

B O S T O N C O L L E G E

MINUTES OF THE MEETING OF THE BOSTON COLLEGE CORPORATION HELD ON WEDNESDAY 27 OCTOBER 2008

1. PRESENT

Mr P Cropley (Chair), Mr C Baron, Ms S Daley, Mr M Gallagher, Mr R Haynes, Mr T Huggins, Mr A Lascelles, Mrs L Ladds, Mr S McCracken, Mr A Pottle, Mr A Reynolds, Mrs P Smith, Mrs B Ward, Mr D White, Mr R Whitehead and Mrs H Wright.

Also in attendance: Mrs J Hemmant (Clerk to the Corporation), Mr J Allison-Maybank (Director of Client Services), Mr J Rees (Director of Curriculum and Standards) and Mr K Tharby (Director of Human Resources).

In attendance for item 2 only: Mr A Blackburn, Mr G Marrows and Mr D Parsons (Turner and Townsend), Mr N Marcoolyn and G Raynham (Bond Bryan) and Mr N Suggitt (Davis Langdon)

Apologies for absence were received from Mr D Hanson.

2. PROPERTY DEVELOPMENT

Members received a briefing paper and presentation from the consultant team which had led the process to produce the Application in Principle which was scheduled, if approved, to be submitted to the Learning and Skills Council at the end of October 2008.

The presentation covered the design and costs of the project as well as the progress which had been made against the implementation plan.

Members expressed their satisfaction with the work which had been carried out and discussion took place about the design and how it would be developed. Members were advised that the college's offer to purchase the Muster Roll Lane land had now been accepted and that this would make the layout of the site and temporary arrangements during the build easier. Discussions were reported to be underway to secure a temporary parking facility for the duration of the build. Arrangements for securing planning consent for the development were also considered.

Members were provided with information on the costs of the Boston and Spalding projects and how it was proposed to meet these costs including indicative terms on which banking facilities could be secured. It was noted that the costs would continue to be firmed up during the period in which the detailed application for confirmed funding was being developed.

The Corporation was advised of the decisions which needed to be taken before the in principle application could be submitted and their attention was also drawn to the question of whether the consultants should continue working during the period whilst the LSC considered the Application in Principle since the fees for this work would be at risk if the project did not proceed to approval.

Members of the consultant team withdrew from the meeting whilst the Corporation considered the issues to be decided.

Members noted that stopping work on the project pending LSC approval risked delay to the project and potential loss of key team members. It was noted that the fees had been reduced so that the college's risk was shared in part with the consultants and that feedback from the LSC as the bid

progressed through the review process meant that work could be stopped if the indications for the project's approval were not favourable. Members noted that the Steering Group was strongly recommending maintaining momentum of the Project during the LSC AIP approval stage, to ensure that the Project is brought in on time with LSC support, which was regarded as absolutely essential for the long-term future of the College.

Members considered the project proposals including the funding arrangements and the impact which this would have on the college's financial status in some detail and agreed unanimously:

- To accept the stage C report from consultants including the design and cost plan.
- To approve the project cost anticipated to be c £79 million
- To note the potential sale value of the De Montfort Campus at £1.17 million and to approve the use of the proceeds from the sale of this property as a contribution towards the cost of the Boston and Spalding developments.
- To approve in principle, subject to final agreement of terms, the taking out of a borrowing facility to cover the build period of the project and a long term loan of c £8.35 million towards the cost of the project.
- To commit funds of £2.1 million from the college's cash reserves towards the project costs.
- To submit the application for approval and funding support for the Boston and Spalding elements of the college's project to the Learning and Skills Council requesting capital grant support of 85.3% to complete the funding of the project and allow its implementation.
- To ask the consultant team to continue working on the Application in Detail pending a decision by the LSC on the initial application.

The consultants rejoined the meeting and were advised of these decisions.

3. MINUTES

The minutes of the meeting of the Corporation held on 17 July 2008 having been circulated were, subject to the addition of Mr S McCracken to the list of those present, agreed and signed as a correct record.

4. INSPECTION

The Director of Curriculum and Standards gave a presentation on the outcomes of the college's recent inspection. Members noted that the outcomes were very satisfactory and identified the progress which the college had made since the last inspection. Members hoped that when the information became available for release the college would be able to gain public recognition of the quality of the outcomes.

5. NEXT MEETING

It was noted that the next meeting of the Corporation would take place at 4.00pm on 10 December 2008.