

CORPORATION BOARD

ESTATES STRATEGY COMMITTEE

Minutes of a meeting of the Estates Strategy Committee held at the Abingdon campus on Monday 4th October 2010 at 10.00am.

Present: Terry Stock (Chair)	In attendance: Tony Gale,	Project Manager,	Mace
Di Batchelor	Andrew Foster,	Architect,	Robothams
Michael Chiyasa	Chia Huay Lau	M & E & Vent	Hoare Lea
Teresa Kelly	Phil Sheehey	Cost consultant	Sense
David Quayle	David Bramble	(Clerk)	

ACTION

1. APOLOGIES FOR ABSENCE

Apologies for absence had been received and were accepted from Miranda Coles, David Doughty and Mike Gaston.

2. DECLARATIONS OF INTEREST

There were none.

3. MINUTES OF THE LAST MEETING

The minutes of the meeting held on 14th July 2010 were approved.

4. MATTERS ARISING

Matters arising would be covered by agenda items.

5. DESIGN MATTERS –WITNEY PROJECT

5.1 Architecture/Landscape

Andrew Foster presented updated drawings highlighting:

- Landscaping High quality at arrival point in Welch Way but as this area was not envisaged as a congregating area for students, a second area had been provided for students on E perimeter.
- Development Space Sufficient to meet likely planning considerations.
- 'A' Block Tidied up but no significant changes
- Colours Some suggested changes – 'A' Block to pink and red. More green to reflect College's Witney colour. Signage included on 'G' Block. It was acknowledged that planning conditions may be attached to this aspect of the design.

- Finishes Some examples of finishes and floor coverings would be discussed after the end of the meeting.
- Minor Works Some re-arrangements in 'Q' and 'C' Blocks required.

5.2 Mechanical & Electrical and Ventilation

Chia Huay Lau reported the following changes:

- 'A' Block new DX VRF heating
- 'C' Block new DX cooling unit: new DX VRF heating (use of existing radiators to be considered)
- 'D' Block new domestic shower room
- 'N' Block teaching areas to have mechanical ventilation; corridors would have natural ventilation. 10% renewable energy heat pumps
- New gas and water distribution systems to 'N' and 'G' Blocks.

6. PROJECT MANAGEMENT REPORT (Tony Gale) – WITNEY PROJECT

6.1 Master Programme

On programme – Stage D Scheme Design completed by 1 October (Gateway 2).

6.2 Procurement Process

6.1.1 Main Contractor Warings Group appointed with IESE framework agreement to begin pre-construction work. Sign off against fixed price ready for Corporation Board approval on 9 December. Papers available by 2 December but WODC planning permission will not be given before 8 December.

6.1.2 Demolition/Enabling Procurement

- Recommendation that DSM Ltd be appointed for demolition at a cost of £169,710. Noted that this was not the lowest tender but evidence available to justify decision. Of the four tenders received two were non compliant and one did not provide sufficient detail.
- It was hoped Welch Way access license would be received within 24 hours.
- Provided Welch Way access license was received, start of an 8 week demolition programme would commence on 11 October. Site possession would be required by 8 October and staff should be informed accordingly. DSM and Warings would liaise re enabling works.

6.1.3 Party Wall and Legal Agreements

- Demolition of Ambulance Station requires party wall agreement for the elevation next to the fire station. Calfordseaden LLP appointed as party wall surveyor. Agreement within 7 days anticipated.

David
Bramble for
Board action

David
Bramble for
Board action

Michael
Chiyasa

- Material changes to Block 'G' approved by Skills Funding Agency (SFA). Approval of Block 'A' changes would have to await receipt of planning permission
- Access license to service road off Welch Way required
- Deed of Accession (Improvement & Efficiency South East) [IESE] awaited. *After note: received 6 October. Will be signed on 14 October.*
- Professional team appointments and Novations in place for work up to December. Main contract and suite of accompanying documents would be available, subject to receipt of planning permission, for signing off on 9 December.

David
Bramble

6.1.4 Risk

Risk register was reviewed. Following highlighted:

- ❖ BREEAM 'excellent' requirements not met due to specific site constraints. Conflicts with SFA key criteria. Additional costs to reach 'excellent' thought to be in region of £150k.
Actions Investigate costs
Identify what 'excellent' would achieve over 'Very Good'
Submit case for acceptance of 'Very Good' to SFA.
- ❖ Regular dialogue with planners to be maintained
- ❖ Asbestos removal in Block 'A'
- ❖ Risk of increased costs to elements of existing buildings that could not be exposed at design stage. Buy risk with main contractor.

Michael
Chiyasa
Project team
Michael
Chiyasa

Project team

6.1.5 Cost Management

Budget comparison figures were reviewed.

Stage D **original** cost plan £9,061,154 **Revision 1** £8,165,822 **Variance** £762,149

Main causes of increased cost estimates:

- Re-siting of electricals to accommodate 'A' Block (+£48,442)
- Changes and Increased scope of M & E and ventilation in 'G' & 'N' Blocks (+£492,936)
- Professional fees brought forward from stage E, formerly to have been included in main contract. In answer to a query, it was explained that fees had been quantified and were not % of project costs (+£145,572)
- VAT rate increased to 20% in lieu of 17.5% previously (+£258,336)
- Preliminaries tendered and now fixed (+£333,040)

It was noted that reductions had been made in: demolitions (-£145,340): design reserve (-£63,847): decanting (-£50,000): FF&E (-£114,217): client contingency (-£108,847).

