

**Minutes of the Extraordinary Resources Committee Meeting held on  
Friday 24th January 2020 at 9.30am**

**Present:** John Clarke  
John Fell (Chair)  
Veronica Fell  
Rob Firth  
Alex Kenny  
Jonathan Lea

**In Attendance:** Eddie Green – Vice Principal Services  
Caroline Jenkinson – Director of Governance

**Action**

**R.20.46 Item 1: Apologies for absence**

Apologies for absence were received from Juliette Cosgrove and Vipin Trivedi.

The Chair introduced and welcomed the parent governor, Jonny Lea, to his first Resources Committee meeting.

**R.20.47 Item 2: Declarations of Interest**

A standing declaration of interest was received from Veronica Fell as she is married to John Fell.

**R.20.48 Item 3: Pennington Refurbishment Project**

The VP Services presented a report on the Pennington Refurbishment Project which updated governors on the outcome of the Liverpool City Region (LCR) Strand 1 bid.

The original paper outlining the project had been presented to the Resources Committee at their meeting in October at which time approval for the grant funding had been awaited. The College had since been informed in December that the grant application had been successful.

The Principal referred to the high 90% grant funding allocation with the College 10% contribution being very reasonable. He confirmed the College had been successful following a competitive bid, with only 4 out of 12 applicants obtaining grant approval. The Pennington building was the final part of the campus requiring substantial refurbishment.

In response to a governor question the Principal confirmed brickwork and painting & decorating were located within the building with the architect course and maths and English based on the top floor. Both brickwork and painting and decorating were experiencing increased demand from adults in addition to 16-18 and the refurbishment and planning of space would help meet this demand.

The Chair of Corporation confirmed her agreement with the College moving ahead with the project, however, there were a number of provisos with regards to where the project fitted within College budgets and cash flow. The project was significantly larger than that recently undertaken in the gas and plumbing workshops where payment of the grant monies was still awaited.

Governors noted their concerns with regards to this project comprising of 40% funding upon signing of the grant agreement with the remaining 60% on completion of works which could have financial implications for the College. The Vice Principal Services confirmed the College had sufficient cash flow to cover the 60% contribution during the progress of the project.

The Principal advised he would arrange for the detailed figures within the application together with the letters from employers in support of the project to be circulated to governors. Dir of Governance to circulate.

**Principal/ D  
of G**

The Chair read an email received from Vipin Trivedi who had been unable to attend the meeting. He had noted his support for the project but raised concerns with the consultant appointment process as outlined in the report.

The VP Services informed governors that the grant agreements for the Low Carbon Grant and Gas & Plumbing workshops had been signed the previous day by the Chair and Vice Chair of Corporation. The agreement for the Pennington project had been received that day but had yet to be reviewed.

***The Committee resolved to recommend the Corporation***

- i) Approve the project for the refurbishment of the Pennington Building at a total value of £2,200,000 subject to receiving grant funding from the LCR for £1,980,000***
- ii) Approve the grant of £1,980,000 to facilitate the works and authorise the Chair and Vice Chair of Governors to sign the agreement once received subject to:***
- iii) the procurement process for tenders being followed in line with the financial regulations.***

**R.20.49 Item 4: Pennington Refurbishment Project – Consultant Appointments**

The VP Services presented the report and explained the next stage was the appointment of a principal consultant to design and manage the project. The decision was now based on whether to continue working with [REDACTED], who the College had engaged to lead on writing the bid application, or to go out to tender.

The report outlined the reasons for choosing [REDACTED] including the work they had undertaken in preparation for the bid together with their knowledge, experience and fee levels. Appointing [REDACTED] without undertaking a competitive tender process would require a departure from the provisions within the College's financial regulations. Such a departure only being permitted for exceptional cases and it was, therefore, to be determined whether this project met this particular requirement.

Governors discussed the appointment of consultants with the Chair confirming approval was within the Committee's power. He informed the Committee that he had also spoken to the link governor for this area (Chair of Audit) to ascertain his views on progressing the project.

In response to a governor question the VP Services confirmed that if the requirement to go out to tender wasn't waived the tender process would take at least 4-5 weeks, followed by governor approval.

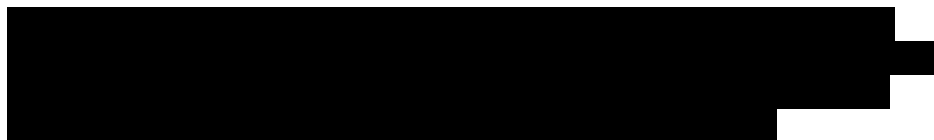
The Chair of Corporation thanked the VP Services and his team for the work undertaken on the project to date. Her opinion was that it was only right to implement the tender process, should this process not be followed and something were to go wrong it would become apparent that the correct procedure had not been adhered to. In addition going out to tender would enable the project costs to be market tested. Her view was that there did not appear to be an exceptional reason to depart from the financial regulations.

The Principal stated that having to follow the tender process route could adversely affect the timing of the project, which could mean it may not be completed within the current academic year. He informed the Committee that the LCR would need to be contacted to check if the project would still be in scope to receive the funding should it carry over to the following year. The VP Services added that splitting the project over a longer period of time would also add to the costs.

The Chair referred to the findings of the Director of Governance on this matter. The Director of Governance confirmed she had been advised that unless there were exceptional reasons to depart from the financial regulations, for example, the health and safety of students and/or staff, the process outlined in the regulations should be adhered to.

The Chair of Corporation reiterated that should something go wrong with the project and this subsequently resulted in putting the College at financial risk the Committee would be unable to show they had followed the correct procedure.

The Chair referred again to the email he had received which detailed the governor's approval for the tender process to be followed. He added that the link governor's view had also been that the procurement rules should be followed due to the risks involved with such a large project.



The Chair asked governors to vote on waiving the requirement to follow a tender process.

Governors voted **5 against and 1 abstention** (due to it being this particular governor's first meeting and not being sufficiently apprised of the project).

It was agreed management would liaise with the LCR regarding moving forward with a tender process.

**Principal/  
VP Servs**

The Chair thanked the VP Services and his team for the works to the gas and plumbing workshops.

**R.20.50      Date of Next Meeting**

Tuesday 11<sup>th</sup> February 2020