

PAPER A

UoE Accommodation Limited

Minute of a Meeting of the Board of Directors
3.00pm Tuesday 6th December 2016
The Lessels Room, St Leonard's Hall, Pollock Halls

Present: Mr P.McNaull (Chair), Mr R.Kington, Dr B.Nelson, Mr G.Jebb, Mr D.C.I. Montgomery (Company Secretary)

In attendance: Mr C.Barnes

1. Apologies

Ms C.Barnish.

2. Minutes of the Meeting held on 21st September 2016

Approved.

3. Matters Arising

PGM requested that henceforth, all papers be marked up in order, to ease printing and pre-meeting preparation.

Action: DM

PGM noted that he had discussed the subject of rent in relation to properties managed by ACE; to properly establish an arm's length arrangement, there should be either a rent or a management charge. PGM suggested that Lee Hamill and Jane Johnston (or Christine Harper) should pursue this from the University's side. DM to set this up.

Action: DM

Noted that KPIs would be collected as part of the 2017-18 Planning Round. RK explained that KPIs continue to be developed across the business.

Action: RK

RK noted that there was currently a problem securing sufficient numbers of qualified Nursery nurses at the Arcadia nursery. GJ noted that, in this context, the University was about to consider a proposal to build a further nursery at Easter Bush (cost: £2.5m), and was concerned that it would face similar recruitment problems.

Market share was further discussed, and further details sought of Accommodation and Arcadia businesses vis-à-vis other Edinburgh providers.

Action: RK

To be carried forward from the last Board meeting, in relation to the 5-Year overview of the Estate: PGM suggested that a revised layout, including a timeline, would be helpful, noting that – maintained up to date - this report would be a useful addition to the suite of reports to Board. PGM suggested that CB speak with Lorna McLoughlin.

Action: RK, CB

Also to be carried forward from the last Board meeting was the item re Business Continuity:

- *“Noted that there needs to be a coordinated approach to Risk and Business Continuity*
- *A dry-run has not yet been planned.*
- *GJ has written to Charles Hill on the subject of the University’s Business Continuity Plan.*
- *GJ requested clarification of the priorities – i.e. what critical services, if lost, would affect the entire site? These should be addressed first.*
- *DBN noted that there was no direct mention of links to directors of teaching, nor on the implications arising from the contract with students – this should be raised with Gavin Douglas.*

RK to follow up on these matters.”

Action: RK

The Board also noted:

- The 2015-16 annual accounts had been signed
- The Company’s statutory record-keeping was up to date
- Subsidiary companies would all be included in the 2017-18 Planning Round

4. Progress Report / Management Accounts

The Board noted the paper provided, which indicated the following:

- Turnover to 31 October was £7.089m (budget £7.043m)
- Profit to 31 October was £2.968m (budget £2.988m)

The current full-year projection for 2016-17 indicates:

- Turnover of £15.925m (budget £16.920m)
- Profit of £3.193m (budget £3.873m)

Thus, a drop in anticipated turnover of almost £1m is expected to be only partially offset by a reduction in expenditure, leaving an unfavourable profit variance of £679k. RK drew attention to a projected decline in the Company’s events business over the last four months – the first time in ten years that such a development had been experienced. This may be a symptom of reduced demand for conferences and events business across Edinburgh and further afield. Current indications are that 2017-18 looks healthier.

DBN noted that the wealth of detail contained in the report made it difficult to assimilate the key points. It was agreed that, henceforth, a simplified approach would be taken, bearing in mind the appropriate degree of materiality. CB, DM and DBN would take the lead in pursuing this.

Action: CB / DM / DBN

PGM proposed that a progress report be developed for capital building projects (such as Masson Hall).

Action: CB / DM

5. Risk Register

The Risk Register was reviewed by the Board. All items were currently considered low risk.

6. Any Other Business

DM noted that the Subsidiary Companies Review had completed and recommendations all agreed at a meeting on the 30th November 2016, involving the Directors of Corporate Services, Finance and Legal Services. Individual recommendations all had named leads who will pursue implementation. The Report will go forward to the University's Policy & Resources Committee in January 2017. Noted that one of the recommendations involves reviewing ACE business, i.e. achieving a better understanding of the fit, and reporting, in relation to the University (student) and commercial (Company) components. DM will draw up a brief for the Director of Corporate Services, and for the Board.

Action: DM

7. Date of Next Meeting

To be held on the 15th March 2017.

Signed:

Date: