



ESTATES MANAGEMENT COMMITTEE

**Held on Wednesday 15 February 2017
at 10.00 a.m. in the Council Room**

MINUTES

Present:

Professor Michael Arthur (Chair)
Ms Wendy Appleby
Mr Kevin Argent
Dr Paul Ayris
Dame Nicola Brewer
Mr Simon Cane
Dr Celia Caulcott
Dr Mike Cope
Professor Becky Francis
Mr Andrew Grainger
Professor Graham Hart
Mrs Lori Houlihan
Mr Rex Knight
Professor Alan Penn
Professor David Price
Professor Geraint Rees
Mr Tom Rowson
Professor Nigel Titchener-Hooker

Apologies have been received from Professor Mark Emberton, Professor Mary Fulbrook, Dame Hazel Genn, Mr Phil Harding, Professor David Lomas, Professor John Mullan, Professor Ivan Parkin, Mr John Parr, Mr Ivan Royle, Professor Anthony Smith, and Professor Alan Thompson.

In attendance: Dr Marguerite Nolan (Committee Secretary), Mr Duncan Palmer (Director, Accommodation), and Mr Geoff Prudence (Director, Facilities and Infrastructure).

<p><i>Preliminary Business</i></p>

1a. WELCOME AND APOLOGIES

1a.1 The Chair welcomed members to the meeting. Apologies for absence were noted as listed above.

1b. MINUTES OF THE MEETING HELD ON 5 OCTOBER 2016

1b.1 **Approved:** The Committee approved the Minutes of the last meeting of EMC held on 5 October 2016.

2. MATTERS ARISING FROM THE MINUTES

2.1 **Noted:** That at its meeting on 15 November 2016, the Finance Committee received and noted the report on the Review of the Capital Programme.

<i>Items for Discussion / Approval</i>
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3. TEACHING SPACE 2017-18

EMC 2-1 (16-17)

3.1 **Considered:** The Committee considered the report on Teaching Space for 2017-18 at EMC 2-1 (16-17). The included the following three papers:

1) **Teaching Spaces Projects - Progress Update**

This report provided a brief update on the status of capital projects to deliver additional teaching space for the 2017-18 academic year, together with details of the amount of space/room capacity to be delivered, and a summary of the key risks, issues and project dependencies associated with each project.

2) **Agile 2, Converting the 2nd Floor of Central House into Teaching Space**

This report provided an update on progress with the Agile 2 project, and requested approval for funding for converting the 2nd floor of Central House from office space to teaching space in time for the start of the 2017-18 academic year. The project would involve relocating the Office of the Vice-Provost (Development), initially to the Podium and then to Bidborough House, and building on the agile working arrangements that they had already started.

3) **Cartwright Gardens**

This report sought approval for UCL to acquire a lease for circa 200m² of space through the University of London (UoL). In the short term the space would be used to accommodate Laws displacement during the Bentham House refurbishment project. UoL had confirmed to UCL that the space would be available from the end of May 2017 and that UCL had been successful in its bid.

3.2 The Committee noted the significant number of live projects that were forecast to deliver 3,735m² of additional teaching space during 2017-18, comprising of 65 teaching rooms and 2,504 teaching seats. However, key projects, most notably 1-19 Torrington Place and Bentham House, would not be completed for the start of Term 1. A number of other projects were subject to considerable programme risk or highly unlikely to be completed for the start of Term 1.

3.3 Members highlighted the importance of ensuring that there would be sufficient teaching space available for the start of the 2017-18 academic year. The Committee discussed the mitigating actions being taken as outlined in the report and in particular the possibility of renting additional, fit for purpose, external teaching space to make up for the expected shortfall at the start of 2017-18. The Committee strongly supported the proposed mitigating action to book additional external teaching space in advance for next year to make up for

the shortfall of space, whilst noting that there were cost implications that would have to be addressed.

3.4 The Committee discussed the new teaching space that would be provided in Central House as part of the Agile 2 project. It was proposed and agreed that this space should be available for learning when it was not being used as teaching space.

3.5 **Resolved:** The following was agreed:

a) **Teaching Spaces Projects**

It was agreed to set up a working group to review and ensure that there would be sufficient teaching space, including UCL and externally booked space, for the whole of the 2017-18 academic year. The working group would be led by a member of the SMT and it would report to the SMT.

b) **Agile 2 / Teaching Space**

The Committee approved funding of £1.9m for the Agile 2 / Teaching Space project, which would be funded from the £8m allocation in the Capital Plan.

c) **Cartwright Gardens**

- (i) The Committee endorsed the presented case for the Cartwright Gardens proposal.
- (ii) The Committee gave its approval for UCL Estates to proceed to acquire a lease for part of the ground floor Gardens Halls Cartwright Gardens.
- (iii) The Committee agreed that the Cartwright Gardens proposal be recommended to the Finance Committee for approval, subject to the development of a full business case.

