



Estates Committee

Wednesday 6 September 2023

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 (Convener)
Sharan Atwal, EUSA President
Leigh Chalmers, Vice-Principal and University Secretary
Anne-Marie Coriat, College Registrar, College of Medicine and Veterinary Medicine
Sue Currie, External Member
Iain Gordon, Vice-Principal and Head of College of Science & Engineering
Dave Gorman, Director of Social Responsibility and Sustainability
Lee Hamill, Director of Finance
Gary Jebb, Director of Place
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
Rona Smith, Director of Strategic Planning & Insight
Carina Svensen, Director of Accommodation, Catering and Events
Richard Terry, External Member of the Committee
Damien Toner, Director of Estates
- In Attendance:** Helen Tweedie, Estates Governance and Committee Officer (Secretary)
Terry Fox, Director of Specialist Services, Finance
Grant Ferguson, Director of Estates Net Zero and Carbon Leadership
Jane Johnston, Director of Estate Development
Hannah King, Policy and Governance Manager
Chloe Kippen, Director of Philanthropy and College Advancement
Alma Riessler, EUSA Vice President
Zoe Stephens, Director of Estates Business Services
Tony Weir, Director of Information Technology Infrastructure
Helen Wood, Head of University Space
- Apologies:** David Argyle, Vice Principal and Head of College of Medicine and Veterinary Medicine
Chris Cox, Vice-Principal Philanthropy and Advancement and Executive Director of Development and Alumni
Kim Graham, Provost
Colm Harmon, Vice-Principal Students
Alistair Smith, Co-opted Member of Court

Tommy Angus, Director of Estates Operations
Jo Craiglee, Head of Knowledge Management and IS Planning

Liz Lovejoy, College Registrar, College of Arts, Humanities and Social Sciences

Peter Mathieson, The Principal and Vice-Chancellor

Jennifer Milne, Deputy CIO

Anne Payne, College Registrar, College of Science and Engineering

1. Welcome & Introduction

The Convener welcomed the EUSA President, Sharan Atwal, to her first meeting of Estates Committee.

It was noted that Chloe Kippen, Director of College Advancement and Health Philanthropy, would be joining to present Item 17, Development and Alumni Capital Project Update.

It was further noted that Helen Tweedie, Governance and Committee Officer would be leaving the University. On behalf of the Committee, the Convener thanked Helen for her work supporting Estates Committee.

2. Previous Minutes for Approval

2.1 Minute - Estates Committee - 17 May 2023

Estates Committee approved the minute from 17 May 2023.

2.2 Minute - Estates Committee - 15 June 2023

Estates Committee approved the minute from the Tynecastle Acquisition meeting held on 15 June 2023.

3. Matters Arising

The Convener advised that since the last meeting of Estates Committee, on 17 May 2023, University Court considered the following item:

- **Tynecastle Student Accommodation – Forward Funded Acquisition**
University Court considered and approved funding for the acquisition subject to remaining within the parameters set out in the paper. University Court further delegated authority to the Vice-Principal Corporate Services, in consultation with the University Secretary, to conclude the transaction following conclusion of due diligence, subject to the final acquisition price being within the parameters set out in the paper.

Student Accommodation - Update

The Director of Accommodation, Catering and Events provided a verbal update on Student Accommodation for the new academic year, including:

- There had been a significantly higher demand for university accommodation this year compared to previous years;

- A communications campaign had been undertaken to encourage students to secure accommodation early due to the pressure on housing in Edinburgh;
- Following the campaign postgraduate renewals had increased by 44%, postgraduate applications increased by 26% and application conversion had moved from 86% to 93%;
- Undergraduate applications had increased by 9%;
- Some undergraduate accommodation stock had to be moved to accommodate postgraduates and there was therefore a requirement to secure additional undergraduate accommodation stock;
- It had been agreed to prioritise part year students and accommodation was offered much earlier than in previous years;
- Accommodation had been provided to all guaranteed students as well as some non-guaranteed students;
- There was a very small waiting list, all whom have been offered accommodation with the University; and
- Emergency accommodation was available in Chancellors Court and rooms were also available in the University hotels.

Estates Committee noted the update.

