



## **Estates Committee**

**Wednesday 4 December 2024**

### **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, Vice Principal and Head of College of Medicine and Veterinary Medicine  
Nirmal Borkhataria, Director of Finance  
Chris Cox, Vice-Principal Philanthropy and Advancement and Executive Director Development and Alumni  
Sue Currie, External Member  
Dave Gorman, Director of Social Responsibility and Sustainability  
Kim Graham, Provost  
Dora Herndon, EUSA President  
Catherine Martin, Vice-Principal Corporate Services  
Gavin McLachlan, Vice-Principal, Chief Information Officer and Librarian to the University  
Theresa Merrick, Director of Communications and Marketing  
Mark Parsons, EPCC Director and Dean of Research Computing  
Sarah Prescott, Vice Principal, Head of the College of Arts, Humanities and Social Sciences  
Alistair Smith, Co-opted Member of Court  
Carina Svensen, Director of Accommodation, Catering and Events  
Richard Terry, External Member of the Committee  
Damien Toner, Director of Estates
- In Attendance:** Kym McCaul, Estates Governance and Committee Officer  
Tommy Angus, Director of Estates Operations  
Neil Cartlidge, Senior Internal Auditor  
Anne-Marie Coriat, College Registrar, College of Medicine and Veterinary Medicine  
Jo Craiglee, Head of Knowledge Management and IS Planning  
Ruth Elliott, Students' Association Vice-President Community  
Terry Fox, Director of Specialist Services, Finance  
Grant Ferguson, Director of Estates Net Zero and Carbon Leadership  
Jane Johnston, Director of Estate Development  
Peter Mathieson, The Principal and Vice-Chancellor  
Zoe Stephens, Director of Estates Business Services  
Tony Weir, Director of Information Technology Infrastructure
- Apologies:** Leigh Chalmers, Vice-Principal and University Secretary  
Iain Gordon, Vice-Principal and Head of College of Science & Engineering  
Lee Hamill, Director of Finance  
Colm Harmon, Vice-Principal Students

Rona Smith, Director of Strategic Planning & Insight  
Jennifer Milne, Deputy CIO  
Anne Payne, College Registrar, College of Science and Engineering  
Hannah King, Policy and Governance Manager

## **1. Welcome & Introduction**

The Convener welcomed:

- Nirmal Bokhataria, Interim Head of Finance
- Heather Lawrence, College Registrar, College of Arts Humanities and Social Sciences
- Neil Cartlidge (Senior Internal Auditor)

Apologies were noted by Estates Committee.

The Committee agreed to consider the Capital Projects Group report following the financial reports.

## **2. Minute**

### **2.1 Minute - Wednesday 28 August 2024 Meeting**

Estates Committee approved the minute from 28 August 2024.

### **2.2 Minute - Estates Committee Briefing Note on strategic acquisition - Thursday 5 September 2024 - Monday 9 September 2024**

Estates Committee approved the minute from the electronic circulation relating to the briefing note on a strategic acquisition.

## **3. Matters Arising**

### ***Update from University Court – 2 December 2024***

Estates Committee noted the following updates from Policy and Resources Committee on 10 September 2024 and University Court on 7 October 2024:

- New Darwin Project - approved Capital Funding of the remaining funding; and
- Strategic Acquisition - was approved on the basis that a revised formal offer was made to acquire the site, noting that the current owners had indicated a clean unconditional offer at this level would be acceptable.

In relation to the action log, Estates Committee agreed for timings to be added to the open list of actions to ensure items were being closed within a timely manner.

#### **4. Key Decision Forward Plan**

A forward plan was presented listing the reports that were expected to be presented to Estates Committee in the coming year and the decisions that would be required by Estates Committee.

Estates Committee noted the Key Decisions Forward Plan.

#### **5. Director of Finance Update Report**

An update was presented in relation to the 2023-24 Analytical Review, the impact of changes to employer national insurance contributions from April 2025, the emerging 2024-25 Quarter One forecast position and the impact of the above on University capital plans.

Estates Committee noted the current financial impact on the University was a significant challenge. The University five-year forecast indicated that expenditure growth was expected to outpace income growth. This trajectory was not financially sustainable for an extended period and, if left unaddressed, would severely limit the ability to invest in the University and its strategic priorities. There was currently no solution to this trajectory and University Court did not approve the forward 5-year plan in the Summer 2024.

Estates Committee noted that the Finance Department were gathering data and undertaking a deeper analysis which would be reported to Estates Committee in early 2025.

Estates Committee noted that radical change may be required in the consideration of University finances and it would be beneficial to increase understanding throughout the University of the differences between capital and revenue expenditure and generation. It was highlighted that suspending capital programming, as carried out during the Covid-19 pandemic, might be a first response in order for the University to save money now.

Estates Committee noted although radical changes would be required the University has responsibility to ensure that the current Estate is maintained, operable and safe for staff and students.

Estates Committee noted the update.

