

**GOVERNORS' MANAGEMENT COMMITTEE**  
**Minutes of a Meeting**  
**11.00am Wednesday 19<sup>th</sup> January 2011**  
**Gordon Canning Room**

**Present:** Mr Graham Van der Lely (Chair) (GVdL)  
Mr Mike Burton (MB)  
Mr Mark Davison (MJD)  
Mr Jim Hickman (JH)  
Mr Edward Keene (EK)  
Mr Malcolm Wharton (MW)  
Mr Charles Whitehouse (CW)

**In Attendance** Mr Graham Ledden (GL)  
Mr Luke Rake (LR)  
Dr Stephen Waite (SW)  
Mrs Lesley Worsfold (LW)

**Apologies:** Mr Martin Baber  
Mr Bob Barnett

**Minutes:** Mr Rob Lee

		<b>ACTION</b>	<b>ACTION DATE</b>
<b>1.</b>	<b>Apologies</b>  Apologies were received from Mr M Baber and Mr R Barnett		
<b>2.</b>	<b>Declaration of Interest – Paper GMC02/01/11</b>  The Clerk advised that member's interests would be taken as those disclosed in the Register of Members Interests. There were no declarations of members interests for agenda items.		
<b>3.</b>	<b>Minutes of the Last Meeting – Paper GMC03/01/11</b>  Minutes of the meeting held on the 26 <sup>th</sup> November 2010 were agreed to be a true and accurate record and signed by the Chair.		
<b>4.</b>	<b>Matters Arising</b>  <b>4.1 (4.1, 9.0) Student Accommodation</b>  MW advised that he had met with the Chair of Planning Committee, Chair of Parish Council and local councillor to agree on a way forward on student accommodation. MW advised that the planners had agreed to respond to his 2009 letter suggesting ways to improve the Dingle accommodation by cladding and landscaping. MW had explained that the accommodation for which we had		