Reinforced Autoclaved Aerated Concrete (RAAC) Update

The Director of Estates provided a verbal update on Reinforced Autoclaved Aerated Concrete (RAAC) including:

- The University had undertaken surveys in 2020 and eight buildings had been found to include RAAC panels;
- Monitoring and inspection of these buildings had been undertaken in line with Government guidance;
- New guidance had been issued in December 2022 which had increased the inspection requirements;
- The guidance had been further updated last week and more intrusive surveys were now required;
- At that point schools in England which had RAAC were instructed to close;
- A decision was taken to restrict access to the affected areas until further surveys could be undertaken and this work was underway;
- Whilst only a small proportion of the estate was affected the closures would potentially cause disruption to staff and students who use the affected areas including lecture theatres, offices and research laboratories.

Estates Committee noted the update.

Internal Audit Report - Institute of Regeneration & Repair Capital Project

The Director of Estates advised that an action plan had now been agreed with Internal Audit and that this would be presented to Estates Committee in December 2023. The action plan would also be presented to the next meeting of the Audit and Risk Committee.

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.

It was highlighted that in addition to those listed, a report was expected in December 2023 regarding the internal audit of the Institute for Regeneration and Repair (IRR), as outlined under Matters Arising.

Estates Committee noted the Key Decisions Forward Plan as detailed in the appendix and that due to the potential volume of business for the next meeting of Estates Committee that the meeting invite would be extended.

5. Estates Annual Capital Plan 2022-23 to 2027-29

An update of the Capital Plan for the seven year period 2022 to 2029 was presented. It set out the movements in the Capital Plan compared with the Capital Plan presented at Estates Committee in May 2023, the expenditure for 2022-23, the forecast for 2023-24 and the requests for funding sought at this Estates Committee. The paper also noted the financial impact of construction inflation on the plan.

Estates Committee noted the University's forward planning forecast expenditure over the seven year period 2022 to 2029. This was based on the Capital Plan which had been approved to July 2027 in February 2022 and the subsequent revisions to the plan, the most recent of which facilitated delivery of the Tynecastle Student Accommodation. It was noted that the revised plan would be presented to Policy and Resources Committee on 12 September 2023 and University Court on 9 October 2023.

Estates Committee noted the Estates project expenditure for 2022-23, the Digital Estate expenditure and the Capital Equipment expenditure. The final capital expenditure, including equipment was still to be finalised for 2022-23 and the reported expenditure may change.

Estates Committee noted the forecast expenditure for 2023-24. This expenditure forecast included an amount related to Capital Equipment and the Digital Estate as well as Estates related expenditure.

It was highlighted that there were a number of emerging needs where it was anticipated that there would be further demands on capital expenditure within the current financial year.

Estates Committee noted the update to the European Investment Bank (EIB) projects and noted the funding requests for Estates Projects, all of which are University funded.

6. Information Services Group Capital Envelope 2022-2028

An update was provided on the Information Services Group (ISG) 5-year capital envelope, 2022-28.

The headline figure for 2022-23 Digital Estates projects was a projected capital expenditure, which was higher than the forecasted figure, as presented at the last Estates Committee in May 2023. In line with best practice, the previous forecast figure included an Optimism Bias adjustment. This was excluded from the actual expenditure that was expected to crystallise.

Estates Committee noted the update on the capital expenditure projected for 2022/23 and forecast to 2027/28.

7. Director of Finance Update

An update was presented regarding the University Group's current year financial position for 2022-23. Details were also provided of the upcoming schedule for the next iteration of the University five-year financial scenario modelling.

The paper provided a regular update on finance related issues for Estates Committee.

Estates Committee noted the update.

8. New Darwin - Outline Business Case

An update was provided on the New Darwin project, including a revised anticipated Project Budget and an Outline Business Case for approval. It recommended approval of funding, to Policy and Resources Committee and subsequently University Court, for professional fees to progress the design to RIBA Stage 3 (Developed Design) in support of preparation of a Full Business Case.

The New Darwin project would deliver the final phase of the previous 'Building a New Biology' project (BaNB) – a multi-phased project to create a new hub for the School of Biological Sciences (SBS) at the south-east corner of the King's Buildings Campus.

During discussion at Estates Committee the following points were raised:

- The scheme had changed from a refurbishment and remodelling of the existing Darwin Tower, to replacing it with an entirely new one;
- The work that had previously been undertaken to remove asbestos from the building would have been required as part of the demolition process, and was therefore not nugatory;
- The new building would be 'Net Zero ready' but this was dependent on more general improvements required at the Kings Building Campus and the University needed to ensure these were undertaken;
- The new building would add a further 1000sqm of space, for the School of Biological Sciences, from what they had in 2012, which would provide the

opportunity to make better use of the space available and respond to new ways of working;

- As well as the provision of a new building, further work would be required by the School, to ensure that the ambitions in the Outline Business Case were delivered;
- The removal of the current Darwin Tower would have a positive impact on the Edinburgh skyline;
- The funding in the Capital Plan agreed in 2022 was a placeholder and that, following the feasibility appraisal, the revised proposed budget would provide the optimum solution to deliver what was required by the School; and
- Any funding opportunities from collaborating organisations would be investigated.

