

**Minutes of Harrow Corporation
Property Committee Meeting
4th June 2008**

Present

Phil Harding
Jayshree Radhia
Tony Medhurst
Rena Prindiville
Matthew Westmore

Item	Time	Minute	Action
1	7.05	Apologies received from Clifford Hurst and Jane Chaplin. Minutes taken by Matthew Westmore.	
2	7.06	No declarations.	
3	7.07	Minutes of previous meeting approved.	
4	7.08	Matters arising. These are taken against the agenda items.	
5.1	7.09	<p>Item 5.1 – Property Report</p> <p>Matthew Westmore presented his paper and updated the Committee on events since the paper had been published.</p> <p>Tony Medhurst reported that he, Rena Prindiville and Matthew Westmore had attended the meeting and that the unanimous view was that the LSC was still 100% behind the College with the scheme. The meeting on 27th May with Phil Head and Pravin Parmar. had considered the latest cost plans and the LSC had noted that the cost increase since the AIP was primarily due to inflation. Tony Medhurst also advised that a recent meeting with London West had reconfirmed their strong support.</p> <p>Progress with TfL was still inconclusive and slow. Recent correspondence had indicated the lack of commitment and consequently Tony Medhurst had written a strong letter to Peter Hendy asking for an urgent meeting and advising that the College was also in communication with the Mayor of London, again, asking for a meeting.</p> <p>Tony Medhurst has also met with Marilyn Ashton (Harrow Councillor with portfolio responsibility for Planning and Development and explained the delay and problems to her. She expressed her strong support and said she would discuss this with the leader of the Council (David Ashton) to broker a meeting with the Mayor as soon as possible. The strongest possible political pressure will be brought to bear.</p>	MW

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		<p>Jayshree Radhia suggested that the College lawyers should be instructed to write a strong letter to Transport for London, advising them of the College's intention to submit a claim for estoppel. This would be based on TfL's Letters of Support, and making promises that we have relied upon in the development of our project. Governors expressed support for this approach and asked for legal advice on this matter.</p> <p>Phil Harding asked for information about the impact of failing to reach agreement with TfL and MW advised that this would effectively delay the project so significantly that it would either be postponed by the LSC or delayed for at least a year, increasing costs considerably. The Committee then analysed and discussed the risks around each course of action and confirmed that all possible pressure should be brought upon Transport for London to ensure that the project was not jeopardised by actions within Transport for London.</p> <p>The revised offer by Dandara for the Harrow-on-the-hill campus was discussed. Phil Harding asked for clarification on the Section 106 payments as the College paper had quoted a figure of £5 million, whereas Dandara's offer included a figure of £5.2 million. MW explained that the College was only liable, under contractual agreement with the London Borough of Harrow, to secure the £5 million Section 106 payment, balanced against zero affordable housing. Any additional Section 106 payment will be the responsibility of the developer. Dandara had indicated their allowance of £200,000 for such things as improvements to public realm and public art.</p> <p>Governors asked for clarification of the overage clauses within the Dandara offer. MW explained that these operated initially on receipt of Town Planning Consent for the Harrow-on-the-Hill campus and later as a result of either increased sales value or acquisition of the Transport for London land adjacent which would provide marriage value.</p> <p>Resolved:- Acceptance of Dandara's offer to be recommended to Corporation.</p>	
6	8.00	<p>Rena Prindiville tabled a note on the current situation with the bank loan. This was needed because the banks have changed their stance on loan rates and loan process as a result of the current credit squeeze. Loan rates have increased as have the arrangement fees and the introduction of a non-utilisation fee. RP advised that she had obtained alternative quotes from Lloyds (our current bankers) and Barclays. Analysis showed that Barclay's proposals would be cheaper.</p> <p>Both banks required acceptance by 21st June to guarantee the rates. Lloyds have already obtained board credit approval, but Barclays would only process that if the offer was accepted.</p>	RP

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		<p>Governors decided that the College should accept the lower rate from Barclays and RP was asked to negotiate with them on the basis that, if they confirm terms as currently quoted, in a firm offer by 16th June, we would go with Barclays. If they were unable to confirm details by 16th June, we would still have time to accept the Lloyds's offer.</p> <p>Resolved:- Ask Barclays to formally confirm their loan, and if terms the same, to proceed with Barclays.</p>	
7	8.01	<p>Any Other Business</p> <p>None – meeting closed.</p>	