4. EXAMINATIONS SPACE

EMC 2-2 (16-17)

4.1 **Considered:** The Committee considered the Examination Space report at [EMC 2-2 \(16-17\)](#). This report reviewed the issues connected with the provision of appropriate space for examinations for this year's main examination period, which would be held from 27 April to 9 June 2017, and more generally for future years.

4.2 The Committee supported the proposal to block book examination space in advance for future academic years. However, it was recognised that this would have an impact on room booking requests for other activities during the examination period. It was noted that the current arrangement required UCL to book some additional external space for examinations. It also resulted in late confirmation of examination space in the UCL campus and required teaching activities and other room bookings to be moved which was not welcomed by those affected.

4.3 The Committee discussed the possibility of booking more external space for examinations. It was noted that all cost effective external space was exhausted and booked for future years. Alternative options in large venues that might house the bulk of examinations had been explored, however, they would require an increase of up to £1 million to the examinations venue hire budget. Therefore, for reasons of both the student experience and value for money, the preferred option was that maximum use should be made of the UCL estate for the delivery of examinations.

4.4 **Resolved:** The Committee approved that all suitable flat space, as identified by the UCL Examinations Manager, be block booked for examinations prior to the start of the academic year and timetabling of teaching (currently 6 weeks in April-June and 3 weeks in August/September). This would be introduced for the 2017-18 academic year, as a trial for one year.

5. STUDENT ACCOMMODATION **EMC 2-3 (16-17)**

5.1 **Considered:** The Committee considered the report on Student Accommodation for 2017-18 as set out at EMC 2-3 (16-17). The included the following three papers:

1) **Student Accommodation Rent Setting**

This report outlined the proposed Accommodation Fees for the 2017-18 academic year.

2) **Student Accommodation Nominations**

This report proposed that UCL should enter into a four-year nomination agreement with UNITE for 586 en-suite rooms at Stapleton House from September 2017 in order to fulfil the UCL accommodation guarantee.

3) **Student Accommodation Operating Model Review**

The report outlined the changes implemented to improve the delivery of accommodation services over the last year and indicated approaches to a further review of options available to UCL for operating the student accommodation portfolio.

5.2 **Resolved:** The following was agreed:

a) **Student Accommodation Rent Setting**

The Committee approved the rents for 2017-18 as set out in the Student Accommodation Rent Setting paper.

b) **Student Accommodation Nominations**

The Committee gave its approval for UCL to enter into a four-year nomination agreement with UNITE, as set out in the Student Accommodation Nominations Agreement paper.

c) **Student Accommodation Operating Model Review**

The Committee noted the changes being planned in the short term. The Committee gave its support for further exploration of the possible future operating models as included in the report, and in particular the option outlined in paragraph 7d2, p. 44.

6. BUDGET IMPROVEMENT OPPORTUNITIES **EMC 2-4 (16-17)**

6.1 **Considered:** The Committee considered the report on Budget Improvement Opportunities at EMC 2-4 (16-17). UCL Estates had significant budget challenges and cost pressures to mitigate. Whilst it had been successful in delivering substantial savings, mitigating cost pressures and driving efficiencies, as set out in the Estates Strategic Operating Plan (SOP), significant further savings were required if it was to achieve its SOP targets. The paper outlined a number of possible options for achieving further budget savings.

- 6.2 **Resolved:** The Committee noted the options for budget savings as set out at EMC 2-4 (16-17). It was recommended that UCL Estates explore these options cautiously.
- 7. BLOOMSBURY THEATRE REFURBISHMENT PROJECT EMC 2-5 (16-17)**
- 7.1 **Considered:** The Committee considered the Bloomsbury Theatre Refurbishment Project Business Case as set out at EMC 2-5 (16-17).
- 7.2 It was noted that at its meeting on 31 January 2017 the Capital Programme Sub Committee had recommended that the Bloomsbury Theatre proposal be submitted to the Estates Management Committee for approval. This proposal now included an updated Business Case following receipt of the RIBA Stage 2 costing estimates and the Carbon and Cost Tool report.
- 7.3 It was noted that at the Capital Programme Sub Committee meeting on 31 January 2017 it had been agreed that Estates would provide a report on Asbestos Management at UCL for the Estates Management Committee meeting on 14 June 2017.
- 7.4 **Resolved:** The Committee resolved that the Bloomsbury Theatre proposal be submitted to the next meeting of the Finance Committee on 28 February 2017 for consideration and approval of the capital expenditure of £19.8m as included in the Business Case at EMC 2-5 (16-17).
- 8. SAINSBURY WELLCOME CENTRE - FIT OUT PHASE 2 EMC 2-6 (16-17)**
- 8.1 **Considered:** The Committee considered the Sainsbury Wellcome Centre - Fit Out Phase 2 Business Case at EMC 2-6 (16-17).
- 8.2 It was noted that the fit-out project was externally funded through an award from the Gatsby Charitable Foundation in respect of all external costs i.e. external consultants, contractors, and equipment. There would be modest draws on the time of UCL Estates specialists in respect of Engineering services, Safety, Sustainability and Security.
- 8.3 **Resolved:** The Committee approved the Business Case for the Sainsbury Wellcome Centre - Fit Out Phase 2 project at EMC 2-6 (16-17).
- 9. 90 HIGH HOLBORN ACQUISITION FOR DISPLACED FORMER MRC UNIT EMC 2-7 (16-17)**
- 9.1 **Considered:** The Committee considered the proposal for the 90 High Holborn Lease Acquisition as set out at EMC 2-7 (16-17). UCL currently occupied space in Aviation House under a lease that was due to expire in February 2018. The purpose of this paper was to seek authority to proceed with a lease acquisition for 90 High Holborn, 2nd floor, as alternative accommodation.
- 9.2 It was noted that 90 High Holborn presented a unique opportunity for UCL and the Institute of Clinical Trials & Methodology. The space was of high quality, fully fitted out and of a comparable size to Aviation House. The dates for potential occupation were aligned with the current exit strategy of Aviation House (Q3/4 2017) and the rents aligned with our affordability criteria. In addition to this, the opportunity also allowed UCL to protect further the capital programme with potentially only a minimum required spend to execute the relocation.
- 9.3 **Resolved:** The Committee approved the following:
- a) The Committee approved the presented case.