Estates Committee noted the feasibility outcomes approved by the Project Board and approved the recommended project scope.

Estates Committee approved the Outline Business Case.

Estates Committee recommended to Policy and Resources Committee and subsequently University Court that the budget allocated in the prioritised Capital Plan for the project was increased in line with the recent adjustments to the Capital Plan reported separately in the Capital Plan Paper 5.

Estates Committee also recommended to Policy and Resources Committee and subsequently University Court that funding for fees was approved in order to develop the design to RIBA Stage 3 (Developed Design) in support of preparation of a Full Business Case.

Estates Committee noted that feasibility study fees had been spent on the 'New Darwin' project to date against 'Building a New Biology' funding; and further noted the recent UKRPIF (UK Research Partnership Investment Fund) audit and associated risk to funding.

Action: Vice-Principal and Head of College of Science and Engineering and Director of Estate Development

9. Queens Medical Research Institute (QMRI) - Collaboration Works - Outline Business Case

The Outline Business Case for the QMRI Collaboration refurbishment project was presented for approval. It sought approval of funding to appoint a design team, to progress design works to RIBA Stage 3 (Developed Design) and to develop the Full Business Case.

Estates Committee approved the Outline Business Case.

Estates Committee noted that the full project budget was included within the recent adjustments made to the Capital Plan which were reported separately in the Capital Plan Paper 5.

Estates Committee approved funding to appoint a design team, to progress design works to RIBA Stage 3 (Developed Design) and to develop a Full Business Case.

Estates Committee noted that this was the final phase of the College of Medicine and Veterinary Medicine (CMVM) research co-location strategy to the Edinburgh BioQuarter and that this further co-location was required to integrate teaching and learning onto the BioQuarter campus. It was highlighted that the project was expected to be loss making but this was balanced by the benefits case.

Action: College Registrar, College of Medicine and Veterinary Medicine

10. CRIC 4 - National Total-Body Positron Emission Tomography facility at Edinburgh Imaging - Outline Business Case

The Outline Business Case for the emerging need of CRIC 4 - National Total-body PET facility at Edinburgh Imaging project, was presented for approval. The paper also sought approval of funding to appoint a design team, progress design works to RIBA Stage 3 (Developed Design) and support the preparation of the Full Business Case.

Estates Committee approved the Outline Business Case and approved the funding to appoint a design team, to progress design works to RIBA Stage 3 (Developed Design) and to support the preparation of the Full Business Case.

Estates Committee noted that the current anticipated Project Cost, and further noted the time dependencies associated with Medical Research Council (MRC) funding, the impact of this on the programme, and the mitigating actions proposed.

It was recognised that this cost was not in the current Capital Plan but that the award was a significant opportunity for the University. It was also highlighted that the funding required to be spent within the 2024-25 financial year, otherwise there was a risk to the award.

Action: College Registrar, College of Medicine and Veterinary Medicine

11. Refurbishment, Modernisation and Compliance Works of 40 George Square Lecture Theatres

A paper was presented, requesting funding for fees in relation to the Lecture Theatres at 40 George Square. Estates Committee approved funding to progress the design works in connection with the refurbishment, modernisation and essential compliance works of 40 George Square Lecture Theatres building in order to progress the project to the end of RIBA Design Stage 2 (Concept Design) and in support of an Outline Business Case.

It was recognised that this was not currently in the Capital Plan and was an emerging need. It was noted that the College of Arts, Humanities and Social Sciences would be consulted in the Design Stage and it was recommended that the Outline Business Case should suggest some affordability options.

Action: Director of Estates

12. Energy Masterplanning and Heat Decarbonisation Update

An update was provided on the proposed next steps for Energy Masterplanning and Heat Decarbonisation. The paper included requests for funding from the Net Zero allocation within the Capital Plan to enable progress.

Estates Committee approved funding from the Capital Plan, specifically from the Net Zero allocation to enable the next stage development of campus plans for Kings Buildings, Easter Bush and Pollock Halls.

Estates Committee noted and approved the intention to develop a proposal to establish an energy savings programme that would generate energy savings, carbon reduction and revenue costs savings.

