

EASTER MEETING OF THE ESTATES COMMITTEE
AGENDA
2:00pm Wednesday 20th May 2020
Virtual Meeting on Teams

Present: Professor Phil Allmendinger (Chair); Dr Nick Evans; Dr Tamara Follini (Chair of the Conservation Committee, ex officio); Professor Howard Griffiths (Chair of the Gardens Committee, ex officio); Mr Adam Hardy (UCS Representative); Miss Deborah Hoy (Estates Director); Ms Ada Lee (MCR Representative); Mr Jason Randall (IT Manager); Dr Jacqueline Tasioulas (Senior Tutor); and Mr Paul Warren (Bursar).

In Attendance: Dr Jo Costin (Secretary); Miss Emma Easterbrook (Assistant Bursar);

1. **Apologies**

Apologies were received from Dr Phil Faulkner and Mr Brenan Morgan.

2. **Declarations of Interest**

There were no declarations of interest.

3. **Minutes of 5th February 2020**

The minutes of 5th February 2020 were agreed.

4. **Matters Arising**

Matters arising were covered under Old Court and Carbon Reduction Committee.

5. **Old Court**

a. ***Progress Phase 1a***

Pause: Work was paused from 25 March 2020 on Old Court Phase 1a. The work resumed on 4 May 2020 with site supervisors returning to site, and sub-trades from 11 May.

Division of Site: The College worked with Cocksedge to divide Old Court into four sites, giving the contractors additional welfare areas. Cocksedge have installed a sentry box at the front gate, and are using this to check temperatures. Numbers are now up to around 40 people on site, split across the four areas.

Progress: Progress following the return has been good, and completion of the roofing work is anticipated by the end of the month. Work in A Staircase has recommenced, and is expected to be 9 weeks late (this represents 8 weeks when the site was shut down, and one additional week for slow working). The work in A Staircase is due to complete by the end of June.

Gas Supply Connection: The issue with the gas supply connection has now been resolved and the order placed with Cadent. They are expected to come on site in approximately 7-8 weeks (as of 20 May). There will be some disruption in the centre of Old Court to dig the trenches to put the

gas supply in. This can be carried out more easily before large numbers of College members return to in Old Court.

Scaffolding Strike: The contractor aims to complete the scaffolding strike by the end of July 2020.

Antechapel: While the scaffolding is up in the antechapel, this will be painted. This is also due to complete by the end of July.

Impact on Phase 1b: All phase 1a work is approximately on programme for the start of Phase 1b. The gas switchover remains programmed for 14 September, which was the original date. Works are progressing as well as can be expected, and are not expected to impact phase 1b.

b. ***Overall Project***

Old Court Implementation Group: Old Court Implementation Group meets regularly to discuss the details of Phases 1a and 1b to ensure that the College is managing the risk and financial exposure. Partially because of this group, Governing Body was supportive of the approach now being taken for 1b, which is to slightly delay the tendering process to help managing some of the uncertainty and risk and which has brought a number of advantages.

Overall Project Cost: It is still hoped to generate some cost savings. At present, the budget estimates are built on market research from sub-contractors and tender results for 70% of the underlying subcontract packages. 30% is not yet based on sub-contract tenders or estimates. The results are broadly around the original estimated cost. Some items are cheaper, but it is anticipated that the virus might slow works down. It is still hoped that some elements of the remaining 30% may come in under budget if contractors are hungry for work following the lockdown. Once Phase 1b commences, it is also hoped that some materials and subcontractors will come in at less than the anticipated cost. There are also further value engineering which can be reviewed with the main contractor. The project cost is in a comfortable position, and all the cash is ready to use and was taken out of the stock market before it was affected by Covid-19. Henry Riley have done an excellent job on drilling down on the costs. When they came into the project, it was at £42.5 million for all three phases, and the project is now at £39.5 million. Phase 1a is now higher than it was originally, but additional work was brought into this phase, including the Master's Lodge roof, A&B Staircase, and C Staircase rewiring. This is reflected in Phase 2 reductions from £16 million to £12 million. Part of the reduction in overall project cost is due to consequent savings on inflation. From this point, any additional reductions will be from value engineering.

c. ***Progress Phase 1b***

Final Design Presentation: The Stage 4b presentation, by the architects, was circulated prior to the meeting. This concludes the final design. There is little change between this and the 4a presentation submitted just over a year ago. The areas of difference are largely clarification of details, with finishes and sketches of what the building will look like inside, and mood

boards / material pallettes. There is an opportunity to revisit some of these materials in conjunction with Barnes to look at value engineering. DH

Steps: Considerable research has been carried out since the last meeting on the steps and lift. Aecom, a specialist lift consultant, investigated, and concluded that this was the only lift that would be suitable. The consultant visited the factory, and has gone over the details of the lift, showing the areas where waterproofing is most important. Information from the lift manufacturer on reliability from other lifts has been received and reviewed. The ICE (Institute of Civil Engineers), who have a lift on the Great George street near Horse Guards Parade, gave a good reference and were contacted independently of the lift company. They have said that the lift has been very reliable, is used, and that they would highly recommend this manufacturer. A visit will be arranged if possible, once lockdown has lifted. DH

Lights: Concern was raised on the lights in the main circulation areas on the Architects drawings. Estates Director was to ask about alternative light fittings, and a shortlist to be circulated to the Conservation Committee.

Gardens: There was a concern that a portion of the border was being lost at the point where the entry to the Sunken Garden is. It was hoped that by shifting the angle of the bridge and through losing some of the gloom, the border would be protected. However, given the size of the lorries needed and their turning circles, this was not possible around 1.5m across that corner will be lost. The Gardens Committee have made representations about the amount of fencing surrounding the crane, and have been reassured that this can be minimised. The Gardens Committee were reluctantly happy overall. DH

Windows (Left of Slide 15): Permission was granted for these windows – they were an addition, but are included in the works for which planning permission has been granted.

View from River (Slide 18): The College needs to be clear that they are happy with the style and materials being used in this area (viewing the River Wing from the River). The plan showed a lost corner for seating close to the terrace and external door, owing to emergency access. A question was raised around this needed to be L shaped, and whether a straight line could be used instead to give additional seating inside. However it was thought that moving the wall location would potentially create an issue with the emergency exit route out of the café. The Estates Director will speak to the Architects. DH

Timings for Decisions: At the end of May, the Tenders for the logistics package will be received. Early indications show these coming in at £1.5 million. Commitment to the logistics tender will be required prior to the final costs being available for the main works. During July, an update on the tender for the whole of Phase 1b will be received from Henry Riley, with a final tender report at the end of July. This will then be taken to Finance Committee. The only area where a decision is needed soon is the logistics work.

Recommendation to Finance Committee: The Estates Committee recommended forward the cost limits for logistics of £1,547,812 million (final cost to be received by 8 June), and of £12,293,000 for the main works (costs to be received on 31 July for approval on 7 August).

Start Dates for 1b: Logistics works begin in the Gardens from 29 June 2020, the start on site for the actual works is 28 September 2020.

Costs Relating to Covid-19: All costs exclude anything for Covid-19 apart from additional welfare facilities which were included as part of the logistics. It was considered that if Barnes were asked to price for Covid-19, the College may pay for something that does not end up being needed, and would not be able to recover this. Instead, the recommendation is for the College to give additional flex in the programming, so that if Barnes are late for a reason to do with Covid-19, they will not be charged damages. The period this would cover has not yet been established. If Barnes are given a waiver on damages for a period (say 8 weeks), they will not charge for additional costs due to slow working / change of workers / additional cleaning.

Planning Strategy – Discharge of Conditions: The planning authority has not discharged pre-commencement conditions. The College's planning adviser has said that these are all low risk conditions, and there is no reason to anticipate the Council rejecting what has been submitted. Henry Riley are sending additional information to Professor Allmendinger, so that the College can decide how to proceed.

Award of Logistics Contract: The Project Managers have requested that when the logistics contract is awarded, this is made an extension of the existing pre-construction contract with Barnes. This will make matters simpler if for any reason the College breaks with Barnes. The full JCT will be done with the main works.

d. ***Old Court Matters Arising:***

Item 5aiii: Legionella issues in Old Court (post and prior to lockdown):

Before Old Court is re-occupied, the whole area will need to be chlorinated. This is likely to be carried out by the contractor on completion. The situation is being managed. Extremely low levels of legionella were detected shortly before lockdown. It is expected that once the new plantroom is in place, these issues will be removed completely.

Item 5biii: Cam conservators: The Estates Director went with the Project Managers and Barnes Construction to meet the Cam Conservators, and had a productive meeting, the result of which is that the Cam Conservators will only charge for the lifting weeks. The charge is for a minimum two week period each time, meaning that it will cost £1,500 for installation and £1,500 for removal, rather than £750 a week for each week that the bridge is in place. Constructive correspondence is ongoing.

6. **St Regis Project Update**

Site Shutdown: The St Regis site shut down on 25 March, the same day as the Old Court Phase 1a site.

Progress at Shutdown: When the site shut down, the contractor was 1-2 weeks behind schedule, but anticipated making that up and were telling the College that there was no concern around completion dates in August and October.

Return to Site: The site resumed operations from 4 May 2020 with the return of site supervisors, and with subcontractors returning from 11 May, following the set up of one way systems and other site measures required to comply with government guidance.

Programme Following shutdown: The most recent review on Friday 15 May had the programme approximately 11 weeks behind on the Chesterton rd front block, without taking into consideration the anticipated slow progress going forwards due to Covid-19. Unlike in Old Court, the

site has not been able to get anywhere close to full numbers yet. Prior to lockdown, around 70 operatives a week were on site. Following lockdown, last week the site had around 20 operatives, with a further six anticipated for the week after. The contractor does not anticipate having more than 50% of operatives on site for a month, and then are looking at a potential increase to around 80% of operatives. The contractor does intend to apply for permission to work additional hours, as the government has announced a relaxation of planning conditions around working hours, and is doing everything they can to get back on track. The overriding concern, however, is that the site needs to perform within the health and safety guidelines. The contractor has not been able to provide an actual completion date, but are at least 11 weeks behind, with the potential to be further behind than this. The contractor has been asked to prioritise student accommodation. This will not be available in September, but may be complete in early November.

Project Finance: The project is well within budget, with £170,000 left in the contingency fund.

7. **Queen Edith's / Netherfield Redevelopment**

Background: A number of different options have been investigated, around redeveloping these sites. These included redeveloping both, redeveloping one for offices and one for residential, and other variations.

Option 7: The option circulated at the meeting shows a combination of 4/5 market flats, which may be sold rather than rented owing to low residential rental returns, and 20 graduate bedsits, but this could be redesigned to have smaller rooms and get 22 or 23 units.

Financial Model: Assuming that there are 20 graduate bedsits, the break even point would be in year 7. This assumes borrowing at 3% interest. However, there may be limitations on the College's ability to borrow owing to existing covenants. At some point, Netherfield House requires a new roof, so the intention would be to spend money on redevelopment rather than on refurbishment on this site. The estimate for the construction cost was £3.3 million. This would replicate the number of units already on both the Netherfield and Queen Edith site. The Queen Edith site could then be sold with planning permission to a commercial developer. A sale / small mortgage for the commercial flats and the sale of the Queen Edith's site would be used to fund the whole project, so that this would not affect the College cash flow. The redevelopment would be similar to St Regis, but the College plan to keep the commercial units at St Regis. The College does not want to have a large amount of property being rented on the open market, as there will be 14 units at St Regis.

Recommendation to Finance Committee: The Estates Committee recommended this project to the Finance Committee, but to be put on hold until 2021/22, with work on the design and planning continuing in the meantime. This would mean that the work would be ready to start in 2022, when building costs may have come down. However, a severe recession may affect rental rates and the ability to sell the Queen Edith's site. It must also be recognised that there would be considerable pressure on the Estates Director if this project goes ahead immediately.

8. **Memorial Court Boiler Replacement**

Background: The replacement project has been underway for around 18 months. This initially focussed on more efficient ways of using gas. Prior

to Christmas, the College moved to a strategy of finding a more sustainable or hybrid solution. This work continued with the consultant who won the bid for the original project, but a suitable report was not submitted to the last Estates Committee and the report that was submitted continued to point towards a gas solution.

Sustainable Energy Consultants: Following the last Estates Committee meeting, the College has approached Element Energy and Vital Energi for proposals on a more sustainable solution. Element Energy have submitted a feasibility proposal for the early stages of the project. Vital Energi have not yet submitted a proposal, but the meeting was held more recently. Vital Energi were more interested in a whole package deal where they would do both the design and installation. The Committee recommended going ahead with the Element Energy proposal if nothing was received from Vital Energi. If a proposal was received from Vital Energi, the Bursar and Estates Director would discuss and circulate to the Estates committee. It was proving difficult to find a low carbon solution for this project.

DH / PW

9. **Carbon Reduction at Clare**

Working Party: Professor Allmendinger put forward a paper at the last meeting to set up a working group of Fellows, Students, and Staff, to explore how the College could reduce its carbon footprint. There have been a number of email exchanges following this, but the group has not been able to make significant progress since then.

Investments: The Investment Committee and Finance Committee have agreed to begin moving College investments in a different direction, to invest in non-extracting and non-carbon intensive industries. Good progress has been made, and the Investment and Finance Committees have agreed that 80% of the equity in the endowment will be switched to a new global fund, managed by Amundi, with zero exposure to carbon reserves. The College will also significantly increase exposure, from 4% to 8%, to revenues generated by green industries. This approach should be good for long term performance as well as for the environment. The Bursar has done significant work behind the scenes on this.

Next Academic Year: The working party hope to move forward much more widely in the next academic year.

10. **Bids for Special Capital Expenditure 2020-21**

- a. ***Reduced (£150K savings) Bids for Special Capital Expenditure 2020-21***
The Special Capital Expenditure for 2020-21 which was approved at the last meeting is to be reduced to under £700,000 owing to the current situation. The College has £5.75 million in operating cash, which will take the College through to December 2021, given the current financial forecasts. If the operating environment improves, the College will have more funds available; if it doesn't improve or worsens, then the cash will run out earlier. As a result, no further funds will be transferred to the Old Court refurbishment fund (the College was previously intending to transfer £1.15 million in 20/21), and special expenditure will be reduced to conserve cash. The £150,000 savings on Special Capital Expenditure have been achieved primarily through postponing the work on the Memorial Court Porters' Lodge Roof for a year, and by charging Cambridge United for the Sportsground drainage solution. Combined, these will save

approximately £1.3 million, which should allow the College to get into early 2021, at which point either matters will improve or money will have to be raised through selling assets and raising more donations. The financial model does factor in some money through donations, but does not factor in any large one off donations.

11. **Update on Special Expenditure 2019-20**

- a. ***Emergency Special Expenditure Update 2019-20 & Expenditure approved under delegated authority since last meeting:*** £100,000 was allowed for as emergency capital expenditure; to date £36,006.86 has been spent, meaning a significant underspend.
- b. ***Special Capital Expenditure 2019-20***
The majority of the projects in hand were completed last summer or during the Christmas vacation. Two projects were due for the Easter vacation (refurbishment of the large gates at the front of Memorial Court and Clare Court external decoration). These will be done this year if possible. The Buildings Department van acquisition has not gone ahead this year.

15. **Any Other Business**

- a. ***Old Court Project Risk Assessment:*** The UCS requested the risk assessment for the work in Old Court. There was a confidentiality issue with providing this to all undergraduates. The Old Court site has been split into four areas for Phase 1a, and a risk assessment has been provided to the College. For Phase 1b, Barnes have not yet been appointed for the main works (they have been appointed for pre-construction under a two-stage tender process) but have not yet completed a detailed risk assessment and are not yet on site. They will complete this prior to starting works on site.
- b. ***Old Court Phase 1b Design Details:*** Lights, furnishing, and smaller design features have not yet been fixed. These can be circulated to the Conservation Committee, but there would need to be a quick turnaround. The furniture has not yet been fixed and it would be useful to have input from both the Catering Manager and the Conservation Committee. A subgroup could look at furniture, narrow down to two or three options, and circulate to Conservation Committee for opinions.
- c. ***Old Court Working Group:*** The Old Court Working Group should meet to sign off the final design, as it reports to Governing Body. Jo Costin will circulate a doodle poll to set up a review of the latest plans. JC
- d. ***Old Court Implementation Group and Future Estates Committee Meetings:*** Old Court Implementation Group are meeting more regularly to discuss Old Court. If needed, an additional Estates Committee meeting can also be held to discuss Old Court matters.

16. **Date of Next Meeting**

4 November 2020
24 February 2021
26 May 2021

Distribution: Professor Phil Allmendinger (Chair); Professor Andrew Balmford (Chair of the Environment Committee, ex officio); Dr Jo Costin (Secretary); Miss Emma Easterbrook (Assistant Bursar); Dr Nick Evans; Dr Phil Faulkner; Dr Tamara Follini (Chair of the Conservation Committee, ex officio); Professor Howard Griffiths (Chair of the Gardens Committee, ex officio); Mr Adam Hardy (UCS Representative); Miss Deborah Hoy (Estates Director); Ms Ada Lee (MCR Representative); Mr Brenan Morgan (Head Porter); Mr Jason Randall (IT Manager); Dr Jacqueline Tasioulas (Senior Tutor); and Mr Paul Warren (Bursar).
For information: Rosa Martin (UCS President); Will Wood (MCR President).

All papers for the Estates Committee can be viewed on Moodle from 18th May please follow link <https://www.vle.cam.ac.uk/login/index.php> and use your normal Raven login to view.