#### **6. Estates Annual Capital Plan 2024 to 2029**

An update to the Capital Plan for the five-year period 2024 to 2029 was presented. It set out the movements in the Capital Plan compared with the Capital Plan presented at Estates Committee in August 2024, the forecast expenditure for 2024-25 and the request for funding sought at this Estates Committee. The financial impact of construction inflation on the plan was also detailed.

A question was raised relating to how the University will deal with the emerging needs during the period before a new Capital Plan was established. In response it was noted that the University was hoping to develop a short-term interim Capital Plan and work would continue on this into 2025.

Estates Committee agreed that it would be useful to have sight of the timing of when commitments may require to be made on approved projects within the Capital Plan. It was noted that Capital Projects Group would have sight of this detail and that it would be considered how to bring this forward to Estates Committee.

Action: Vice Principal Corporate Services

Following a query regarding the impact on the Climate Strategy, Estates Committee agreed for consideration to be given to the addition of financial performance categories to the emerging needs list to identify if a project could save or generate funding.

Action: Director of Estates

Estates Committee noted:

- The University's forward planning forecast expenditure over the five-year period 2024 to 2029. This was based on the Capital Plan which had been approved to July 2027, in February 2022, and the subsequent approved revisions to the plan made in relation to acquisition of Tynecastle Student Accommodation and in December 2023 in relation to the additional funding required for the Edinburgh Futures Institute (EFI).
- That the Capital Plan in its entirety was not currently considered affordable.
- The forecast expenditure for 2024-25.
- The funding request at this meeting for Estates Projects which was University funded.
- The transfer of funding from the Digital Capital Plan to the [physical] Estates Capital Plan for fire safety and carbon efficiencies work as part of the Mary Somerville Data Centre project.

## **7. Digital Estate Capital Plan 2024 to 2029**

An update on the Digital Estates 5-year capital envelope 2024-29 was presented.

Estates Committee:

- Noted the update on Digital Estates capital expenditure projected for 2024/25 and forecast to 2029/30; and
- Noted the transfer of funding from the Digital Capital Plan to the [physical] Estates Capital Plan for fire safety and carbon efficiencies work as part of the Mary Somerville Data Centre project.

## **8. Internal Audit of Estates Committee Arrangements - Update on Actions**

An update on the progress with agreed management actions from the Internal Audit of Estates Committee Arrangements was presented.

In regard to action 7, Internal Audit requested for supporting evidence to be provided before this action could be closed.

Action: Director of Estates

Estates Committee agreed to close actions 1 and 6.

Estates Committee agreed for the final review of all actions to be presented to May 2025 Estates Committee.

Action: Convener and Provost

Following an observation of the actions, it was asked for consideration to be given when issuing Estates Committee Exception Group items for approval, that appropriate Committee members have sight of the request.

Estates Committee noted the update on the Internal Audit actions and recommendations.

## **9. Bioquarter - Scottish Power Energy Network Upgrade**

A paper was presented for approval of the University funding contribution towards a new primary sub-station at the BioQuarter and associated infrastructure to be delivered by SPEN (Scottish Power Energy Network).

Estates Committee recommended to Policy and Resources Committee and subsequently University Court for approval of the University's contribution for the power upgrade.

## **10. Accommodation Nominations Requirements 2025/26**

A paper was presented by Accommodation, Catering and Events (ACE) to request purchase of additional bed stock from the private Purpose-Built Student Accommodation (PBSA) market in order to support the delivery of the Residential Strategy 2023-2030. The request related to academic year 2025/26, commencing on 12 September 2025.

Estates Committee approved entering into a nomination lease agreement with Homes for Students at Beaverbank.

Estates Committee further approved entering into a nomination lease agreement, with Unite Student at Bridge House.

Estates Committee noted that the commitments would be made by the University's solicitors, Shepherd and Wedderburn, in an exchange of formal letters ('missives') with the landlords' solicitors to enter into the nominations agreements.

Estates Committee agreed to delegate authority to the Director - Property and Residential Services at ACE, to conclude the negotiations for the agreements, as well as instruct the University appointed solicitors, Shepherd and Wedderburn, to enter into the missives once the terms have been agreed.

## **11. Estates Capital Project Update**

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

Since the last meeting of Estates Committee six new capital projects (above £1m) had been awarded and commenced on site and had also been incorporated in the new tracker.

These were:

- Churchill House student accommodation refurbishment;
- Clinical Research Imaging Centre (CRIC) 4;
- James Clerk Maxwell Building (JCMB) RAAC remediation main contract;
- Joseph Black Building RAAC remediation contract;
- Darwin Tower Demolition works, which are reported in the tracker as part of the overall New Darwin project; and
- Informatics cooling works for server.

Estates Committee noted the Peffermill Playing Fields Hockey Pitch 2 had successfully been completed on site and was now back in use.

During discussion it was suggested for consideration to be given to defining RAG status so that it was applied consistently across project updates and to quantifying the impact of benefits to projects of any changes implemented.