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<p>planning permission around New Vicarage was not really a suitable location for accommodation for under 18's to replace the Dingle. MW also advised that he had briefly outlined the proposal for a Retail Park, which had not been turned down, and confirmed that discussions on the A417 junction were on-going although the Retail Park would overcome this as a roundabout would have to be built if this went ahead. MW advised that he had received interest from a major retail outlet relating to the Retail Park. MW also confirmed that planning has been renewed for what would have been the CRC Building.</p> <p><b>4.2 (4.3, 16.2) Buttersend Farm</b></p> <p>MW advised that the information he had been given on the lease had been incorrect. The lease could only be broken by us in 2012 and not the owner until the end of the current lease in 2017.</p> <p><b>4.3 (10.0) Changes to incremental rises in the Academic Appraisal Process.</b></p> <p>LW advised that the College was still reviewing this process.</p> <p><i><b>It was agreed that a costed options paper will be put to the next meeting to deal with future payments.</b></i></p>	LW	28/04/11																																								
<p><b>5. Discuss and Approve monthly accounts for November 2010 to include performance of College commercial enterprises, Employer Engagement and Train to Gain Targets. Paper GMC05/01/11</b></p> <p>GL advised that the financial results for the first 4 months of the year show an operating deficit of £1063.9K against a budgeted deficit of £1083.9K representing a £20K favourable variance. For the same period last year the deficit was £1219.7K GL outlined the main areas of variation. HE funding income is £15.6K adverse which is partly due to late change in HEFC funding after budget had been set. In response to GVdL GL advised that at the census date of 1<sup>st</sup> December 2010 HE student numbers were slightly up on the previous year and had met the cap. GL went on to explain that there was to be a 6% cut in HEFC funding for 2011/12 and it had not been made clear whether this was academic or fiscal year. If fiscal then this will mean a 2%, £80K, reduction this year. GL outlined the variances in FE Apprenticeships but expected these to be reversed as the year progressed. It was noted that the Farm income is showing a £111.6K favourable variance mostly due to the income from sales of cattle. However this is offset by an adverse stock variance of £83.1K. GL outlined the variances to direct and fixed costs. <b>The results for our commercial activities for 4 months to 30<sup>th</sup> November 2010 are:-</b></p> <table border="1" data-bbox="156 1635 1173 2004"> <thead> <tr> <th></th> <th>Actual £000's</th> <th>Budget £000's</th> <th>Variance £000's</th> </tr> </thead> <tbody> <tr> <td>Catering</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bar</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Shop</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Conferencing</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Equine</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Stud</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Farm</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Residential</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Centre for Rural Business</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		Actual £000's	Budget £000's	Variance £000's	Catering				Bar				Shop				Conferencing				Equine				Stud				Farm				Residential				Centre for Rural Business					
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	<p><b>CW noted that if there had not been a £21K write-off of maize the Farm would have been ahead of budget. MW wanted it noted the excellent performance of Equine. In response to GVdL GL advised that the closure of Penfolds had reduced the Catering income but as it was making a loss not the margin. In response to GVdL GL advised that he would ensure transport appeared in the next accounts. Overall transport had a subsidy of £600k with £400K attributable to student transport. We are making efficiency savings in this area but there is £70-£80K of income from Gloucester Council that is under threat due to budget savings.</b></p> <p><b><i>It was agreed that Transport would be reported in future accounts.</i></b></p> <p><b><i>The November 2010 Accounts were approved.</i></b></p>	GL	Immediate																																										
6.	<p><b>Report on offer from Sodexo. Paper GMC06/01/11</b></p> <p>GL advised that Sodexo had made an offer</p> <p><b><i>It was agreed that we should continue to negotiate with Sodexo and to pursue answers to the key questions that have been discussed.</i></b></p>	GL	28/04/11																																										
7.	<p><b>Discuss the College capacity to borrow over the next five years and the priority projects to include Buttersend Farm. Paper GMC07/01/11</b></p> <p>GL advised that his paper assumed no offer from Sodexo. GL explained that there are a number of existing and proposed capital projects which are:</p> <table border="1"> <thead> <tr> <th>Project</th> <th>£m</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>Home Farm Campus</td> <td></td> <td></td> </tr> <tr> <td>Second Rubber Crumb</td> <td></td> <td></td> </tr> <tr> <td>Sports Academy</td> <td></td> <td></td> </tr> <tr> <td>Dingle replacement</td> <td></td> <td></td> </tr> <tr> <td>Buttersend Farm</td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td></td> <td></td> </tr> <tr> <td>To be financed by</td> <td></td> <td></td> </tr> <tr> <td>Current Bank facility</td> <td></td> <td></td> </tr> <tr> <td>Grant from SFA</td> <td></td> <td></td> </tr> <tr> <td>Own resources</td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td></td> <td></td> </tr> <tr> <td>Additional borrowings</td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td></td> <td></td> </tr> </tbody> </table> <p><b><i>Approval was given for additional borrowing of £2.6m for the Sports Academy Extension (£1.1m and that approval should be sought from the SFA.</i></b></p>	Project	£m	Status	Home Farm Campus			Second Rubber Crumb			Sports Academy			Dingle replacement			Buttersend Farm			Total			To be financed by			Current Bank facility			Grant from SFA			Own resources			Total			Additional borrowings			Total			GL	
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8.	<p><b>Update on Home Farm Campus capital project. Paper GMC08/01/11</b></p> <p>GL advised that the project had been approved by the Corporation at a cost of £3.798m funded by a £1m grant from SFA and borrowings of £2.798m. At the end of the tendering stage the contract had been awarded to Markey builders at a cost of £3.117m some 18% below the original budgeted price made up of</p>																																												

