

# Delayed/ cancelled capital build projects



*Notes from the breakfast briefing, 25 March 2009,  
Annual Governance Conference*

## Issues raised in breakout groups:

1. Finance
  - Sale of land in downturn
  - Uncertainty of property and construction business
  - Relationships with banks – covenants and high gearing
  - Impact on funding from LSC
2. Estates
  - Other/new lease commitments
  - Demolition
3. Focus on projects that were well underway ie where denial of funds would seriously impact on the college
4. Some colleges may need short term funding to allow breathing space
5. New costs incurred if projects are re worked
6. Importance of communications for wider communities and also internally
7. Role for AoC
8. Strategic discussions
  - Need to develop plan B
  - Wider impact on revenues
  - Merger issues
9. How much money is involved if the wider perspective is taken
10. How will the available money be prioritised
11. There is a bigger picture for colleges to consider – 16-18 agenda, building, train to gain, employer engagement, falling under 17yrs
12. Public opinion and reputational issues

## Possible next steps:

1. Public /private law remedy
2. Recalibrate existing projects
3. AoC estate related activities
4. Plan B's and developing them
5. Paper trail
6. New Business plan

## ***Brief guide on the Foster Review into the Building Colleges for the Future programme***

LSIS has produced a brief guide on the Foster Review into the Building Colleges for the Future programme, it includes: The early history of the capital programme, Warning signs, Funding freeze, What went wrong, Recommendations, LSC and DIUS response and Implications.



[Download the brief guide here](#)