

CONFIDENTIAL - DRAFT 4

**MINUTES OF AN EXTRAORDINARY MEETING OF THE CORPORATION CAPITAL COMMITTEE
HELD ON TUESDAY 28 APRIL 2015 AT 15:00 PM UNTIL 16:30 PM
IN ROOM A5 OF THE ISLE OF WIGHT COLLEGE**

GOVERNORS PRESENT:	Peter Conway	Chair
	Dr David Wake	Vice Chair
	Mrs Debbie Lavin	Principal
IN ATTENDANCE:	Mrs Lynne Christopher	Deputy Principal
	Mr David Loudon	Project Manager
	Mr Derek Kingsland	Resource Manager
	Mrs Tracy Bull	College Accountant

ACTION

52/15 APOLOGIES

Dr Nick Sinnamon - Governor, Brian Bowker - Clerk to the Corporation

53/15 DECLARATIONS OF INTEREST

There were no declarations of interest.

54/15 APPROVAL OF THE CONFIDENTIAL CAPITAL COMMITTEE MINUTES OF THE 25 MARCH 2015

The minutes were approved as a true record of the meeting.

55/15 MATTERS ARISING FROM THE MINUTES OF THE 25 MARCH 2015

43/15 - The Resource Manager informed members that the sale of 38 Dodnor Lane was progressing and that enquiries before Contract have been completed and a date was awaited regarding exchange of contract and completion.

45/15 – It was confirmed that the barrier around the first floor terrace met legal requirements, however the Principal was concerned that students could climb over it. The Project Manager and Campus Manager/Health and Safety Officer would investigate.

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56/15 CONSTRUCTION REPORT ON THE SLDD BUILDING FROM PICK EVERARD

The construction is not progressing quickly enough, reasons given were high wind during crane use and supplier changes for windows and building envelope. The revised schedule is for completion on 26th June 2015 (was 18th May); however a formal request for an extension to contract has not yet been received, Stoneham's Director to be approached. Financial penalties are to be investigated Stoneham's have suggested these could be offset against compensation items.

The Committee CONSIDERED the report.

57/15 CONSTRUCTION REPORT ON THE STEM BUILDING FROM PICK EVERARD

Completion is 8th May 2015. In general, the build quality is good and currently snagging is underway.

One issue highlighted is water ponding on the roof. No adequate solution has yet been proposed but Designers and Pick Everard are investigating. It is not sure whether the fault is with design or roof screed. The Project Manager is requesting this be registered

as a latent defect at practical completion. Members would prefer that this is resolved rather than left as a latent defect.

It was assumed that all PC's in the building would have wireless capability however this is not the case therefore some extra data cabling is necessary at an additional cost of approximately £5,000.

The Committee CONSIDERED the report.

58/15 CONSTRUCTION REPORT ON THE SOLENT LEP PROJECT FROM PICK EVERARD

The funding contract with the LEP is on its way and in the absence of the Chair David Wake will sign on behalf of the college. This will be for funding for 2015/16 there is no guarantee for funding for 2016/17.

The construction can be completed in 55 or 70 weeks as a modular phased build. Of the three options proposed to the Solent LEP, option 2 has been ruled out (although included in the bid and paper) and they have requested a report on the consequences of options 1 and 3, the 55 and 70 week builds respectively.

The Project Manager informed Members that Southern Water has installed a foul pumping station on the site paid for by HCA.

HCA want the College to Design and construct the storm water scheme with its team Pick Everard and Balfour Beatty, but will indemnify the college. It was noted that Balfour Beatty are still part of the IESE framework however, a letter of comfort will be requested from Balfour Beatty PLC.

Construction works is to start in Oct 2015.

It was noted that the Solent LEP has appointed Mark Griffin as their project manager.

A question regarding section 2.3 in the Pick Everard report was raised concerning the £500k acquisition cost and risk percentage. The Project Manager informed Members that the cost plan still shows the cost of the land as £500k and that as the project progresses (currently at RIBA stage D/E) the risks reduce and is now at 7%.

The Committee CONSIDERED the report.

59/15 CASH FLOWS FOR SLDD, STEM AND SOLENT LEP PROJECT

Cash flow is good because all SFA and EFA funding was received at the end of March.

The Committee NOTED the current cashflow and that there were no issues.

60/15 INTERNAL PROGRESS REPORT SLDD AND STEM PROJECTS

The Project Manager informed Members that Farran's has been instructed to cancel stage 2 of the STEM project (demolition, car parking and landscaping) due to a possible buyer for E block, estimated cost saving of £300k. The buyer has been given three months to confirm after which time the College will organise demolition via a local company. The offer is likely to be in the region of £800k - £1m.

The loss of landscaping could affect the BREEAM score, which is set at excellent; however, College horticultural students could be involved.

At this time, the SFA has not been informed of the cancellation of stage 2. They require a use of funds statement by 31st October 2015.

The possible buyer is the owner of Island Mobility, who is developing computer surveying systems for stair lifts, and is interested in E block because of its double height. There is also potential for involvement of the College Computing Department and students in software design. The ownership of Intellectual Property was discussed and that the College position needs to be protected.

The Committee CONSIDERED the report.

61/15 CAPITAL PROJECTS: FINANCE OF STEM AND LLDD BUILDINGS

The Deputy Principal went through the report highlighting the cost overspends and the sources of funding available to cover them. The situation is still fluid as there are a few final costs to be confirmed and we await Planners approval to reduce the car parking requirement therefore a worst and best case position is given in the report.

The covenant imposed by Barclays bank made their loan unacceptable therefore the proposed loan of £300k added to the funding required.

The Committee CONSIDERED the report.

62/15 ANY OTHER BUSINESS

There were no items of any other business.

63/15 DATE AND TIME OF NEXT MEETING:

Wednesday 20 May 2015 from 12:15 to 3:15 pm – room A7.

Chairman: _____ Date: _____

MISSION STATEMENT
Putting Students First
Working for Employers
Supporting Our Community