

GOVERNORS' MANAGEMENT COMMITTEE

Minutes of a Meeting 11.00am Wednesday 1st February 2012 Gordon Canning Room

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

In Attendance Mr Graham Ledden (GL)
Mr Luke Rake (LR)
Mrs Lesley Worsfold (LW)

Apologies: Mr Martin Baber
Mr Bob Barnett
Mr Edward Keene
Dr Stephen Waite

Minutes: Mr Rob Lee

		ACTION	ACTION DATE
	The Chair wished to minute the congratulations of the Corporation to the Principal on a very well deserved award of a CBE in the New Years Honours List. The Principal thanked the Governors for their support.		
1.	Apologies Apologies were received from Mr M Baber, Mr R Barnett, Mr E Keene and Dr S Waite.		
2.	Declaration of Interest – Paper GMC02/02/12 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.		
3.	Minutes of the Last Meeting – Paper GMC03/02/12 Minutes of the meeting held on the 22 nd November 2011 were agreed to be a true and accurate record and signed by the Chair.		

		ACTION	ACTION DATE
4.	<p>Matters Arising</p> <p>4.1. (9.0) c 4.2. Communication with SFA on Colleges financial health.</p> <p>MW advised that he had written to the Chief Executive of the SFA for confirmation of the changes to the methodology of calculating a college's financial health but had not received a response. The Chief Executive had now resigned and MW would need to write to the new Chief Executive when appointed.</p>		
5.	<p>Discuss and Approve monthly accounts for December 2011 to include performance of College commercial enterprises and Hartpury Business Targets. Paper GMC05/02/12</p> <p>GL advised that the results for the five months to the end of December show an operating deficit of £1084.8K compared to a budgeted deficit of £867.8K and represents a £217.0K adverse variance. GL advised that we are behind last year and expected the Mid Year Update, which is currently being produced and will be discussed at the next Corporation Meeting, to show that we will miss our budget by £100K. GL outlined the major areas of adverse income variance. LR advised that there was a delay in one of the JIP projects but was expected to be completed this year with a total income of £112K. In response to MW LR confirmed that this project related to food manufacturing. GL outlined the major variances to the direct and fixed costs. MJD noted that transport was adverse by £44.6K and asked if there had been changes since the budget. GL advised that we are running more buses greater distances. We are running some larger buses which are more cost effective. MW advised that we have a greater demand in part due to the shortfall in local authority spending on transport. GL explained that petrol costs were over budget due to a greater cost per litre than budgeted and buses travelling greater distances. There is also an adverse cost to budget on transport for sports teams and MW confirmed that this was an area where we are looking to save costs. GL advised that he is holding meetings with budget holders to agree areas where variances can be reduced.</p> <p>GL outlined the performance of the College commercial enterprises.</p> <p><i>It was agreed that we will ensure that our insurers have been informed of the accident on the Farm.</i></p> <p><i>It was agreed that the Principal will meet with Velcourt to discuss possible action on budget.</i></p> <p><i>It was agreed that the high subsidy at equine will be investigated.</i></p>	<p>GL</p> <p>MW</p> <p>MW/GL</p>	<p>Immediate</p> <p>Immediate</p> <p>Immediate</p>
6.	<p>Discuss result of HEFCE numbers bid. Paper GMC06/02/11</p> <p>MW advised that we had been told informally by HEFCE that the College has been awarded 340 places out of the 600 it bid for. HEFCE say that this represents a pro-rata allocation of numbers and reflects the level over subscription. The result of the bids will be publically announced after 27th January following a HECFE board meeting. Initially thoughts are that the College would wish to allocate these numbers to support degree</p>		

