

**Minute of the Estates & New Campus
Development Committee Meeting
held at the Kilmarnock Campus on 2
November 2016**



(Paper 1)

Present: Gordon James (Chair)
Julie Bradley
Douglas McIvor
Lainey McKinlay
Juliana Pyper-McFarland
Alan Walker
Tom Wallace

In attendance: Brendan Ferguson (Board Secretary)
Michael Breen
Alistair Gordon
Eileen Mackin
Donna Vallance

The Meeting was preceded by a tour of the recently opened New Kilmarnock Campus which was now fully operational to staff and students.

Committee Members were very impressed by what they considered to be a superb new building, with highly impressive facilities and an excellent learning environment. The Committee congratulated all Ayrshire College Staff involved in the New Campus Development Project on an outstanding achievement.

1. Welcome and Declarations of Interest

The Chair welcomed everyone to the meeting. There were no declarations of interest.

2. Apologies

Apologies were received from committee members Holly Bates, Heather Dunk and Willie Mackie. Apologies were also received from EMT members Jackie Galbraith and Jane McKie.

3. Minute of the meeting held on 18 August 2016 (*Paper 1*)

The minute of the meeting held on 18 August 2016 was approved as a correct record.

Proposed: Gordon James
Seconded: Julie Bradley

4. Matters Arising

There were no matters arising not already on the agenda.

5. New Campus Update *(Paper 2)*

E Mackin took the Committee through the above paper answering questions in the process. Members noted the decant from Holehouse Road to the new building had proceeded very well and that the feedback from students and staff on the new campus was very positive.

The Committee noted and approved the New Campus Update.

6. New Campus Risk Register at October 2016 *(Paper 3)*

D Vallance took the Committee through the latest iteration New Campus Risk Register which, it was noted, had previously been considered and approved by the Project Board. It was noted that a number of risks had been closed down as a result of the new campus completion. Five risks had been retained and one had been added.

The Committee approved the New Campus Risk Register and agreed that Risk B14 be upgraded.

7. Delay Event Update *(Paper 4)*

D Vallance took members through the above paper and brought the Committee up to date with the most recent position. A number of questions were asked by members and satisfactory responses received.

The Committee noted the content of the above paper and agreed that if any further developments occurred that would normally be considered by this Committee prior to the forthcoming meeting of the Board of Management, then those matters would be discussed with the Chair of the Board and the Chair of this Committee prior to the meeting of the Board.

8. Non NPD Costs Financial Report at September 2016 *(Paper 5)*

M Breen took members through the above paper, stating that all funds in the budget were subject to planned expenditure and that spending was taking place as scheduled.

The Committee noted the content of the above paper and that it was likely to be the penultimate report in relation to these costs. The Committee also noted in response to a question that in relation to Item 7 above, funds had been ring fenced as appropriate.

9. Updated Capital Expenditure Programme April 2016 to March 2017 (Paper 6) and FY 2016/17 Capital Expenditure Programme at September 2016 (Paper 8)

D Vallance and M Breen took the Committee through Papers 6 and 8, in the process outlining the work which had been completed and that which was currently in process.

M Breen explained that additional funding had subsequently been made available by SFC with an instruction that it had to be committed by 31 March 2017. As a consequence the CAPEX programme had been updated to take account of the additional funding and this was presented for consideration and approval. A number of questions were asked and satisfactory responses received.

The Committee noted the progress of the previously approved 2016/17 projects. In addition it was noted that additional funding had subsequently been provided by SFC, for which the tendering process had to be completed and commitments made by 31 March 2017. The Committee recognised that this represented a very tight schedule.

The Committee approved the updated CAPEX proposals and agreed that they should be forwarded to the Finance Committee for its consideration of the proposed expenditure.

On the understanding that the financial proposals received approval by the Finance Committee, it was recommended that the Chair of the Board of Management be consulted with a view to circulating the proposals to all Board Members for consideration and decision prior to the scheduled December meeting of the Board. This to allow sufficient time for the tendering process to be completed and the expenditure committed by the 31 March 2017 deadline.

10. Campus Dilapidations and Provisions (Paper 7)

M Breen and D Vallance took members through Paper 7 and explained the figures contained therein. Discussion then took place during which a number of questions were asked and satisfactory answers provided.

The Committee noted and approved the above report.

11. Estates Developments at Ayr Campus, Kilwinning Campus and Dean Castle Country Park (Papers 9, 10 and 11)

D Vallance took members through the above reports bringing the Committee up to date with progress.