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	savings of £87K on preliminary costs, £189K on building costs. There was also a £456K saving on VAT due to being able to prove that the building will have a high occupancy of 16-18 year old students. GL outlined the actions that had been put in place to reduce any project risks. The date of completion is 22 <sup>nd</sup> August 2011.		
<b>9.</b>	<b>Review FE and HE Tuition Fees. Paper GMC09/01/11</b>  GL outlined the schedule of tuition fees and how they were agreed. In response to MJD GL advised that the only radical change due to financial constraints is the HEFC grant which will reduce by 60% some £300K in 2011/12 and a further 250K in 2012/13. GL advised that the Tuition fee would have to go up to £6800 per annum before top slice to break even. GVdL advised that UWE were debating differential fees across their courses.		
<b>10.</b>	<b>Approve Student Ledger Write-offs. Paper GMC10/01/11</b>  GL advised that he was seeking permission to write off three debts, £2036.58 from 2009/10, £1993.30 from 2004/5 and £1571.26 from 2001/2 that were deemed irrecoverable.  <i>The writ-off of the debts as listed was approved.</i>	<b>GL</b>	<b>Immediate</b>
<b>11.</b>	<b>Review the Strategic Vision. Paper GMC11/01/11</b>  The Clerk advised that he had amended the Strategic Vision in line with the actions agreed at the Governors' Strategic Planning Day. The amendments were reviewed. It was agreed that the target for student numbers should be confirmed as no change year on year for HE, a 5% increase for FE and 10% increase for international. MW updated Members briefly on ways to work with other colleges.  <i>Amendments to the Strategic Vision 2009/10-2012/13 were approved and it should be posted on the College Web site and Intranet.</i>	<b>Clerk</b>	<b>03/03/11</b>
<b>12.</b>	<b>Review Corporation Key Performance Indicators. Paper GMC12/01/11</b>  The Clerk advised that the KPI's had been amended to monitor HE performance with the UWE KPI's but a further amendment needs to be made to reflect the change in student number targets. Targets to performance had been discussed at the December Corporation Meeting.  <i>The Key Performance Indicators for 2011 were approved with the above amendments.</i>	<b>Clerk</b>	<b>03/03/11</b>
<b>13.</b>	<b>Review Mission Statement</b>  Members reviewed the current mission statement and discussed its use and purpose.  <i>It was agreed that it will be recommended to the Corporation that there should be no amendments to the College Mission statement.</i>	<b>Clerk</b>	<b>03/03/11</b>
<b>14.</b>	<b>Any Other Business</b>  <b>14.1 Link Governors</b>		

	ACTION	ACTION DATE
<p>The Clerk distributed a paper outlining the arrangements for linking Governors with College Leaders and Managers and this will be numbered GMC14.1/01/11. MW advised that this paper had been discussed at the Search and Governance Meeting that had preceded this meeting. Amendments had been made to reflect people and organisational change but the main purpose of bringing to this meeting was to ensure that the College senior management made their staff aware of the process and that when dates were agreed to inform the Clerk.</p> <p><b><i>It was agreed that the process should be distributed to the relevant departmental heads to enable them to contact their "Link Governor"</i></b></p> <p><b>14.2 Sports Academy Structural Roof Appraisal</b></p> <p>MW advised that as the original report was deemed not to be robust enough further advice had now been sought on the structural lifespan and safety of the Sports Academy roof. A second set of structural engineers had inspected the roof and reviewed the as-built information. The engineers have observed possible problems and have asked for further information and on receipt will make another inspection. MW advised that he will be taking legal advice. A copy of the engineer's letter will be attached to the minutes and numbered GMC14.2/01/11.</p> <p><b><i>A report will be made to the next meeting of the Corporation.</i></b></p>	<p>LR/SW</p> <p>MW</p>	<p>Immediate</p> <p>03/03/11</p>
<p><b>15. Dates of Future Meetings all to be held at 11.00am</b></p> <p>Thursday 28th April 2011  Thursday 30<sup>th</sup> June 2011  Thursday 6<sup>th</sup> October 2011  Wednesday 16<sup>th</sup> November 2011</p> <p>Wednesday 25<sup>th</sup> January 2012  Wednesday 25<sup>th</sup> April 2012  Thursday 21<sup>st</sup> June 2012  Thursday 4<sup>th</sup> October 2012  Wednesday 21<sup>st</sup> November 2012</p>		

**Mr Graham Van der Lely**  
**Chair Governors' Management Committee**

**5<sup>th</sup> May 2011**