

GOVERNORS' MANAGEMENT COMMITTEE

Minutes of a Meeting 11.00am Thursday 5th May 2011 Gwynne Holford Room

Present: Mr Graham van der Lely (Chair) (GvdL)
Mr Martin Baber (MHB)
Mr Bob Barnett(RB)
Mr Mike Burton (MB)
Mr Mark Davison (MJD)
Mr Edward Keene (EK)
Mr Malcolm Wharton (MW)
Mr Charles Whitehouse (CW)

In Attendance Mr Graham Ledden (GL)
Mr Luke Rake (LR)

Apologies: Mr Jim Hickman
Dr Stephen Waite
Mrs Lesley Worsfold

Minutes: Mr Rob Lee

		ACTION	ACTION DATE
1.	Apologies Apologies were received from Mr J Hickman, Dr S Waite and Mrs L Worsfold		
2.	Declaration of Interest – Paper GMC02/05/11 Mr M Burton declared an interest in agenda item 7 as he had business interests with Sodexo and Mr M J Davison declared an interest in agenda item 8 as he owned accommodation rented to students. It was agreed that both could take part in discussions but not any subsequent votes. The Clerk advised that member's interests would be taken as those disclosed in the Register of Members Interests. There were no other declarations of member's interests for agenda items.		
3.	Minutes of the Last Meeting – Paper GMC03/05/11 Minutes of the meeting held on 19 th January 2011 were agreed to be a true and accurate record and signed by the Chair.		

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4.	<p>Matters Arising</p> <p>4.1 (4.3, 10.0) Changes to incremental rises in the Academic Appraisal Process.</p> <p><i>It was agreed that as LW was unable to make this meeting the costed options paper dealing with future payments will be put to the next meeting.</i></p>	LW	30/06/11																																												
5.	<p>Discuss and Approve monthly accounts for March 2011 to include performance of College commercial enterprises, Employer Engagement and Train to Gain to Targets. Paper GMC05/05/11</p> <p>GL advised that the results for the period to the end of March 2011 show an operating surplus of £332.4K compared to a budgeted surplus of £273.1K and represents a £59.3K favourable balance against a £47.9K deficit for the corresponding period in the previous year. GL advised that income for the period shows a favourable balance of £58.2K and he outlined the major areas that contributed to this performance. Direct costs also show a favourable balance to budget of £51.9K and GL outlined the major areas. Fixed costs are £50.8K adverse to budget for the period. It was noted that whilst agency costs were adverse by £70.2K, all attributable to Catering, their payroll shows £73.5K favourable balance to budget. GL also advised that he was providing £10K per month for the estimated cost of removing the Dingle units in September 2012 of £210K. GL advised that there had been changes in local government pension and National Insurance payments from April and the nett impact, on first sight, seems to be less than we thought it was going to be.</p> <p>GL outlined the performance of the College commercial activities</p> <table border="1" data-bbox="159 1176 1173 1579"> <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>Transport</td><td></td><td></td><td></td></tr> <tr><td>Centre for Rural Business</td><td></td><td></td><td></td></tr> </tbody> </table> <p>In response to EK GL advised that the drop in catering income was being evaluated and confirmed that budget proposals in this area were aimed at improving bottom line performance but the reduction in EMA payments could have an affect on the performance. GL advised that the performance of CRB was encouraging and expected next years bottom line performance to be similar on less volume.</p> <p>GL also advised that during March a £2.75m 20 year fixed rate deal at 5.092% starting on 25th July 2013 was entered into covering the interest rate exposure on much of Home Farm development and the residual loan on Phase 7 residential accommodation. GL confirmed that a similar deal will be put in place with the recent approval for the £1.1m cost of the Sports Academy. In response to MHB GL advised that there had been no general pay increase since September 2008 and there had been no adverse reaction to this and LR</p>		Actual £000's	Budget £000's	Variance £000's	Catering				Bar				Shop				Conferencing				Equine				Stud				Farm				Residential				Transport				Centre for Rural Business					
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<p>believed that staff appreciated the economic situation. GL advised however that some academic staff had received a movement in their pay through the academic appraisal system and all staff with salary less than £21.5K per annum had received an increase. In response to MJD GL confirmed that budget for next year would show a significant increase in energy costs and that the Purchasing Manager was looking at ways of reducing costs in this area and was aware of buying group schemes. In response to CW GL outlined restructuring costs that were in the accounts.</p>		
<p>6. Discuss and agree policy on the College holding public meetings.</p> <p>MW advised that after the discussions that had taken place at the last Corporation Meeting he had met with the Chair, Mr Burton and Mr Clegg and there was a proposal that we should hold an annual public meeting similar to the one we had held relating to the Masterplan. MB felt that there should be public meetings held for specific reasons as with the Masterplan and not just an annual meeting. GvdL believed that we would be surprised how little local people knew about the College and this would be an information exercise. In response to CW MW advised that we had tried to incorporate this type of meeting into Open Days but attendance by the public had been extremely poor. In response to EK MB felt that local people would attend a meeting if there was a major project but was doubtful whether they would for a general meeting. MW advised that Mr Clegg believes that the College receives bad press from local people and this would be a way of helping to overcome this but it may be better to leave it for the new Principal to decide. RB believed that a compromise could be to send out an annual letter each year to local community explaining the achievements and plans of the College. MW advised that we always attend the Parish Council Annual General Meeting and deliver a report on the College and take questions afterwards.</p> <p><i>The Chair felt that the Committee had not supported the need for an annual public meeting and it would therefore not be taken forward at this time.</i></p>		
<p>7. Discuss and agree response to Sodexo on offer to purchase residential accommodation. Paper GMC07/05/11</p> <p>GL advised that he had had a further meeting with Sodexo and had been able to resolve the safeguarding and Limbury Phase 1 room issues that had been raised at the last meeting.</p> <p><i>It was agreed that we should continue with discussions but make Sodexo aware that a decision was unlikely to be made until 2013.</i></p>	GL	
<p>8. Review progress on capital projects. Paper GMC08/05/11</p> <p>8.1 Home Farm</p> <p>GL advised that the academic improvements to Home Farm were currently on time and on budget and will be available for occupation for the start of the new academic year. GL advised that the VAT status of the building has been reviewed and we will zero rate the building therefore saving £456K. In response to GvdL GL advised that this would come off the total cost of the building which was £3.8m and with further savings the cost was expected to be £3.117m.</p>		