The Committee noted with pleasure the excellent feedback from all parties in relation to the new Composites Lab and noted the content of the above reports.

12. Estates Rationalisation (Paper 12)

D Vallance introduced Paper 12 which the Committee noted. A number of questions were asked and satisfactorily answered.

The Committee noted the content of the above Paper and congratulated the College on the conclusion of the agreement to sell Moffat House.

13. 2016/17 Risk Register – Estates Risks at October 2016

M Breen took the Committee through the above paper and confirmed that the proposed Risk Appetites, as agreed by the Committee Chairs, were approved at the meeting of the Audit Committee held in September 2016. The Estates & NCD Committee risk appetites had now been included in the Estates Risk Extract presented at this meeting.

The Committee noted and approved the Risk Extract and the associated Risk Appetites.

14. Date of Next Meeting

The next meeting of the Committee would be Thursday 16 February 2017.

Publication

This paper will be published on the College website.

**Record of the Inquorate Estates & New
Campus Development Committee Meeting
Held at the Kilwinning Campus at 3.00 pm
on Thursday 16 February 2017**

(Paper 2)

Present: Gordon James (Chair)
Willie Mackie
Alan Walker

In attendance: Brendan Ferguson (Board Secretary)
Michael Breen
Jane McKie
Donna Vallance

The Board Secretary advised that the meeting was inquorate. That being the case no decisions could be taken on any matters of business on the agenda. Those members present agreed to proceed on an advisory basis.

1. Apologies

Apologies were received from Committee Members Holly Bates, Julie Bradley, Heather Dunk, Douglas McIvor, Lainey McKinlay, Juliana Pyper-Mcfarland and Tom Wallace. Apologies were also received from EMT member Jackie Galbraith.

2. Minute of the meeting held on 2 November 2016 (Paper 1)

The Board Secretary advised that the minutes could not be approved as the meeting was inquorate.

It was agreed that the minute would be circulated to members, together with the notes of this meeting, and members asked whether they agreed that the draft minute represented an accurate record of the meeting of the Committee held on 2 November 2016. It was noted that there were no matters arising that were not already covered by the agenda.

3. New Campus Risk Register V19 at February 2017 (Paper 2)

D Vallance took those present through Paper 2 as presented and explained that the 6 remaining strategic risks sat outwith the normal monitoring of any contracts. With the new campus now open and fully operational, consideration should be given to the transfer of these residual risks to the College Corporate Risk Register.

Those present agreed that it would be appropriate to transfer the remaining 6 strategic risks from the New Campus Risk Register (NCRR) to the Corporate Risk Register, in the process closing down the NCRR. It was agreed that a

recommendation to this effect should be circulated to the full Committee Membership. On the basis of the responses received, a further recommendation should then be made to the Audit Committee.

4. Delay Event Update (Paper 3)

D Vallance introduced Paper 3 and confirmed the position of the College. D Vallance also confirmed that any expenditure incurred on fees in relation to this event would be recompensed by Scottish Futures Trust.

Those present noted and welcomed the content of Paper 3.

5. Non NPD Costs Financial Report at December 2016 (Paper 4)

M Breen took those present through the paper as written. It was noted that the Capital Grant and Budgets made available by SFC over the lifetime of the New Campus Project had reached breakeven in terms of the expenditure committed. While it was acknowledged that some minor accounting adjustments may still be made, it was considered that no further financial reporting of the use being made of Non NPD Costs would be required by this Committee.

Those present congratulated all involved in the disbursement of the Non NPD Costs so accurately.

It was agreed that no further reporting of Non NPD Costs Report would be required by this Committee.

6. Proposals to Ayrshire College Foundation (Paper 5)

Those present noted the proposals contained in Paper 5 in relation (i) upgrade of the Ayr Hospitality Provision and (ii) upgrade of the Kilwinning Campus Learning Resource Centre and were supportive of the proposals.

The above proposals for consideration by the Ayrshire College Foundation were noted.

7. FY 2016/17 Capital Expenditure Position as at December 2016 (Paper 6) and a Summary of the Works to be Carried Out at the Ayr Campus January to March 2017 (Paper 7)

M Breen and D Vallance took members through Papers 6 and 7 as written and answered questions from those present.

