BIRKBECK
University of London

MINUTES OF THE ESTATES COMMITTEE
21 February 2017

Present
Professor David Latchman (Chair), Mr Peter Zinkin, Professor Nick Keep (Science), Dr Stewart Motha (Law), Professor Matthew Davies (SSHP), Mr Daniel Peltz

In Attendance
Mr Alan Fisher (Operational Estate Manager), Mr Jeremy Tanner (Director of Commercial Services and Estates Development), Mr Van Nguyen (Deputy Director of Estates Development), Ms Elizabeth Whitehead (Director of Facilities and Estates Services), Mr Keith Harrison (College Secretary and Clerk to the Governors), Mrs Katharine Bock (Deputy College Secretary, Governance), Mr Ola Bankole (Sustainability Manager), Mr Keith Willett (Finance Director), Ms Megan Reeves (Deputy College Secretary, Operations), Mr Chris Murphy (Director of Development and Alumni), Mr Kashim Barick (Committee Support Administrator), Svetla Mirova (Finance), Professor Anthony Bale (Arts)

Apologies
Professor Matthew Innes, Ms Alexander Brinker

11 MINUTES
Confirmed
11.1 The minutes of the meeting of 26 October 2016.

12 ACTIONS
Reviewed
12.1 An update of progress on actions agreed at the previous meetings (E 2016 12)

13 TERMS OF REFERENCE
Noted
13.1 Estates Committee noted the terms of reference and scheme of membership for the 2016/17 academic year (E 2016 13)

14 ESTATES STRATEGY & MAJOR PROJECTS
Received
14.1 A report of the estates strategy and major projects (E 2016 14)

Noted
14.2 Estates Committee noted the direction of travel established for the estates strategy following the Governors’ away day earlier this month. The strategy comprises of four core projects aimed at delivering additional research space as well as teaching space as the College approaches its 200th anniversary. The four core projects are:
   - 32/33 Torrington Square (Toddler lab)
   - Cambridge House
   - Science Wing (Malet Street infill site or alternative)
   - Teaching Centre (Malet Street extension building)
14.3 It was reported that a stage one design process building on historical designs and drawings of the Toddler Lab has been concluded. Since the original designs were made, more substantive structural issues have come to light including further works on the building’s foundations.

14.4 Total project costs covering both 32 and 33 Torrington Sq. including an additional 150 m² of space will be circa £9M. This includes a £1M allowance for equipment.

Noted

14.5 The site has an existing space of 290 m² and when construction is complete, a total of 900 m² will be available. Members noted that the costings appear to be very high in terms of the space provided, and asked for an analysis of the cost estimate to be provided to F&GPC together with the reasons for the difference from previous estimates.

14.6 It was reported that a project board is being established and further scrutiny of the figures will be carried out following a stage two report. Decisions to proceed with the project will be subject to acceptable costs.

14.7 As reported at the Governors’ Awayday, the recommended use for Cambridge House was to refurbish it as high quality teaching / events space and secure D1 (educational use) planning permission. The existing structure would be refurbished with the possibility of adding an additional two floors.

14.8 The Committee heard that the Science Wing and the Malet Street Teaching Centre projects are currently at an early stage. Preliminary designs building on the initial 2012 master plan will be taken forward looking at planning feasibility and project costings. In parallel to this, the College has initiated a search for a potential alternative site for the Science Wing should that become necessary going forward.

Paragraph 14.9 contains confidential commercially sensitive information and must not be circulated outside relevant committees.

Approved

14.9 Estates Committee approved a budget of £1.10M for design fees to progress the projects, of which £450K has already been approved for the development of the Toddler Lab at the 7 November 2016 F&GPC meeting.

15 PROPERTY UPDATE
Received
15.1 A report on ongoing property matters (E 2016 15)

15.2 It was reported that the issues around Air Rights on the 999 year lease for the main building have been resolved. This allows the possibility of building up to the same height as the main building in future which will include the infill site if or when that site is developed.

15.3 Members heard that the University is in the process of finalising a mechanism by which the College can acquire the infill site between the Council Room and Malet Street, on a lease coterminous with the 999 year main building lease.
Noted
15.4 The Committee noted that the College is pursuing an argument to have a lease on the same terms as that of the Institute of Education. However, the University has stated that Birkbeck’s lease will have a new clause which restricts the College from either selling the building in part or whole or passing the asset to another institution on merger.

Noted
15.5 Members noted that the College currently occupies 7 houses on Gower Street which are all leased from the UoL on different terms.

Paragraphs 15.6 – 15.15 contain confidential commercially sensitive information and must not be circulated outside relevant committees.

15.6 Gower Street buildings are home to the Law School and some elements of SSHP. All of house 4 and 2 floors across 18 - 20 Gower Street are leased on a commercial basis. The leases will be coming to an end in the summer of 2018.