	ACTION	ACTION DATE
<p>8.2 Sports Academy</p> <p>GL advised that consent to borrow £1.1m had been received from the SFA and the contact had been awarded. Completion is contracted to be the end of November 2011 but is expected to be earlier. Contract has been agreed with Gloucester RFC but not as yet signed.</p> <p>8.3 Sports Academy Roof</p> <p>GL advised that the estimated cost of the remedial work on the defective roof of the Sports Academy is £300-£400K and we are taking legal advice. In response to GvdL GL advised that the original drawings would have been lodged with Building Control. MW advised that we were currently preparing a tender to get accurate price and in response to CW agreed that we would look at installing solar panels. In response to RB MW confirmed that it was not a health and safety risk but would shorten the life of the roof.</p> <p>8.4 Rubber Crumb</p> <p>GL advised that the project was on time and on budget.</p> <p>8.5 The Dingle</p> <p>GL advised that the owner had now indicated a price of £491K for the units and in response to EK confirmed that this was not fixed and it would cost £200K to remove the units from campus. GL advised that if we retained and clad the units, the cost with fees would be about £20K per room as opposed to £33K for new build. In response to GvdL MW advised that if we had difficulty filling the rooms the price would allow us to discount. In response to RB MW advised that we are able to offer different types of accommodation with both en-suite and non en-suite available as well as double rooms.</p> <p><i>It was agreed that a paper will be put to the next meeting for approval of this project.</i></p> <p><i>It was agreed that we would obtain a fixed purchase price with the owner subject to SFA. Bank and Planning approval.</i></p> <p><i>It was agreed that we would obtain price for cladding The Dingle.</i></p> <p><i>It was agreed that we would seek SFA, Bank and Planning approval.</i></p>	<p>GL</p> <p>GL</p> <p>GL</p> <p>GL</p>	<p>30/06/11</p> <p>Immediate</p> <p>Immediate</p> <p>Immediate</p>
<p>9. Discuss Velcourt Management of Home Farm.</p> <p>MW advised that he had agreed with Velcourt. MHB had seen a big improvement in the dairy operation in the last year. CW believed that we should start preliminary discussions on land availability.</p>		
<p>10. Discuss and approve College policies. Paper GMC10/05/11</p> <p>(A) Maternity Policy and Procedures. Paper GMC10A/05/11</p> <p>The Clerk advised that amendments to the policy had been made to take account of recent changes in legislation and these were clearly marked in red type.</p> <p><i>Amendment to Maternity Policy and Procedures was approved.</i></p>	<p>LW</p>	<p>Immediate</p>