The Capital Expenditure position at December 2016 (Paper 6) was noted. It was further noted that the budget available for capital expenditure in 2016/17 had

been revised in light of the Saltcoats transaction now being scheduled for settlement in the 2017/18 financial year.

The summary of works to be carried out at the Ayr Campus between January and March 2017 was noted and welcomed by those present.

8. Estates Rationalisation (*Paper 8*)

D Vallance introduced Paper 8 and answered questions from those present.

Those present noted and supported the content of Paper 8. It was agreed that Committee members be circulated and asked to consider whether they approve the proposals in respect of the Cumnock Campus.

9. Corporate Risk Register (V3): Estates Risks at February 2017 (*Paper 9*)

D Vallance noted that there had been no material changes to the existing risks.

Those present noted that there had been no change to the current risk cluster and the Committee need take no decision in this respect. It was further noted that the Committee would require to take a decision on the six residual risks transferring from the New Campus Risk Register as noted under Item 3 above.

10. AOB

Future Board Committee Structure

The Board Chair, W Mackie, raised the issue of the continuing existence of this Committee in light of the completion of the New Campus Project. It was suggested that the Committee Structure could be streamlined by merging the residual duties of this Committee with those of the Finance Committee. Those present agreed that this represented an appropriate way forward and agreed that the full Committee should be circulated and their views sought.

The Board Secretary to circulate the members of this Committee to seek their views on the proposal that, in light of the completion of the New Kilmarnock Campus Project, the residual duties of this Committee be merged with those of the Finance Committee to create a single new committee.

11. Date of Next Meeting

The next meeting of the Committee was scheduled to take place on 18 May 2017 at the Ayr Campus.

Publication

This paper will be published on the College website.

DRAFT

Estates and New Campus Development Committee

18 May 2017

Subject: Proposed Capital Expenditure Programme April 2017 to March 2018

Purpose: To provide the Committee with details of draft proposals for capital expenditure for the Financial Year April 2017 to March 2018 from SFC to facilitate works over the summer period.

Recommendation: Members are asked to approve the proposals within this paper for the Financial Year April 2017 to March 2018 with these proposals then to be reviewed by the Finance Committee and approved by the Board of Management

This paper has been approved by the EMT

1 Background

The College receives from the Scottish Funding Council (SFC) a separate capital/maintenance grant to fund capital expenditure by the College as well as maintenance revenue expenditure. This grant is made in line with SFC's April to March financial year and not the College's August to July academic year.

The final capital/maintenance grant intimated by SFC for FY 2017-18 is £1,545,000 with £795,000 of this proposed to be allocated to capital and the remainder to maintenance.

2 Current Situation

Draft proposed capital programme

The EMT is proposing a capital programme for FY 2017-18 as follows:

SFC Funded capital: £1,545,000

£795,000 has been allocated for the following proposed capital works:

| Proposal | Cost |
|--|-----------------|
| | |
| <i>Ayr Campus</i> | |
| Phase 2 windows Dam Park | £190,000 |
| Room reconfigurations/refresh | £100,000 |
| LED Lighting replacement | £12,000 |
| Health and Safety works Replacement fire escape and air conditioning unit | £13,000 |
| FF&E Rolling Replacement | £70,000 |
| | £385,000 |
| <i>Cross Campus</i> | |
| Curriculum capex requests | £30,000 |
| | £415,000 |
| <i>Kilwinning Campus</i> | |
| Room reconfigurations + FF&E | £100,000 |
| New coffee shop | £30,000 |
| | |
| ICT | £250,000 |
| | |
| TOTAL | £795,000 |

Window Replacements

The windows in the Dam Park building are ill fitting, whistle when windy, are incapable of being safely opened and closed without leaning out of the window (often at height) and have broken down units.

Room reconfiguration/refresh

This is an annual process which optimises room layouts to the requirements of the curriculum, usually comprising redecoration, new carpeting and occasionally altering the size of the room.

FF&E

FF&E replacement is a rolling replacement programme for all college FF&E.

Kilwinning Coffee Shop

It is proposed to create a coffee shop within the existing refectory in Kilwinning. This would create parity with both Ayr and Kilmarnock and would provide a welcome service to both staff and students not wishing to partake in a full refectory service. The investment would enable further opportunities to increase catering income.

3 Proposals

The Committee is asked to approve the draft proposals for capital expenditure for the Financial Year April 2017 to March 2018.

4 Consultation

Consultation on the original capital expenditure proposals contained within this paper have taken place with both service and curriculum staff and this paper has been approved by the EMT.