6.1.6 Key Outstanding Value Engineering Options

- Piled foundation for part of 'N' Block excluded and confirmation needed that piling was not necessary. It was explained that judgment related to diversion of ground water.
- Superstructure – only patch 'G' Block roof (£34k): reduce area of external

glazing (£10k): reduce area of new and overclad stone render to 'A' Block (£45k)

- Finishes – reduce area of internal glazing (£10k)
- Services – omit further ventilation 'G' Block (£30k), 'N' Block (£70k)
- Radical list – omit blocks C, Q, & D (£113k)

Total possible value £312k

Terry Stock emphasised that reductions in cost must be made if the project was to proceed. Andrew Foster pointed out that there had been considerable haste in reaching imposed deadlines and there had been no time for reflection or discussions with suppliers. Contractors were better at value engineering than consultants.

Terry Stock asked Mace to convey to Warnings the firm message that costs must stay within the budget figures. The College was asked to re-examine specifications. A "Plan B" was required for each line of the budget with a confidence level shown. If necessary, SMT would have to manage staff expectations.

Michael Chiyasa asked the design team to identify areas where the College may have over specified requirements and where scope for savings could be made. Desirables would have to be omitted – essentials only would be provided.

Mace
Michael
Chiyasa
SMT
Design team

7. VICE PRINCIPAL'S REPORT

7.1 Avenue One

Some issues arose during the building works carried out in August (fire safety, roof condition, structural integrity of mezzanine and vendor's failure to dismantle a party wall). Despite these setbacks, 30 students started on time.

7.2 Oakley College

Staff and students moved into the refurbished Nursery building at the start of term. John Hayes MP, Minister for FE would formally open the facilities on 9th December.

7.3 The Link

The library and student support areas had been opened up. The new wireless facility adds flexibility and formed a centre of support for e-learning. Early indications were that staff and students were able to make better use of integrated support services.

7.4 Minor Works

A salon had been provided at Witney for hairdressing students. Following receipt of a grant of £5k from the Witney Educational Foundation, a "Gateway" facility had been created at Witney to support NEETS (young people not in education, employment or training).

7.5 Magistrates' Court

Enquiries were being made to ascertain if the magistrates' court in Witney was likely to become available for rent or purchase. It would be particularly useful as an aid in

accommodating aspects of college business while building works were in progress.

7.6 Witney campus

As the full 13 week period had been specified, planning permission was not expected before 8 December 2010. There was a likely objection by the Environment Agency relating to fuel contamination from the ambulance station. The team were working with urgency to try and head this off.

Thomas Eggar would represent the College in relation to engrossing the pre-construction Services Agreement, the building Contract, subcontractors' warranties, the Parent Company Guarantee and the Deed of Novation. The value of their appointment was £10,150.

The Skills Funding Agency (SFA) had granted the College both a renewal grant and an enhanced renewal grant, totalling £1m. After a meeting with SFA, essentially the College had permission to demolish, to construct the new building and to make 'A' Block watertight. Permission to complete the rest of the campus would only be given when a further complete business case had been submitted and this would have to await receipt of planning permission. Catherine Davies had agreed to e-mail the demolition permission expressly for Board members' comfort. SFA were advised that the College may be submitting a request to work to a BREEAM rating of 'Very Good'.

In the hope of achieving challenging targets on time and budget, it would be beneficial to begin work on 'G' building concurrently with the rest of the scheme. SFA had advised the College to apply under para 8c of the grant letter to vary the scale of the first phase to include 'G' Block. This would be submitted in early October and would, in effect, be SFA permission to refurbish 'G' Block in the first phase of the project.

Members of the Committee attended the selection process for the main building contractors. Warings emerged as the preferred contractor and would start immediately to keep the programme on track.

Extensions to the following planning permissions had been granted:

- Applegarth as a parking facility until 1 October 2012
- Temporary accommodation at Common Leys until 31 August 2013

It was noted that an application for the extension of planning permission for Q Block (portakabins) may be required in due course as WODC had not considered it necessary to include consent when the original application was made.

8. APPROVALS AND SUMMARY OF POINTS NOTED

- 8.1 Approved the appointment of Thomas Eggar
- 8.2 Approved the application to add 'G' Block to the scheme covered by the grant
- 8.3 Approved the appointment of DSM Ltd for demolition works at a cost of £169,710 and the start of demolitions.
- 8.4 Approved the appointment of Warings as the preferred contractor and commencement of pre-construction work to the value of £17,664 before December 2010
- 8.5 To recommend to the Board that, despite the aspiration to achieve an 'Excellent' BREEAM rating, an application be made to SFA for approval of a 'Very Good' rating thereby making a saving of an estimated £150k.

Future meetings: Thursday 2 December Gateway 3 and ESC meeting
Friday 17 December retain date for Gateway if required
Monthly meetings to be planned for 2011 but subject to cancellation if not required.

Meeting ended at 1240 hours.

DRAFT