

**MINUTES OF A SPECIAL MEETING OF THE FURTHER EDUCATION CORPORATION
OF BARROW-IN-FURNESS SIXTH FORM COLLEGE HELD ON
TUESDAY 30th OCTOBER 2008**

Present:

Members: Derek Lyon (Chair), John Barker, Jen Billingham, John Calvert, Lee Dacre and Mike Phipps.

In attendance: Jan Fielding (Vice-Principal), Rob Nodroum (Director of), Mark Gledhill(AA Projects), David Gardner(Taylor Young) and Bob Smith (FE Associates)

Clerk: Ed Elvish.

Apologies: Hazel Charlesworth, Gill de Bourcier, John Goddard, Dave Kelly

This was a special meeting called to discuss a single item, namely the Capital Application to the Learning and Skills Council for Consent and Capital Grant Support.

David Gardner introduced himself and colleagues before handing over to Mark Gledhill. Before doing so he alerted governors to the fact that, due to the large number of capital project bids to the LSC, the dates for consideration by regional and national capital committees had been revised to 18th December and 13th January respectively.

Mark updated the meeting on developments which included:

- Stage E design concluded
- Planning permission granted on 3rd Sept with pre-commencement conditions (buildings materials, retention of trees, plans for excavated material, surface water drainage)
- Second stage procurement complete
- Application in Detail submitted (AiD)
- AiD process monitored
- AiD approval to be sought 13th Jan

A fixed price lump sum has been agreed with Norwest Holst. The current status regarding additional funding of £1.2m for BREEAM improvements was reported. The overall budget is estimated at circa £24.1m including VAT, of which circa £19.6m excluding VAT is for construction, the remaining costs being the Colleges contingency, furnishing and fixtures, professional fees, decant costs and VAT.

David then presented plans and mock ups, and took questions.

Bob Smith introduced the financial report by outlining the two options available whilst building is underway but before capital is released. These are:

1. £14m short-term borrowing by the college
- or
2. £1.4m monthly subject to LSC agreement.

It was hoped that this would be resolved the following week and that details would be available at the December Corporation meeting, Bob then went through in detail the anticipated financial situation over each year of the five years of the project. He referred to efficiency gains required from the college and the target cash days in hand of 26 days by the year 2013. The college's present Financial Category A will fall to C in 2009/10/11 but should return to B in 2012/13.

Mark concluded the presentations by taking governors through the scheduled dates for the programme and explained that due to the LSC meetings being put back the College's financial commitment prior to AiD had risen to around £450,000 excluding VAT. Placing the enabling works contract could proceed as it is within the LSC threshold (5% of overall) annual turn over), but as the remainder takes the overall expenditure on works over the LSC threshold, the LSC written consent is required. The remainder would not be committed until after the LSC regional capital meeting.

Following discussion and clarification of detail the Corporation meeting of 30th October 2008 gave qualified assent to the following, full assent to be a matter for the Corporation meeting of December 16th 2008 by which time presently unresolved issues will have been finalised.

- It was agreed that the building project could proceed to Approval in Detail
- The final project cost was agreed as up to £24,137,000 including VAT and BREEAM Excellent or £25,337,000 including VAT but inclusive of BREEAM excellent
- The College contribution was agreed at £2,400,000
- The loan arrangements, subject to discussions with LSC in early November, were agreed as being on a short term monthly basis at £1,400,000
- The appointment of Norwest Holst at a fixed price lump sum of circa £19.6m excluding VAT was agreed.
- It was agreed to proceed with the enabling works contract with Norwest Holst
- Enter into a Letter of Intent for the Main Works, increasing the College's total financial commitment for works costs prior to AiD to around £450,000 excluding VAT, subject to receipt of written consent from the LSC and following the LSC Regional Capital Committee