15.7 Houses 10 - 16 have long term leases at minimal annual rental charges and these leases can be terminated with a year’s notice. The University has indicated that it wishes to ramp up these leases to a commercial level over the coming years should the College wish to continue occupying the properties. Should that happen, it is estimated that the eventual liability could reach approximately £450k per annum within 4 years.

15.8 As part of wider discussions, the College is working with the University to resolve this issue. The likely outcome will be to either retain a long term interest in Gower Street or an ‘exchange’ with other UoL property(s). Any scenario is likely to have a significant cost associated with it as the College seeks to secure a long term interest.

15.9 The University has indicated that Dilke House on Malet Street which could offer up to 1,000 m² of space may potentially be an exchange possibility, alongside the run of houses on Torrington Square between no. 32 and the Clore building. Estates Committee agreed that the College should pursue an interest in Dilke House should this proposal become viable.

15.10 It was reported that in early 2016 the College acquired 5,010 ft² (465 m²) of office space on a 5 year lease within the BMA building on Tavistock Square, predominantly to help with the decant of the Toddler Lab staff during the redevelopment of 32 and 33 Torrington Square. This acquisition also met some immediate critical space requirements for other departments.

15.11 In response to various pressures building on services, the College’s changing student demographic and other strategic considerations, additional office and teaching space will be required to support the student experience.

15.12 Additional space has become available in the BMA, which the College has considered as an option to unlock more space for support services and much needed accessible D1 teaching space in the main Malet Street building; and make improvements within student services operations.
The additional space offers 2,975 ft\(^2\) (276 m\(^2\)) of accommodation at a rate of £52 per ft\(^2\). An additional £6 per ft\(^2\) service charge will also be applicable. A six month rent free period has been negotiated should the College enter into a 5 year lease. The estimated overall cost for consideration would therefore be approximately £60 per ft\(^2\) (£178,500 p.a. [VAT is not applicable] excluding rent free period).

Noted

Estates Committee noted that, given the extent of refurbishment and work to unlock the space in Malet Street, a significant financial outlay will be required. The benefits will include:
- Three new large ground floor teaching rooms in the main Malet Street building. These rooms will have demountable walls enabling the creation of a large space which could be used for exams and events.
- Consolidation of IT Services staff in the BMA enabling the liberation of space in the main building.
- Relocation of student services staff to a single location in Malet Street.
- Opportunity for the Development and Alumni team to redesign their current space in preparation for the 2023 campaign.

The initial estimate is circa £700K of which a significant portion would be invested in the development of the teaching rooms and student services elements. The Committee heard that detailed project costs and space analysis will be provided at the May Estates Committee meeting, but asked for a breakdown of costs as currently available to be provided for F&GPC this term.

**ESTATES DEVELOPMENT PROJECTS**

Received

Estates Committee received an update on the progress of projects that were approved for further investigation in October 2016 (E 2016 16)

Members heard that there has been an additional proposal to extend the Library’s Collaborative Group Study Space by around 150 m\(^2\). Given the timing involved, it was recommended that the full project is deferred until the summer of 2018.

Estates Committee heard that the department of computer science wish to convert a 35 capacity classroom into a 26 capacity departmental computer lab. The project will require further detailed discussions due to the complexity of figures involved.

The committee was asked to approve the project to the extent of taking it forward to develop a scheme that can be approved as a cost and through further discussions, the Committee can decide to enact on the project.

Members expressed concerns around converting classrooms into anything other than better classrooms. However, if the business case supports a strong argument for doing so, the Committee will decide on its merits in due course.

Paragraphs 16.6 – 16.11 contain confidential commercially sensitive information and must not be circulated outside relevant committees.

It was reported that the proposal to locate a large double sided digital display screen at the main entrance will cost substantially more than the £30K initially predicted.
following detailed engagement with suppliers. Members expressed the need to investigate the costs further with a view of providing the best balanced proposal for the committee to consider in May following a final pricing exercise.

Noted

16.7 Members noted that the College was successful in securing funding (£3.4M from the Wellcome Trust and £500K from UCL) for a new electron microscope, which will play a fundamental part in the research strategy for Biological Sciences. The College is aiming to procure the microscope by 31st July 2017 and is currently evaluating the detailed requirements. The College’s contribution is £300K.

16.8 Members heard that the College does not have a formal route for College management to make recommendations on non-Estate capital expenditure, but Estates Committee agreed that it can fulfil this function. It considered the proposal to contribute £300K capital expenditure towards the electron microscope and recommends that F&GPC and Governors approve it.

16.9 The Estates Committee also recommends that the Committee’s Terms of Reference are updated to include consideration and recommendations related to non-Estate capital expenditure.

