

Newbury College Corporation

STRATEGIC DEVELOPMENT COMMITTEE

Non-Confidential minutes of a meeting held on Monday 17th October 2022

Date:	17 th October 2022	Time:	4.00 PM
Chairperson:	Sally Osmond	Location:	College Restaurant

Members	Name	Present	Role
1.	Derek Peaple (DP)	*	External Member (<u>attended via teams</u>)
2.	Iain Wolloff (IW)	*	Principal & Chief Executive
3.	Nick Fox (NF)	*	External Member (<u>attended via teams</u>)
4.	Sally Osmond (SO)	*	External Member– Chair
Apologies:	Sam Dibas (SD)		External Member
	Lee Hunt (LH)		Vice Principal
	Glyn Howells (GH)		External Member
	Tom Rossiter (TR)		External Member
In Attendance:	Richard Lee (RL)	*	Clerk to Corporation – Minute taker
	Jo Houghton	*	Director of Business & Partnerships
	Cathy Wright	*	Director of HR & Support Services
	Didem Allen	*	Finance Director
Quorum:	3 required	*	4 present at start - meeting quorate

Item	
1	Apologies for Absence There were apologies from Sam Dibas, Lee Hunt, Glyn Howells, and Tom Rossiter.
2	Declarations of Interests There were no declarations of interest made.
3	Minutes of the previous meeting
3.1	To approve minutes of meeting on 23rd May 2022 The Committee approved the Minutes of the meeting held on 23 rd May 2022.
3.2	To approve confidential minutes of meeting on 23rd May 2022* The Committee approved the Confidential Minutes of the meeting held on 23 rd May 2022.
3.3	Matters arising from the minutes - Action tracker SO noted one action has been closed: <ul style="list-style-type: none"> JH provided NF with a copy of the survey report.

Sally Osmond

4	Strategy
4.1	<p>Feedback and actions from Strategy Day 9 May</p> <p>SO summarised SPD feedback to the Committee, highlighting SPD structure, strategic direction, and prioritisation.</p> <p>IW noted the SPD provided the SLT with a framework within which future actions could be located. SO responded that actions are dependent on income derived from College growth.</p> <p>DP asked if the SPD minutes and Governor comments will be shared at the FGB. SO responded Governor comments and SLT feedback will both be discussed at the FGB.</p> <p>SO thanked RL for taking minutes.</p>
4.2	<p>Long term integrated planning</p> <p>SO recommended prioritising growth to the Committee and suggested the development of a 5-year plan and an underlying financial framework be discussed at the next FGB.</p> <p>IW noted the budget and cash flow forecast for the next 2 years would be ready for the FGB. SO suggested investment in legal services related to the PFI exit be prioritised; a new governor with legal experience in PFIs may also be proposed.</p>
4.3	<p>Branding of the College</p> <p>SO proposed bringing branding within the remit of the SD Committee highlighting community branding and course branding as areas of consideration.</p> <p>IW noted college brands were identified within the Strategy Document as the 8 areas of core business. SO suggested the College sequentially market each of these brands.</p> <p>IW noted the SPD highlighted the need to raise the community profile of the College. SO suggested implementing NF's suggestion for the College to operate a commercial premises in Newbury town centre. DP suggested the Waterside Centre as a suitable location. IW confirmed that the College does collaborate with the Waterside Centre.</p> <p>NF suggested the use of vinyl wrappings in vacant premises might provide effective advertising.</p>
5	Campus
5.1	<p>NC11 land sale update*</p> <p>Recorded as a confidential minute</p>
5.2	<p>Margin land sale update*</p> <p>Recorded as a confidential minute</p>
5.3	<p>Offer for land purchase*</p> <p>Recorded as a confidential minute</p>
5.4	<p>FM update</p> <p>JH asked the Committee to consider the outcome of the Condition Survey 2022. JH provided an update on Mitie's Facilities Management services and highlighted current challenges that relate to the FM agreement. The main challenges are a dispute with Education Link (Equitix) surrounding the areas of responsibility that the PFI agreement relates to; a disagreement over the amount of money in the Lifecycle fund and the excessive amount that the College pays for the PFI.</p> <p>SO asked if Equitix was suggesting there was no money available in the life cycle fund. JH affirmed Equitix considers £130,000 to be missing from the fund. IW noted £130,000 is present and this sum is confirmed by Mitie.</p>