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<p>(B) Paternity Policy and Procedures. Paper GMC10B/05/11</p> <p>The Clerk advised that amendments to the policy had been made to take account of recent changes in legislation and these were clearly marked in red type.</p> <p><i>Amendment to Paternity Policy and Procedures was approved.</i></p>	LW	Immediate
<p>(C) Adoption Leave Policy and Procedures. Paper GMC10C/05/11</p> <p>The Clerk advised that amendments to the policy had been made to take account of recent changes in legislation and these were clearly marked in red type.</p> <p><i>Amendment to Adoption Leave Policy and Procedures was approved.</i></p>	LW	Immediate
<p>(D) Flexible Working Policy and Procedures. Paper GMC10D/05/11</p> <p>The Clerk advised that minor amendments had been made to the policy concerning home working and these were clearly marked in red type.</p> <p><i>Amendment to Flexible Working Policy and Procedures was approved</i></p>	LW	Immediate
<p>(E) Gift and Hospitality Register. Paper GMC10E/05/11</p> <p>The Clerk issued a draft Gift and Hospitality Policy to compliment the form that had been issued with the papers and this will be numbered GMC10E (i)/05/11.</p> <p><i>The Gift and Hospitality Policy was approved.</i></p>	LW	Immediate
<p>(F) Offensive Weapons Policy. Paper GMC10F/05/11</p> <p>The Clerk advised that this was a new policy that had been agreed by the College Executive. MJD believed that relevant staff should receive training in restraint and search techniques.</p> <p><i>The Offensive Weapons Policy was approved.</i></p> <p><i>It was agreed that relevant staff will be given appropriate training in restraint and search techniques.</i></p>	LW LW	Immediate Immediate
<p>11. Approve certified minute and treatment of VAT relating to Sports Academy Development. Paper GMC11/05/11</p> <p>11.1 Approval of certified minute that was originally approved by e-mail on 31st March 2011.</p> <p><i>Approval was given for the construction of the new Sports Academy building at a cost of £1.1m and for the new building to be leased to Gloucester Rugby for 10 years at an initial rental of £77,500 pa. Both approvals are given subject to SFA consent to borrow an additional £1.1m from the College bankers and SFA consent to grant the lease on the above terms to Gloucester Rugby.</i></p> <p>11.2 Approve treatment of VAT</p>	GL	Immediate

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	<p>GL advised that because the new Sports Academy Building is for the exclusive use of Gloucester RFC the College can take advantage of a rule whereby a taxpayer is able to decide for themselves whether certain supplies involving land are going to be standard rated or exempt. By making an election to opt to tax either land or a building all supplies connected with the land in question become standard rated and input tax can be reclaimed. This will be at no cost to GRFC as they are able to recover the VAT that will charge them. The option to tax decision must be notified in writing to HMRC and, once an election has been made, it cannot be revoked for 20 years (after an initial cooling off period that applies in limited situations). In response to MJD GL confirmed that Gloucester RFC is the only one in the tenancy.</p> <p><i>It was agreed therefore that the College, subject to ratification of this meeting, will opt to tax the new Sports Academy Development.</i></p>	GL	Immediate												
12. Any Other Business															
	<p>12.1 A417/C67 Junction</p> <p>EK advised that he had recently attended a road safety meeting and was advised that £300K had been put aside for improvements to the junction prior to the Olympics.</p> <p><i>The Principal will try to ascertain the validity of this claim.</i></p>	MW	Immediate												
13. Dates of Future Meetings all to be held at 11.00am															
	<table> <tr> <td style="text-align: center;">2011</td> <td style="text-align: center;">2012</td> </tr> <tr> <td></td> <td style="text-align: center;">Wednesday 25th January</td> </tr> <tr> <td></td> <td style="text-align: center;">Wednesday 25th April</td> </tr> <tr> <td style="text-align: center;">Thursday 30th June</td> <td style="text-align: center;">Thursday 21st June</td> </tr> <tr> <td style="text-align: center;">Thursday 6th October</td> <td style="text-align: center;">Thursday 4th October</td> </tr> <tr> <td style="text-align: center;">Wednesday 16th November</td> <td style="text-align: center;">Wednesday 21st November</td> </tr> </table>	2011	2012		Wednesday 25 th January		Wednesday 25 th April	Thursday 30 th June	Thursday 21 st June	Thursday 6 th October	Thursday 4 th October	Wednesday 16 th November	Wednesday 21 st November		
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Mr Graham van der Lely
Chair Governors' Management Committee

28th June 2011