Noted

16.10 Members heard that the College will require purpose built accommodation to house the microscope. The Committee noted that a budget is now required to take the design process further.

Approved

16.11 The Committee considered and agreed a proposal to establish a development budget of £160K to produce a specification for the purpose of appointing a design team. This would enable development of a specification to support a tendering exercise. The current estimated costs for the estates works remain at £980K + VAT which excludes equipment, asbestos management and any upgrades required to ancillary incoming services.

17 FACILITIES AND ESTATES SERVICES

Received

17.1 An update on the College’s facilities and estates services (E 2016 17)

Noted

17.2 Estates Committee noted the progress of planned development and improvements to the College’s facilities and estates services. These services relate to long term and routine maintenance, utilities, environmental and energy management, the shop, catering, cleaning services, recycling and waste disposal, security, attendants, postal and print services.

17.3 It was reported that the long term maintenance plan which is closely linked with the estates strategy and the work of the estates development team was progressing as planned. There have been significant improvements in the responsiveness of the maintenance team and their ability to identify and complete tasks in a timely manner.
17.4 Members heard that the Maintenance Manager has initiated the development of ‘building champions’ to engage with building users in order to move towards a more proactive approach to maintenance. This initiative was started by a ‘walk around’ the common areas of five floors of the Malet Street building following which, a number of routine maintenance items have been addressed. Similar walk arounds are planned for the College’s wider estate.

17.5 It was reported that several services currently delivered by contractors are due for renewal. Following a mini competition amongst LUPC framework suppliers, a new contract for security services started on 1 February 2017.

17.6 An OJEU tender process has been initiated for a new cleaning contract following discussions with the LSHTM about the possibility of a joint procurement. The new contract is due to commence from 1 August 2017. The waste disposal contract has been extended for another year to tie in with the LUPC framework.

Noted

17.7 Estates Committee noted that industry consultants were engaged to look into the College’s future catering services requirements. Staff and student feedback was sought and sector specific data was analysed, following which different models were considered and the market ‘soft’ tested. With the assistance of the procurement consultant an OJEU tender was published on 30th January 2017. The new arrangements are due to start on 1 August 2017.

18 LONG TERM MAINTENANCE (LTM) PROJECTS PROGRESS REPORTS

18.1 Updates and progress reports on the College’s LTM projects (E 2016 18 – E 2016 23)

18.2 Members heard that the 2016/17 LTM works were progressing as expected and within budget. Only the Russell Square toilet modernisation project has exceeded budget by £21K. Electrical infrastructure works are continuing and will be tendered later this year. Completion of works is planned over a 3 year period.

18.3 Members heard that the 2017/18 LTM plan will be reviewed at the May Estates Committee meeting. Detailed costings will be available at that time and the Committee will be asked to approve individual projects.

18.4 Following the discovery of structural defects in 27 Russell Square, structural engineers were commissioned to carry out intrusive surveys across the Russell Square properties. Early indications show that there has been some internal structural movement within some of the houses and the likely cost of rectifying this will be circa £130K.

18.5 Members heard that houses 25 and 26 also require rewiring and heating system upgrades.

18.6 The College has secured listed buildings consent for house 27 and works are currently out to tender with returns expected by the 2\textsuperscript{nd} of March. The College approached 5 companies but 3 have withdrawn for various reasons.
18.7 The Committee heard that the College is a member of the Bloomsbury Heat and Power (BHP) consortium, which provides the College’s heating. The BHP members have initiated a project to upgrade the boiler located in SOAS’s building. The total cost of the installation will be £1.176M and the College’s contribution will be 13% of this, (£153K inc. VAT). Payment will be due in 2018/19 if planning application is granted.

18.8 As previously reported, discussions have been ongoing on the future of the BCHP. The College has commissioned a consultant to look into future possibilities for the College to make its own arrangements, should the future BCHP prove to be poor value for money or unsuited for the College’s needs.

19 ENVIRONMENTAL UPDATE

Received

19.1 An update from the College’s sustainability manager (E 2016 24)

Noted

19.2 Estates Committee noted that a lighting survey was recently carried out focusing primarily on student facing areas in the Malet Street main building. The aim was to evaluate the performance and suitability of the existing lighting provisions against an energy efficient LED option.

19.3 The outcome was a recommendation that LED lights and controls would deliver better light quality and light distribution, contribute to a positive user experience and add value to the space.

Endorsed

19.4 LED lights deliver significant energy, carbon and cost reductions by being four times more efficient than conventional lighting. The Committee endorsed the initiative and noted that the investment of £98,000 will be included as a provision in the annual maintenance budget 2017/18 and will be taken forward from August 2017.

20 DATE OF NEXT MEETING

Noted

20.1 The date of the next meeting of the Estates Committee this session

- Monday 5th June 2017, at 2pm