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	<p>programmes, and retain UWE numbers to support primarily our Foundation Degrees provision. MW advised that he has concerns over recruitment for next year. Nationally applications are down 10%, UWE are down 14% and we are down more than this with Sport applications down 50%. In response to GvdL MW advised that if we fail to hit our numbers then we could give back to UWE but this would affect us the following year. GvdL advised that the Vice Chancellor of UWE felt that the fee increase was not having a big impact as applications from the less well off were up whereas overall applications were down. MW advised that the allocation of direct numbers changes the relationship with UWE and a new agreement, temporary if necessary was needed. In response to GvdL MW advised that he had not discussed with UWE any discretion on top slicing.</p> <p><i>The Principal will continue discussions on this subject with the Vice Chancellor of UWE.</i></p>	MW	Ongoing
7.	<p>Update on Capital Projects. Paper GMC07/02/12</p> <p>7.1. Sports Academy Roof.</p> <p>7.2.</p> <p>As previously reported the review of the detailed structural drawings for the defective roof has lead to an estimate by Markey of £314k for the remedial work. GL advised that as discussed in previous meetings the prospect of a successful action for the rectification works is low due to the lack of signed documentation. We currently hold a provision in the accounts of £192k and have the potential to claim liquidated damages of £100k from the builders due to delays in delivery, although the lack of a signed contract may cause difficulty here. In response to JH GL advised that if the documents had been sealed we would still be within time. JH therefore thought that we could also use the argument of being out of time if contractor comes to us for any outstanding fees. MB asked if it was possible to reserve our rights for the future and JH advised that this could be the subject of a letter to our solicitor. GL advised that we have been awarded by the SFA £100k as a Renewal Grant for use by the College to help improve the condition of the estate and make running cost efficiencies. These funds need a 1:2 contribution from the College, making a £300k project. We have informed the SFA that we will use the funds for roof strengthening and the provision of additional photovoltaic panels. In response to MJD GL confirmed that we would need to get a price for the photovoltaic panels and for strengthening the roof if necessary.</p> <p><i>It was agreed that we should rectify the roof ourselves and approval was given to spend £314K on the project.</i></p> <p><i>It was agreed that a letter would be sent to our solicitor advising that we reserve our rights to take further action in the future.</i></p> <p>7.3. The Dingle</p> <p>GL advised that as previously reported the estimate for buying and cladding the units currently on lease is approx £700k-£800k. GL advised, however, that the price may go up as we are looking to see if we can improve the Common Room facilities. The current lease expires in September 2012 and hence the work will need to be scheduled for a start in the early summer. We have now received planning consent from the Local Authority although this came with a Section 106 Unilateral Undertaking that we would start the work this summer and complete it in</p>	<p>GL</p> <p>GL</p>	<p>Immediate</p> <p>Immediate</p>

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9.	<p>Update on progress to develop a Conference Hotel</p> <p><i>A Business Plan will be brought to the next meeting.</i></p>	MW	25/04/12
10.	<p>Discuss the options for requiring purchasing more farmland. Paper GMC10/02/12</p> <p>GL referred Members to his paper that shows the cost of buying the crops currently produced at Buttersend Farm would be an additional charge of £30,402 to the College and therefore given the rent of £26,800 and the availability of young stock housing the current arrangement is financially sound. As this land is no longer available after 2017 GL outlined the cost of purchasing similar sized plots at differing costs per acre. It was noted that financially it does not work but we would have an appreciating asset. MB felt that we should be more proactive locally in looking for land. In response to GvdL MJD felt that land prices will go down. MW felt that further discussions should take place on the options available including the situation if no land was purchased.</p> <p><i>The Farm sub-committee will meet and an options paper presented to the next meeting.</i></p>	MW/EK MJD/CW MHB	25/04/12
11.	<p>Update on proposal for Retail Park. Paper GMC11/02/12</p> <p><i>The next meeting will be updated.</i></p>	MW	25/04/12
12.	<p>Discuss FE course costings. Paper GMC12/02/12</p> <p>Will be discussed in closed session.</p>		
13.	<p>Review Governor KPI Targets. Paper GMC13/02/12</p> <p>The Clerk briefly outlined the performance against targets which had been discussed more fully at the December Meeting. After discussion the following amendments were made.</p> <ul style="list-style-type: none"> ❖ The Governor Strategic Planning Day will be held in Spring 2012 ❖ The FE Performance targets are amended to those agreed by the Quality and Standards Committee <p>All other KPI's will remain as last year.</p> <p><i>The Governor KPI's will be amended as above and recommended to the Corporation for approval.</i></p>	Clerk	08/03/12
14.	<p>Review the College Mission Statement. GMC14/02/12</p> <p>Members reviewed the current mission statement and discussed its use and purpose.</p> <p><i>It was agreed that it will be recommended to the Corporation that there should be no amendments to the College Mission statement.</i></p>	Clerk	08/03/12
15.	<p>Approve amendments to College policies. Paper GMC15/02/12</p> <p>LW advised that the policies had been amended due to change in the law on retirement age. All amendments were detailed in red.</p>		

