

Newbury College Corporation Strategic Development Committee

**Minutes of a meeting held on Monday 26th October 2020 from 4pm via
Microsoft Teams**

Present	Name	Role
Membership	Sally Osmond (SO)	External Member – Chair (see Item 9)
	Glyn Howells (GH)	External Member
	Iain Wolloff (IW)	Principal
	Tom Rossiter (TR)	External Member – Vice Chair (see Item 9)
	Derek Peaple (DP)	External Member
In Attendance	Lee Hunt (LH)	Vice Principal
	Jayne Steele (JS)	Director of Finance & Resources
	Jo Houghton	Director of Business & Partnerships
Quorum:	3 members required	Meeting quorate, 5 members present

AGENDA ITEMS

Item No.		Action
1.	APOLOGIES FOR ABSENCE There were no apologies received.	
2.	DECLARATIONS OF INTERESTS Members confirmed that they had no declarations of interest to make	
3.	CAMPUS DEVELOPMENT* SO opened the meeting with an introduction to the committee purpose and the planned development of the terms of reference. She confirmed that today's meeting was arranged at the request of the Board in order to consider approval of the contract for a land sale, including the four matters agreed by the Board for further attention: 1. Advice/guidance on any potential liability of the Governors IW summarised the papers and took the committee through the liabilities of Governors especially with respect to any potential insolvency of the college. GP had provided detailed guidance on Corporation liability in general (provided as additional documents with the Committee papers) and had also received specific advice from the Association of Colleges (AOC) on liability in respect of a land sale (provided as Annex 1 with the papers). This annex includes an evaluation of the Board's actions in relation to the AOC advice on the main methods of reducing the risk of governor liability in this context.	

TR: confirmed he had reviewed the information regarding Governor liabilities and was comfortable that the Corporation had followed thorough and appropriate steps to ensure that Governors had the information to make an informed decision.

GH: commented that he felt that there was a very detailed report laying out Governor responsibilities and liabilities and the report clearly set out how the Board have discharged the duties of the Corporation members. He felt that the report provided a very clear record of the process that the College has followed to ensure maximum value.

2. A summary of the marketing of the land and an evaluation of the late bid.

IW outlined the process by which the land was marketed and the preferred bidder chosen. He confirmed that the original comparison of all of the offers for the land was prepared by Paul Richardson (Richardson Commercial) and was considered by both the Campus Development Group and the Corporation Board (provided as Annex 2 with the papers). Further he highlighted that the latest report provided by Paul Richardson (also at Annex 2) provides a full evaluation of the new offer.

GH outlined his view that the late speculative bid was analysed by Richardson with the recommendation in very clear terms that this wasn't a valid offer. GH summarised that to get better value would risk losing our current bidder and would be likely to push the cash settlement beyond the point where the College needed the funds to meet its current cash requirements. In light of this GH felt the report clearly laid out the position and he supported it.

DP: commented that as a relative newcomer, he felt assured by the detailed report laying out the process followed.

SO: Asked if the Committee was happy to move to a decision and it was agreed that all members were in support of the proposal to exclude the bid from Inspired Villages from further consideration and would now move to discuss the detailed terms of the proposed agreement with NC2.

3. Guarantees from Greenham Trust and Feltham Construction

IW explained that the suggestion that Feltham Construction and the Greenham Trust should provide 'parent guarantees' for the NCII had been discussed with both organisations. Both Feltham and Greenham do not feel that such a guarantee is possible in these circumstances; as both would need to financially guarantee the commitments of the other. However, they have undertaken to provide formal 'letters of comfort' and have instructed their respective solicitors to draft these documents. With regard to the matter of a deposit, NCII have now agreed to provide an undertaking to meet the costs of abortive fees for the College, if the deal cannot proceed. They have, therefore, requested an estimate from the College of the likely maximum commitment to professional fees. At present, this is estimated to be £30,000 maximum.

After discussion of the matter of Parent Company Guarantees the Committee supported the approach to not require them and that the offer of a letter of comfort was a reasonable and meaningful compromise.

	<p>4. Provisions in the contract for a Balancing Payment and the draft Overage Deed IW confirmed that these matters were substantially agreed in the proposed contract (provided as Annex 3) and illustrative examples will be added by agreement between the solicitors.</p> <p>Decisions:</p> <ul style="list-style-type: none"> i. The Committee supported the removal of the parent company guarantee requirement, but to keep the requirement for a letter of comfort ii. The committee delegated the signing of the contract, in line with the above, to The Chair and Chief Executive iii. The committee approved the use of the college seal. 	
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<p>Confirmed as a correct record:</p> <p>.....</p> <p>Signature of Committee Chair</p> <p>Date</p>
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