

**Minutes of the Special Governing Body Committee Meeting
Held on Thursday, 22 May, 2008 at 7.00 pm**

Present: Mr Brian Coxhead (Vice Chair)
Mr John Fogarty
Fr Paul Glover
Dr John Humphreys
Miss Bojana Kozarevic
Mr Donal McCormack
Mr Rob Peacock
Fr Felix Stephens
Mrs Helen Stevenson

In attendance: Mr Colin Williams
Mrs Michelle Williams
Mr Nick Burnham

Mr John Perry (Clerk)
Mrs Alison Fishwick (Minuting Clerk)

*In the absence of the Chair, the meeting was conducted by the Vice Chair.
The meeting opened with a Prayer for Wisdom.*

1. Declarations of Interest

There were no declarations of interest.

2. Apologies

Apologies were received from Mr Peter Alcock, Ms Kath Boullen, Mrs Margaret Buckley, Mr Gerry Hill, Mr Rod Hill, Mr Mike Nencini, Mr Karl Smith, Canon Leo Stoker and Dr Christine Tyler.

3. Report from the Accommodation Working Party on 6 May, 2008

The Principal drew Governors' attention to Page 3 of the Minutes which shows that Governors at the meeting had noted the Principal's Progress Report, the appointment of the Employer's Agent and the issuing of the Letter of Intent. On page 4 the Principal drew Governors' attention to the noting and approval by The Accommodation Working Party of the changes to the Application in Detail and the Application in Principal of the project as set out in the Financial Plan : Capital Programme.

Governors noted the Minutes and understood that since that meeting there had been a further update.

4. Principal's Report

The Principal guided Governors through the Progress Report, which had been noted at the Accommodation Working Party of 6 May, and cross-referenced points with the updated Progress Report that had been tabled.

- a. the Principal placed on record his thanks to those Governors who took part in the interview of contractors in March,
- b. Referring to Point 3 of the updated Progress Report, the Principal was pleased to inform Governors that the Learning and Skills Council's National Property Committee met the day before and approved the Application in Detail for Phase 1 with the financial package proposed. A formal letter of approval is expected following confirmation of the Governing Body's approval of letting of the contract.
- c. However, the Committee did not approve at this stage the Application in Principle for Phase 2, although the Learning and Skills Council had asked that Phase 2 accompanied Phase 1. Governors noted that the reason for this is that the Learning and Skills Council were concerned about lack of cost certainty associated with a new build proposed to begin two years in the future and referred to the fact that the costs for Phase 1 rose by 25% from Application in Principle to Application in Detail stage. They have recommended that the College makes a second application at a later date.
- d. Governors noted that the College has received planning approval for Phase 1 of the project. Governors noted copies of the planning approval as tabled. The Principal referred to two further planning applications with the Local Authority. The first concerns the final 8 temporary classrooms required for the project and approval is expected very shortly. The second is concerned with the alternative access route into the site and approval is expected on the 10th June.
- e. Governors noted that in the Clerk of Works' absence, the Project Sponsor's hours have been increased. Davis Langdon have indicated that they are willing to charge a daily rate for the function should it be necessary.
- f. The Principal explained to Governors the reason behind issuing the Letter of Intent which had been noted at the Accommodation Working Party and issued after consultation with the Chair of Governors and the College Solicitors. The College had purchased temporary classrooms and steel to support the project in anticipation of receiving approval as had been previously reported. As the Learning & Skills Council has given approval to the project the financial risk is reduced.
- g. The Principal concluded his report by informing Governors that the next step will be to arrange a meeting with the Regional Property Adviser as soon as possible to discuss the second application for Phase 2.

Financial Plan : Capital Programme

- a. The Director of Resources drew Governors' attention to Page 1 of the Financial Plan and explained that the total expenditure for the Phase 1 project will be **£22,201,953** spent over a four year period. The College's contribution will come from the college's own cash resources totalling **£1,862,996** and **£4,100,000** from the Bank Loan. The Learning and Skills Council will be funding 73.14% of the Phase 1 Project (**£16,238,957**).

Governors noted that the College will spend the funds and reclaim the monies from the Learning & Skills Council. The Learning and Skills Council have indicated that they will be able to assist with cash flow management.

- b. Governors noted that the College will be in Category C Financial Status for one year followed by two years in Category B should the project be considered in isolation.
- c. The Director of Resources informed Governors that the financial forecast demonstrates that the College will recover and she was of the opinion that the College can afford to go ahead with the project approved to-date.
- d. The Principal drew Governors' attention to Davis Langdon's Stage 2 Tender Report and the recommendation under 6.2 that the College enters into a contract with Kier NW to develop the design and construct the Phase 1 Campus Redevelopment works at Carmel College. Governors noted that to achieve a Phase 1 project total of £22.2 million a Contract would need to be let with Kier NW for a maximum Construction Cost of £18,202,723.
- e. In response to Governors, the Project Sponsor confirmed that any monies saved in the project will go straight back into the Contingency Fund.
- f. The Principal referred to the planning approval document explaining that there are fourteen conditions attached by St Helens Council. Governors noted these conditions and the College's opinion that they do not present any difficulties in fulfilling.
- g. The Governors were given some time to consider any questions they wish to pose at this stage of the meeting.

Governors noted the updated Progress Report.

5. Approval of the commencement of the Construction of Phase 1 of the Project with immediate effect.

- a. **Governors unanimously approved the College's contribution to the project of £1,862,996 and a Bank Loan of £4,100,000. This was proposed by Fr Felix Stephens and seconded by Mr John Fogarty. The Director of Resources reminded Governors that at the Finance, Estates & Marketing Committee held in February, Governors approved the appointment of Barclays and had noted the maximum amount that could be drawn down as £6.5m**
- b. **Governors unanimously approved the implementation of credit arrangements with Barclays Bank. This was proposed by Mr John Fogarty and seconded by Fr Felix Stephens.**
- c. **Governors unanimously approved the letter of contract with Kier NW as principal contractors as set out under recommendations 6.1 and 6.2 of the Stage 2 Tender Report prepared by Davis Langdon and approved the Stage 2 tender submission from Kier NW for a**

construction total of £18,202,723. This was proposed by Mrs Helen Stevenson and seconded by Fr Paul Glover.

d. From the Progress Report considered at the Accommodation Working Party of 6 May, 2008, Governors noted :

- i. The contents of the Report.**
- ii. The issuing of the Letter of Intent**
- iii. Consideration of the risks as set out in the risk register**
- iv. Approval of the commencement of the build programme with immediate effect. This was proposed by Fr Felix Stephens and seconded by Mr John Fogarty.**

6. Any Other Business

- a. Governors wished to place on record their concern regarding the delay of Phase 2 of the project and asked that whilst Phase 1 gets underway that the momentum for Phase 2 is maintained. The Principal responded that it is the College's intention to organise a meeting with the Regional Property Adviser at the earliest opportunity and assured Governors of the College's desire to drive the Phase 2 forward. The Principal was urged to seek to convince the LSC of the urgency of the situation.
- b. The Principal wished to place on record his personal thanks to the Governors and in particular to Mr Colin Williams, Mrs Michelle Williams and Mr John Sweeney for their hard work and commitment in progressing the project to this successful stage.

Signed on this day:

By the Chair: