



ESTATES MANAGEMENT COMMITTEE

Wednesday 10 September 2014

MINUTES

PRESENT:

President and Provost (Chair)
Dame Nicola Brewer
Professor Nick Brook
Professor Stephen Caddick
Professor Anthony Finkelstein
Professor Mary Fulbrook
Mr Andrew Grainger
Mr Phil Harding
Mr Rex Knight
Professor Alan Penn
Professor Geraint Rees
Professor Anthony Smith
Mr Dave Smith
Professor Jonathan Wolff

In attendance: Ms Valerie Hogg, Mr Nick McGhee (Acting Secretary), Mr Martin Walsh [for item 4].

Apologies for absence were received from Professor Dame Hazel Genn, Professor Graham Hart, Professor David Lomas, Professor David Price, Professor Alan Thompson and Professor Sir John Tooke.

4.12 The importance of the constitution of the academic working group, in particular the need for members with an academic focus outside design/engineering, was noted

4.13 EMC resolved unanimously that the final business case be recommended to Finance Committee, for onward recommendation to Council. Professor Caddick thanked EMC colleagues, and Martin Walsh in particular, for their invaluable contribution to the rapid development of project over the past twelve months.

RESOLVED for recommendation to Finance Committee

4.14 That the QEOP final business case at EMC 1-02 (14-15) be approved.

5 UCL CAPITAL PROGRAMME 2014-2023

Received:

5.1 The draft capital programme 2014-2023 at EMC 1-03 (14-15), with the New Space and Estates Capital Projects Approval Policy at Annexe 3

5.2 An oral report from Mr Rex Knight, Vice-Provost (Operations).

Reported:

5.3 The Capital Programmes Sub-Committee (CPSC) had been established in January 2014 to facilitate discussion at a level of detail that was impractical at EMC. As a consequence of UCL's academic success, the principal issue facing the CPSC was the prioritisation of projects in the context of a legacy of historic under-investment.

5.4 The draft capital programme had been produced on a short timescale in order that it could be submitted to Finance Committee and Council as context to the QEOP Full Business Case. The paper was intended to provide a level of reassurance in view of the fact that the funding for the QEOP project was contingent on a projected improvement in the level of surplus generation.

5.5 Key assumptions in the paper included: a £1.2bn ten-year envelope, as set out in the Estates and Funding Strategy; an expenditure cap of £140m in any one year; £150m of philanthropic income, and borrowing of £300m. The paper included a £12m contingency per annum at programme (rather than project) level. Schools had submitted details of their individual priorities but these were subject to review in light of

- 5.15 EMC discussed the impact on staff morale of a lack of opportunity for growth in particular areas, as well as the challenges in persuading Heads of the need for the necessary financial discipline. The lack of means to invest in major strategic projects would affect the ability of the areas concerned to generate the necessary surplus; the possibility was raised of seeking an alignment between school/institutional priorities and the types of activity that would facilitate a rapid improvement towards the 5.5% target surplus. EMC had a responsibility to achieve the best outcome for the institution as a whole. It was important for staff to understand the legacy of under-investment and the impossibility of securing any pain-free solution.
- 5.16 It was noted that the Space and Estates Capital Projects Approval Policy at Annexe 3