

Board of Governors
Chair's minutes of the Additional meeting held on 18 December 2013

Present:

Mr Milan Shah (Chair)

Miss Haviour Chen
Mrs Clare Colacicchi
Ms Helen Flach
Ms Ann Gilbert
Mrs Sylvia Hughes
Mr Mark Mulcahey

Mr Martin Pettifor
Prof Nick Petford
Mr Nick Pitts-Tucker
Mr Andrew Scarborough
Mr David Watson

Apologies: Mr Richard Davies, Dr Ron Mendel, Mr Nick Robertson

In attendance:

Dr Sue Allen (Changemaker Project Lead), Mrs Jane Bunce (Director of Student and Academic Services), Mr Bob Griggs (Project Manager-Waterside), Mr Mark Hall (Director of Finance), Miss Alice Hynes (Clerk) and Mr Terry Neville (Chief Operating Officer).

M244/13 Welcome and Apologies

The Chair welcomed members and colleagues to the additional meeting focussed on Waterside issues and acknowledged the late provision of papers, noting the tabled hard copy appendix to Paper E providing detail of the Vice Chancellor's presentation to staff.

M245/13 Declarations of Interest

Declarations of interest were noted for:

Mrs Sylvia Hughes, as County and Borough Councillor for East Northamptonshire and Irthlingborough respectively,

Mr Terry Neville, as Governor of Moulton College and member of the Enterprise Zone Executive,

Prof Nick Petford, as Board member of Northampton Enterprise Partnership (NEP) and South East Midlands Local Enterprise Partnership (SEMLEP);

Mr Andrew Scarborough, as Borough Councillor Wellingborough;

Mr Milan Shah, as Board member of Northampton Enterprise Partnership (NEP).

M246/13 Minutes of the meeting held on 20 November 2013

The minutes and the reserved minutes of the meeting held on 20 November 2013 (Paper A and AR), following a correction to spelling, were approved as a true record of the meeting.

M247/13 Matters Arising

It was noted that, as this was an Additional Board meeting matters arising would be taken at the next meeting in January 2014 and no urgent matters were raised.

M248/13 Waterside

Waterside Project Update

248.1 The Vice Chancellor announced that the previous evening the Northampton Borough Council had approved the outline planning application from the University for the Waterside project and, recognising the considerable infrastructure contribution, had not upheld the proposals for further contribution to highways works by the Northamptonshire County Council. The presentation by the University team and the work of the Borough planning team was warmly acknowledged by members. All members of the Committee had spoken up for the proposal which was a powerful endorsement of the University by Northampton.

248.2 The Board congratulated the Vice Chancellor, The Chief Operating Officer and the Project team on achieving the Outline Planning Approval and expressed thanks to the Northampton Borough Council for their manifest support and commitment.

Mrs Hughes left the meeting in context of her conflict of interest as a County Councillor.

248.3 Members recognised that the outcome would be disappointing to the County Council and appreciated the need to continue to work closely with those concerned. The University team was keen to maintain past good relationships and regular contact with planners and politicians would continue. Members recognised that in contact with various stakeholders, it was important to highlight

a) that the University had budgeted for some £10m in public grant contribution from public bodies interested in regeneration in the region, but no funds had been forthcoming to date and

b) that the work the University would undertake on infrastructure for the new bridges and reworked road junctions was likely to be over £20 million.

Mrs Hughes rejoined the meeting

248.4 The Chief Operating Officer presented Paper B, comprising the update on the Waterside programme to December together with Appendix 1 giving future dates and Appendix 2a and 2b providing details on the tender for Site Remediation works and a proposal for a preferred contractor. He reported further on the work in progress on planning at the Park and Avenue campuses, site demolition, adviser and contractor appointments and advice on sports and on catering, student residences and contact with possible commercial tenants.

Tender for Remediation works

248.5 The COO explained, with reference to Paper Appendix 2, that tender proposals had been considered for initial Site Remediation work which would clear the ground ready for Western Power to move the substation. This was on the critical path; work on the main site demolition and power rerouting could not occur until the new substation was in place and there were time deadlines in the agreements for the work to be undertaken by the power company. There was a wide range in the proposed tender sums put forward and the University had some concern that, despite test bore holes having been dug, in this part of the site, there was more of a risk of archaeology being discovered with potential for delay and further costs. In this context a larger contingency sum

being held by the University itself was proposed. The choice of contractor proposed was one who had experience of an adjacent site as well as being the lowest price.

248.6 The Board voted and resolved unanimously to proceed with the Site Remediation works Phase 1 to permit the move of the substation by Western Power by March 2014, and to award the contract for the work to Hydrock commencing early January 2014 on the basis of the tender, and in recognition of the risk of archaeological discovery and the range of tender prices, to also allocate a sum for University contingency; this total sum being within the identified budgeted sum for 2013-14 for capital expenditure on the Waterside project.