	<p>SO asked if, there was perceived to be insufficient funds in the life cycle fund, related services would stop. JH and IW noted that work to maintain areas, that are not up to condition, would continue.</p> <p>SO asked if there is a way to evaluate the effectiveness of PFIs. IW responded Government reporting demonstrates PFI was an effective, but expensive, tool for encouraging private investment in public sector. JH noted the PFI model was flawed and has been discontinued.</p> <p>IW noted LocatED, had offered to assist with the College PFI exit and had requested additional documentation (project agreement, financial agreement, and life cycle costing). NF cautioned that some companies try to profit from PFI exits. IW replied that the ESFA had recommended the College to LocatED. SO suggested documents requested by LocatED be provided.</p>
6	<p>PFI Contract</p>
6.1	<p>Condition survey update</p> <p>JH reviewed the quality of joint Condition Survey (commissioned December 2021 by the College and Mitie PLC and conducted by AA Projects) and highlighted the ongoing work that is being conducted to agree the 5 year Planned Maintenance Schedule with Mitie.</p> <p>SO asked how much the joint funding for the condition survey was. JH responded that it was £11,000 each.</p>
6.2	<p>Planning for the next five years (to end of PFI contract)</p> <p>JH asked the Committee to consider the Expiry Plan – Preparing for PFI Contract Expiry. JH reviewed Newbury College’s PFI agreement, reviewing five fundamental aspects to managing a successful PFI contract expiry:</p> <ul style="list-style-type: none"> • Recognise the complexity of managing PFI expiry and take the lead rather than relying on the PFI Co. • Develop a clear plan as early as possible (IPA recommends 7 years) our contract close is 5 years. • Seek and obtain Senior level support. • Organise and manage the expiry process as a project. • Commit appropriate additional expert resources. <p>JH also reviewed the draft Expiry Plan. The proposal is that expiry is managed through five linked projects that run concurrently for the next 5 years to expiry. The projects are based on:</p> <ul style="list-style-type: none"> • Contract Awareness and Management • Assets • Relationship Management • Operational Contract Management • Future Services <p>JH outlined another key aspect is the commercial approach that ensures that the College identifies the commercial levers that can be used in negotiations.</p> <p>SO asked if exit plan would be shared with Mitie and Equitix. JH responded that the exit plan should be partially shared and run collaboratively with Mitie and Equitix. NF noted a College employee should focus on the PFI exit.</p> <p>SO asked if feedback should be directed to JH before implementation. JH affirmed this was correct.</p> <p>SO thanked JH for her work on the PFI. SO thanked NF for advice related to the timing of the PFI process.</p> <p>GH asked what the phasing of the £1 million PFI termination costs would be by year. JH responded:</p>

	Task	Why	Cost	Annual Cost	Duration	2022-23	2023-24	2024-25	2025-26	2026-27	Total cost
	Legal	To assist with contractual ambiguities	£500 per response	£10,000	5 years	£10,000	£10,000	£10,000	£10,000	£10,000	£50,000
	Legal	Expiry Advice	£7,800	£7,800	2022-2027	£7,800	£7,800	£7,800	£7,800	£7,800	£39,000
	Dispute Resolution	Legal fees to support any dispute resolution	£30,000	£30,000	1 year			£30,000			£30,000
	PFI expiry / contract management training for internal team	Upskilling internal team	£500 per training	£1,000	2022-2025	£1,000	£1,000	£1,000	£1,000		£4,000
	Clerk of works	To act as clerk of works to act as client sign off for lifecycle/asset replacement works	£500 per day	£30,000	2022-end adhoc	£30,000	£30,000	£30,000	£30,000	£30,000	£150,000
	Consultants (MBE, surveyor, architect etc)	To advise on works such as boiler replacements etc	£1,350 per day	£16,200	2022-2027	£16,200	£16,200	£16,200	£16,200	£16,200	£81,000
	Fire Safety surveys	To ensure fire stopping/fire compartmentation and fire damper installations are all correct before expiry	TBC								
	Head of Estates/FM	To oversee the expiry and manage the expiry and to procure services for the future	£40,000	£52,000	2023 onward	0	£52,000	£52,000	£52,000	£52,000	£208,000
	Facilities Team	Increase for Facilities Team to cover additional workload for expiry (4 Staff)	£2,000 per month	£24,000	2023 onward	0	£52,000	£52,000	£52,000	£52,000	£208,000
	Consultant - JoS	To support FM meetings and queries regarding history of PFI agreement	£1,350 per day	£32,400	2022-2026	0	0	0	£32,400	£32,400	£64,800
	Procurement consultancy support	To procure new FM services (maintenance and cleaning services, grounds etc)	£15k	£15,000	2022-2026	£15,000	£15,000	£15,000	£15,000	£15,000	£75,000
	Technical compliance auditor with JoS	Specification and purchase of new CAFM system before contract expiry	TBC	TBC							
	Uniform costs	For potentially new transferred in staff	TBC	TBC							
	Training allowance for new staff	Training new staff when services are with the college (if not outsourced)	TBC	TBC							
						2022-23	2023-24	2024-25	2025-26	2026-27	Total cost
						£104,000	£208,000	£238,000	£240,400	£239,400	£1,029,800

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Climate Action and sustainability

7.1

Current status against the climate roadmap

CW asked the Committee to note the report and discuss any points of interest. The Committee will actively consider sustainability across all strategic agenda items. The Newbury College Climate Road Map has been updated according to actions taken during 2021-22. In 2020-21 the college saved 87 tonnes of CO₂ through savings with transport and water. The College Committee will divide sustainability targets and actions under the following pillars: - Curriculum, Estates, People, Digital, Community.

SO asked which areas require major investment? CW responded that the strategy follows AOC guidance and DFE strategy and therefore some areas will be comparatively inexpensive and other areas expensive.

SO asked if there could be support from third parties? CW noted JH had set up a meeting with chamber of commerce in June. NF asked if Oxford Brookes conducted a management culture review? CW responded that it was a practical assessment of how onsite sustainability might be increased. NF asked if the report would be used for bid writing. CW affirmed the report would be so used.

NF Asked if Mitie was helping to improve sustainability. CW responded information needs to be shared with Mitie for them to evaluate. JH noted a new BMS system is in place and will be used to maximise efficiency.

SO asked if energy bills will increase. DA responded they will, but currently the amount is unknown. IW replied the fixed rate is ending. IW noted that 5 boilers need replacing, and that this should be with sustainable replacements.

NF noted the College may require electrical infrastructure for new sustainable technologies such as EV charging points.

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ANY OTHER BUSINESS

Newbury College Academy Trust*

Recorded as a confidential minute

* Denotes confidential items

Confirmed as a correct record: Signature of SDC Chair

Date



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Parties involved with this document

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