Estates Committee:

- Noted the overview of the projects contained in the paper and in the Appendix 1;
- Noted the forecasted Estates Capital plan expenditure range for 2024/25;
- Noted the positive update in relation to McLeod Street (Tynecastle High School) student accommodation, involving one of the blocks completing 12 months early;
- Noted the positive update that the Reinforced Autoclaved Aerated Concrete (RAAC) Programme of works was likely to be delivered within the approved funding allowances; and
- Further noted the market commentary within the paper in relation to inflation.

Action: Director of Estate Development

## **12. Digital Estate Status Update as of the end of October 2024**

Estates Committee were presented with a summary of the progress on the substantive Digital Estate projects. The paper included updates on the current state of the Digital Estate from the Programme Leads and Owners.

Estates Committee noted the Digital Estate status update and the project RAG report.

## **13. Estate Net Zero Pathway Update**

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

Following members observations of the flow and detail contained within the current paper, Estates Committee requested for future reports the addition of a table to be included with detail on what the key priorities are, which priority provides the largest benefit or largest cost, the scalability of the project, and how each priority relates to the carbon and net zero plan.

Action: Director of Estates Net Zero and Carbon Leadership

Estates Committee:

- Noted the update on the New Climate Strategy;
- Noted the update on progress of externally funded projects; and
- Noted the overall update on progress on project delivery and across all 7 themes of the programme.

## **14. Estates Committee Exception Group and Estates Tender Review Panel Approvals**

A paper was presented which detailed the decisions taken by Estates Committee Exception Group (ECEG) since the last Estates Committee meeting on 28 August 2024. The paper also presented a list of contract awards (greater than £250,000) over the period 22 August 2024 to 26 November 2024 that had been approved via the Estates Tender Review Panel (ETRP).

Estates Committee noted the following decisions taken by ECEG:

### **Digital Estate Project**

- ECEG considered a request for capital funding for a Digital Estate Project.
- ECEG approved capital funding.

### **Churchill House Bedroom Refurbishment - Main Contractor Construction Services**

- ECEG approved the award of the contract to Sharkey Group Ltd.

#### **Clinical Research Imaging Centre (CRIC) 4 at QMRI - Main Contractor Construction Services**

- ECEG approved the award of the contract to Robertson Construction Group Ltd.

#### **Joseph Black Building RAAC Remediation Works - Main Contractor Construction Services**

- ECEG approved the award of the contract for construction services in respect of the Joseph Black Building RAAC Remediation Works, to Balfour Beatty Group Ltd.

#### **James Clerk Maxwell Building RAAC Remediation Works - Main Contractor Construction Services**

- ECEG approved the award of the contract to Balfour Beatty Group Ltd.

Estates Committee further noted the contract awards approved by Estates Tender Review Panel over the period 22 August 2024 to 26 November 2024 as outlined in Appendix 1 of the report.

### **15. Capital Projects Group Report**

An update was presented on the four occasions which Capital Projects Group (CPG) had met since the last meeting of Estates Committee.

Estates Committee noted the update on the activities of the Capital Projects Group and the relevant input and discussions occurring relating to the current and new Capital Plan.

It was noted that the Group's Terms of Reference were available on the University website.

### **16. Knowledge Strategy Committee Report**

Estates Committee noted the key points from the Knowledge Strategy Committee meeting held on 29 October 2024.

### **17. Development and Alumni Capital Project Update**

A summary was provided to Estates Committee of the progress with fundraising approaches for current priority capital projects. The 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 a number of live discussions were underway and the team hoped to update at the next meeting.

Estates Committee noted the update.



## **18. Strategic Acquisitions, Disposals, Leases and Estate Management**

A paper was presented which provided an update on the strategic acquisitions, disposals, leases and estate management issues.

An update on a Strategic Acquisition was discussed and noted.

Estates Committee noted updates on Strategic Acquisitions and Disposals.

Estates Committee noted that since August 2024 Estates Committee: 1 new lease, 3 variations to existing leases and 6 licences to Occupy had been agreed for land and property owned by the University. In addition, 3 new leases and 14 desk licences had been completed within the Data Driven Innovation Hubs, all of which were approved under sub-delegation arrangements.

Estates Committee noted the Estates Management issues detailed in the report.

## **19. Date of next meeting - Wednesday 12 March 2025 at 9.30am**

Estates Committee noted the date of the next meeting was scheduled for Wednesday 12 March 2025 at 9.30am.

It was highlighted that the University had won the below awards recently:

- Prix Versailles, Special Prize for an Interior 2024 – University of Edinburgh, Edinburgh Futures Institute;
- Learning Places Scotland Awards 2024, Client of the Year – University of Edinburgh; and
- Learning Places Scotland Awards 2024, Refurbishment of the Year – Edinburgh Futures Institute

Estates Committee congratulated the University and all of those involved across the project and teams.