Action: The Chief Operating Officer and the Director of Finance

Revised Business Plan

248.7 The Project Manager (Waterside) presented Paper C, comprising the updated and revised business plan. The plan recognised a number of cost increases and that grants from public funds had not presently been forthcoming as hoped for. The Project Manager reported that a meeting with HEFCE officers had taken place. He explained that the approval of HEFCE was required where the amount to be borrowed would take a University above 4% of its turnover and at over 7% of turnover the current proposals could not be approved by officers but had to be put to the HEFCE Board. This was certainly so for any full case which took student residences as on balance sheet. The borrowing levels looked for by the University would thus receive consideration by the HEFCE Board. The officers explained that with a new Chief Executive joining in January, the earliest Board meeting at which the matter could be considered would be 13 March with papers due for submission in mid-February. Members discussed the best approach. They also noted that the key University Officer, Will Dent, would be undertaking the HEFCE Assurance Visit in January after his return from paternity leave and the Deputy CEO Steve Egan would be speaking at the Governors Away Day Conference. There was agreement that a more detailed account should be brought together for HEFCE and presented to the January Board.

248.9 The Chief Operating Officer presented Paper D, comprising the broad risk register for the Waterside Project which covered matters beyond the construction risks. Members noted the view from the PAC that the coverage and positioning of risk classification was appropriate and supported the plan to produce cover notes with discussion of the most significant risks being managed at any particular time.

248.10 The Vice Chancellor presented Paper E and the tabled appendix 1 of his recent "road show" presentations to staff. He explained that there had been good response, especially from those longer standing Northampton residents who understood the impact of the changes and it had provided the opportunity to dispel some myths. A log was being made of all the comments and input, including follow up email comments. However a large majority of the University had not attended the events and it was assumed that many people saw it as too long in prospect and that it would not affect them. In reality it was the case

that potentially 40% of current staff, given the age profile as well, might have departed elsewhere or taken retirement by the time of the expected Waterside move in 2018.

Clerk's Note:

The detailed presentation, questioning and discussion on the papers is held in Reserved Minutes 248.11 to 248.18, given the commercial confidentiality of the material including consideration of items minuted as 248.19 to 248.22 below.

248.19 The Board resolved:

to approve the Waterside Project update report;
to proceed with the utilisation of the Treasury Guarantees;
to accept as work in progress the revised business plan noting the preparation of further material for submission to the Board in January and the preparation of material for HEFCE consideration at their 13 March Board, following governors approval;
to endorse the approach to the funding of Student Residences;
to endorse the current risk register and future methodology;
and to endorse the action taken on expenditure of circa £48K as detailed in para 2.6 of the report.

Action: The Chief Operating Officer

248.20 The Board noted that there were key time constraints in relation to the borrowing opportunity with the PWLB; that more detailed budget material would be provided to the next meeting of the Board; that regular communications meetings with staff would continue during the project,

Action: The Chief Operating Officer and Senior Project Manager

Project Assurance Committee

248.21 The Chair of PAC presented Paper F, comprising the Project Assurance Committee Minutes of 10 December. Noting material already covered, the Chair of PAC highlighted the oral report on the project set up from KPMG which would be considered in detail in January following accuracy checking and the inclusion of management responses. He highlighted some aspects the report would cover including the project the management documentation, the multiple relationships between the different groups and committees and staff involved in business as usual and the routes through to the Senate approval for key academic change as well as the Board. He also highlighted the work on the Risk Register which would draw out for PAC and thus the Board those six or so risks that were most significant at any time so that attention could focus on areas of most concern.

248.22 The Board received the Project Assurance Committee Minutes of 10 December 2013.

Action: The Chair of the PAC and the Chief Operating Officer

M249/13 Any Other Waterside Business - *President of the Students' Union*

The President reported that there had been contact with the University architects and discussion within the Student Council about the Waterside and the place of the Students' Union within it. The outcome of the discussion was that a specific Students' Union building was a preference of the Union and its Trustee Board. With sabbatical colleagues she was looking at other examples of newly built student spaces. She also reported that the opportunity was being taken to test out student opinion further as

part of a survey being conducted in the New Year to all students, reaching at least 10 % of the student community.

M250/13 Confirmation of Availability of Papers

The following papers were declared confidential to the Board and other key senior staff involved:

- Paper AR - Reserved minutes
- Papers B, B2a B2b, C, D, E, F on Waterside.

M251/13 Date and time of next meeting

It was confirmed that the Board would meet at its Away Day conference in the New Year from **13.00 16 January to 13.00 17 January at Sedgebrook Hall.**

The next normal meeting of the Board would be **on 22 January** 2014 at 10.15 in the **Sunley Conference Centre**. The theme was Estates matters, with particular reference to aspects other than Waterside, and it was proposed to provide a visit to St John's Hall of Residence and to the Waterside site following lunch.

M252/13 Christmas thanks and good wishes

The Chair thanked all the Governors and colleagues in the University for all their contribution to the Board and the hard work from University staff in what had been a significant and most successful year. He wished everyone the very best for the festive season and looked forward to an equally interesting 2014.



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Approved by Chair



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Date