed in Appendices1 and 2.

Baltic Street – Estates Committee noted that Agreement to Lease discussions with HUB residential, the owners of the Baltic Street development (612 beds) were paused.

Estates Committee noted the updates on Strategic Acquisitions and Disposals.

18. **Date of next meeting:**

The date of the next meeting was Wednesday 15 March 2023