- b) The Committee approved the conclusion of negotiations to acquire 90 High Holborn.
- c) That the 90 High Holborn Lease Acquisition proposal be recommended to the Finance Committee for approval at its next meeting on 28 February 2017, subject to the development of a full business case.

10. MAPLE HOUSE – FIRST FLOOR, BLOCK B EMC 2-8 (16-17)

10.1 **Considered:** The Committee considered the Maple House, First Floor, Block B, lease renewal proposal at EMC 2-8 (16-17). UCL currently leased circa 390m² of space in Maple House, Wing 1B, from UCLH. The space was currently occupied by the Institute for Women’s Health (Faculty of Population Health Sciences). UCL’s lease from UCLH expired on 1 December 2016 and this paper set out negotiated terms for the renewal of the lease.

10.2 **Resolved:** The Committee approved the lease renewal of Maple House, Suite 1B, for a further term expiring on 24 December 2022, with a mutual break in 2019, as set out at EMC 2-8 (16-17).

11. TORRINGTON PLACE DATA CENTRE MIGRATION EMC 2-9 (16-17)

11.1 **Considered:** The Committee considered the Torrington Place Data Centre Relocation proposal as set out at EMC 2-9 (16-17).

11.2 It was noted that with the current agreed apportionment of costs between UCL and the DfT in the Funding Agreement, the additional £15.26m cost would result in UCL’s cost increasing by £1.75m with the rest of the increase being funded by HS2. This would take UCL’s overall contribution to the project from £5.1m to £6.9m.

11.3 **Resolved:** The Committee approved the following:

- a) The Finance Director and the EMC approved an additional £3m of funding to enable the project to continue to make progress while the full approval process was completed. (Therefore, Finance Committee would be requested to approve the case to proceed to Council for approval of an increase of £12.26m in the budget which was £15.26m net of the £3m additional approval.)
- b) That the following be recommended to the Finance Committee for approval at its next meeting on 28 February 2017:
 - (1) That the Finance Committee be asked to approve the case to proceed to Council for approval of an increase in the capital budget for the PS00570 Data Centre Relocation project of £12.26m to £49.90m, noting that HS2/ DfT’s had fully participated in the scope and budget changes encompassed within this business case. HS2/ DfT’s liability increases by £13.505m with UCL’s liability increasing by £1.751m.
 - (2) That the Finance Committee be asked to approve an immediate £2.3m increase in the capital budget to £39,944,447 to enable the project to continue to make progress while the full approval process is completed.
 - (3) That the Finance Committee be asked to note the extended programme and revised Wolfson House vacant possession date of February 2018 agreed with HS2.

Other Business for Approval or Information

**12. CHAIR'S ACTION EMC 2-10 (16-17)
Renewal of the Lease of 175 Tottenham Court Road**

12.1 **Received:** The Committee received and noted the report on Chair's Action taken to renew the lease of 175 Tottenham Court Road as set out at EMC 2-10 (16-17).

**13. MINUTES OF THE CPSC MEETINGS HELD ON EMC 2-11 (16-17)
2 NOVEMBER 2016, 23 NOVEMBER 2016 AND 31 JANUARY 2017**

13.1 **Received:** The Committee received and noted the minutes of the CPSC meetings held on 2 November 2016, 23 November 2016 and 31 January 2017 at EMC 2-11a&b&c (16-17).

14. DATE OF NEXT MEETING

14.1 **Noted:** That the next meeting of the EMC would be held on 14 June 2017 at 10.00 a.m.

15. ANY OTHER BUSINESS

15.1 There was no other business discussed.