5 Resource Implications

The above proposals would result in total capital expenditure by March 2018 of £795,000 which would be spent on Ayr and Kilwinning Campuses.

6 Risks

A number of Risks exist in relation to capital work programmes especially in older buildings. Cost and time overruns are key risks particularly given limited funding. In addition any major capital works over the winter period will have to be carefully managed to ensure, for example, that they are not delayed beyond March 2018 due to adverse weather and that they do not impact on the student experience.

7 Equality Impact Assessment

At this stage an Equality Impact Assessment is not applicable but would be required before finalising any plans. Provision for disabled access will be considered at all stages during the planning process.

8 Conclusion

Members are asked to approve the proposals within this paper for the Financial Year April 2017 to March 2018 and recommend approval to the Finance Committee and the Board of Management.

Donna Vallance
Vice Principal, College Estate and Facilities
11 May 2017

Publication

This paper will be published on the College website.

Estates and New Campus Development Committee

18 May 2017

- Subject:** FY 2016-17 Capital Expenditure Programme at March 2017
- Purpose:** To provide an update to the Estates and New Campus Development Committee on the final capital expenditure position at March 2017
- Recommendation:** The Estates and New Campus Development Committee note the final capital expenditure position for FY 2016-17 at March 2017
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1 Background

Members noted at the last meeting that the sale of the former Saltcoats campus would not conclude before the 31 March 2017 and as such the revised budget for FY 2016-17 was **£1,720,000**

As at March 2017 the financial position is summarised in Table 1 below:

Table 1

| | |
|---------------------|------------|
| Capital budget | £1,720,000 |
| Capital expenditure | £1,719,882 |
| Underspend | £118 |

2 Consultation

No formal consultation is required.

3 Risks

No specific risks require to be noted in this paper.

4 Conclusion

The Estates and New Campus Development Committee note the final capital expenditure position for FY 2016-17 at March 2017.

Donna Vallance
Vice Principal, College Estate and Facilities
11 May 2017

[Michael Breen, Vice Principal, Finance and ICT]

Publication

This paper will be published on the College website.

Estates and New Campus Development Committee

18 May 2017

Subject: Estates Update - Ayr Campus and Kilwinning Campus

Purpose: To provide the Estates and New Campus Development Committee with an update on the works being carried out at the Ayr Campus and Kilwinning Campus

Recommendation: The Estates and New Campus Development Committee note the contents of this paper

1 Ayr Campus

An enabling contract started on Tuesday 9 May 2017 to create the Hospitality and Tourism staff workroom and it is anticipated that work will last for around three weeks and therefore be completed on or around Monday 29 May 2017. The area will be stripped out, redecorated and re-carpeted. Furniture for that workroom has been priced by APUC framework suppliers and will be delivered during week commencing 29 May 2017.

This will allow Hospitality and Tourism staff to move from their existing workrooms on the first floor of the Dam Park Building (rooms F104 and F124 respectively) into the new workroom before the end of term. This will then allow Care staff to move from their existing workroom in S209 on the second floor down to F104 on the first floor before the end of term, allowing the incoming contractor to have vacant possession of the entire second floor.

On 11 May two major contracts were advertised on the Public Contracts Scotland portal: a Design and Build Contract for the provision of the Training and Production Kitchens; and a Fit-Out Contract for the creation of the new Training Restaurant and six classrooms (two of which can be combined by the removal of a movable partition). These will start on site on or around Monday 5 June 2017 and be completed no later than Monday 31 July 2017. (A capital project to replace the windows will also start on that date and be completed on Tuesday 18 July 2017).

Contracts for the provision of restaurant and classroom furniture will be let with the items arriving on site no later than Monday 21 August 2017. Finally the lift will be refurbished in the week immediately prior to the students' return.

2 Kilwinning Campus

A contract will be advertised on the Public Contracts Scotland portal by 18 May to reconfigure the Learning Resource Centre. The work will commence on Monday 12 June and be completed no later than Monday 31 July. A

contract for the provision of furniture for the LRC and for new Learning Resource Areas at first and second floor level will also be let with the items arriving on site no later than Monday 14 August 2017.

3 Conclusion

The Estates and New Campus Development Committee note the contents of this paper.

Donna Vallance
Vice Principal, College Estate and Facilities
10 May 2017

Publication

This paper will be published on the College website.