Estates Committee further noted that once developed the formal proposal would be presented at the next meeting of Estates Committee for approval or if practical to Capital Projects Group and Estates Committee Exceptions Committee as an earlier decision would enable more in year work and quicker progress.

Action: Director of Estates Net Zero & Carbon Leadership

13. Digital Estate Project

A paper was presented describing the additional investment required to complete a Digital Estate Project.

Estates Committee noted the progress of this project.

Estates Committee approved the allocation of an additional capital funding to complete the procurement and move to implementation, noting that, as set out in paragraph 12 of the paper - the additional funding would be allocated from existing ISG capital allocation and there would be a re-phase of the ISG capital plan to accommodate this change.

Action: Vice-Principal, Chief Information Officer and Librarian to the University

14. Estates Capital Projects 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 had been completed since the last meeting.

Estates Committee noted:

- the overview of the projects contained in the paper and in Appendix 1 to the report;
- the regular specific update in relation to the Edinburgh Futures Institute (EFI) and the recommendation that it was considered prudent at this stage to make further provision, over and above current provision, as an emerging need, for potential claims arising through to completion of the project;
- the particular update in relation to the Usher project;
- the market commentary within the paper in relation to inflation and the potential impact on the Capital Plan.

It was highlighted that a funding request would be presented to Estates Committee in December 2023 for the approval of additional funding for EFI and that the request would include an expected funding range for the project to progress to completion.

Action: Director of Estate Development/Director of Estates

15. Estates Committee Exception Group and Estates Tender Review Panel Approvals

Details were presented of the decisions taken by Estates Committee Exception Group (ECEG) since the last Estates Committee on 17 May 2023. The paper also presented a list of contract awards (greater than £250,000) over the period 1 May 2023 to 25 August 2023 that had been approved via the Estates Tender Review Panel (ETRP).

Estates Committee noted the following decisions taken by ECEG:

BRF Co-location Works - Main Contractor Construction Services

- ECEG noted that the Project Board provided approval to proceed with the contract award on 2 June 2023.
- ECEG approved the award of the contract for construction services in respect of the Co-location works, to Robertson Construction, for the corrected and adjusted tender figure.
- ECEG noted that the contract award would be signed in line with the University Delegated Authority Schedule and that the tender expiry date from Robertson Construction was 19 June 2023.

Glenturret Update on Land Acquisition

- ECEG noted that with appropriate redesign and mitigation there were sufficient areas for woodland creation within the Glenturret acquisition that would meet the needs of the University for carbon capture.
- ECEG approved the University and Kith Trust land agents, in coordination with legal representation, to respond definitively to the current land owners that the breeding bird survey and areas are acceptable and to move forward with the formal offer for Glenturret for 396ha of Glenturret Estate.

Engineering Hub - Additional Project Funding Request & Main Contractor Construction Services

- ECEG approved the award of the contract for a main contractor, to McLaughlin & Harvey (MCLH) inclusive of novated design team fees and client construction risk, subject to approval of the additional funding from Exception Committee.
- ECEG recommended that Exception Committee approve additional capital funding to increase the project budget, and noted that this funding request was in addition to the previously approved amount.
- ECEG further noted construction inflation was to be captured at a capped value as a shared risk within the University's Project Risk allocation.

Estates Committee further noted the contract awards approved by Estates Tender Review Panel over the period 1 May 2023 to 25 August 2023 as outlined in Appendix 1 of the report.

16. Knowledge Strategy Committee Report

The key points from the Knowledge Strategy Committee meeting on 30 May 2023 were presented.

Estates Committee noted the key points from the meeting.

17. Development and Alumni Capital Project Update

A summary was provided of progress with fundraising approaches for current priority capital projects. 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 was reported.

Estates Committee noted the update.

18. Strategic Acquisitions, Disposals, Leases and Estate Management

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

Specifically in relation to a strategic land transfer:

- Estates Committee approved in principle the transfer of University owned land.
- Estates Committee delegated authority to the Director of Estates to approve the land transfer and any temporary access rights required.

Action: Director of Estates

Estates Committee noted the updates on Strategic Acquisitions and Disposals.

Estates Committee noted that since May 2023 Estates Committee, three lease renewals and five Licences of University property had been approved under sub-delegation arrangements which were presented to Estates Committee for noting as detailed in Appendix 3 of the report.

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

19. Date of next meeting

The next meeting of Estates Committee was noted as Thursday 14 December 2023.

Estates Committee was informed about the intention of the Department of Internal Audit, to conduct a review in to the operations of Estates Committee. This internal audit would begin in the coming months.