



1. 355 - SGM Council Meeting - Minutes

Minutes of the 355th meeting of Council held on Friday 8 March 2013 09:00-12:30

Venue: Marlborough House, Spencers Wood, Reading, RG7 1AG

1.1.1 Present

Nigel Brown
Andrew Davison
Charles Penn
Colin Harwood
David Blackburn
Evelyn Doyle
Ian Henderson
Jo Verran
John Sinclair
Karen Robinson
Mark Harris
Paul Hoskisson
Sara Burton
Chris Thomas

In attendance (for relevant sections)
Simon Festing (Chief Executive)
Leighton Chipperfield (Head of Publishing)
Dariel Burdass (Head of Communications)
Susan Wong (Head of Conferences)

01. Apologies for Absence & welcome to new attendees

Apologies were received from Maggie Smith.

The Chair welcomed Chris Thomas attending as Treasurer elect.

02. Minutes of the 354th Meeting of Council

The minutes of the meeting s were accepted as a true record of the meeting (with the inclusion of John Sinclair as present, and the correct spelling of Louise Cosby).

03. Matters arising from the minutes and action points

A package of measures relating to membership engagement had not proceeded because of the changes happening. But it was noted that this was still under active discussion and will be pursued and brought to a future Council meeting.

As suggestions for the REF panel, Rocky Cranenburgh and Peter Biggins had both been put forward and accepted by the HEFCE and may be consulted about impact statements.

No other points raised.

1.1.2 President/Secretary/Chief Executive Business

04. General business / Marlborough House items

The Chief Executive explained that it was still a significant challenge to maintain business continuity at a time when there is a high turnover of staff due to the restructurings.

Concerns were relayed over operational delays to papers on JGV, some of up to 2 months. This was considered by the Chair of Publications Committee not to be connected with the on-going changes in the Publishing Department.

Regular data is generated within the Publishing Department on turnaround times, and there has not been any overall increase or slippage (up to December 2012). There are some specific technical reasons, sometimes out of the ordinary, why some papers have been delayed, and this is being addressed actively – in the knowledge of which papers have been delayed. Data for January and February will be available shortly, and should allow the Head of Publishing to provide further information. It was noted that the industry standard for the time from acceptance to proof was typically around 30 days, and that the SGM has clearly met the standard. [Post Council note: a briefing on this issue is being presented to the JGV Editorial Board meeting at the Spring conference].

05. MH Strategy Group meeting – with minutes

This was an internal office meeting attended by the President about the implementation of the strategy.

Noted that there remains a lack of clarity on our relationship with IUMS. A recent development has been a discussion with the Royal Society about their contribution to the subscription to IUMS. It had apparently been agreed some years ago that SGM would take over coordination of the input of the microbiological societies into IUMS. It was agreed that Council needs to revisit this issue. Agreed to amend the minutes of the Strategy Working Group meeting to reflect the need to review the relationship. Noted also that we should be considering the benefit for IUMS, and that this would require a degree of engagement and communication. Council noted that IUMS does play some key roles in the community, including in taxonomy, and that SGM publishes a journal which is ultimately owned by them. It is the only genuinely international organisation, and the situation should be explored further. It may be that there could be some things we could help.

The minutes of the Strategy Working Group also need to be amended to reflect engagement with FEMS and AMS around educational matters in particular.

Council noted that the website is to be launched on 21st of March, and that efforts need to be made to raise publicity around that. Council supported the development of mobile apps, for example for the journals. The Chief Executive noted that SGM is currently recruiting a member of staff to raise our profile in the media (the old position of Press Officer has been vacant; the new position will be Senior Public Relations Officer).

06. Organisational change and restructuring at SGM – report back

The Chief Executive explained that some effort and resources had gone into maintaining business continuity, and that he was not aware of any major problems with this. It was noted that there would be some changes with the relationship between committees and staff departments. There are many changes which need to work their way through the system.

Council noted that there is still a significant internal job with the CRM and related projects. This project should ultimately free up time to allow more productive outputs, in particular in areas such as membership engagement and grants. This is an essential part of the infrastructure which is required to support the work of the committees. Council agreed that support for the General

Secretary needs to be clearly defined as well. Some of this relates to the need to define internal procedures, which have previously been poorly documented. In the longer-term getting the internal reorganisation done should allow the Society to focus more on outward-facing activities.

07. Relocation plans

SGM is currently negotiating about plans with the four current owners of CDH. However, there are many planned changes underway, not least the proposed purchase of another property at 107 Gray's Inn Road, as well as plans to review the business management of CDH 1 in order to better promote its conference activities. This could involve a review of the existing legal governance arrangements for CDH.

It was noted that the primary ethos for both the original purchase of CDH, and the current expansion plans, was around a bioscience hub. But at the same time, it needed to be demonstrated that it was not going to be a major drain on finances, and so that there is some acceptable rate of return on the investment.

Council agreed that a meeting specifically to discuss this issue would be required when more information was available. Concerns were raised that this would be a major decision, and that currently much information was lacking. Although space is still allocated for SGM on the first floor of CDH, the building as a whole will become "full" following the decision of the Biochemical Society to close their Colchester office and move staff into CDH as well. That would imply that current tenants would have to be asked to leave, so reducing rental income.

It was confirmed that the anticipated location of SGM itself would be into CDH 1 (into the space currently occupied by the Landscape Institute on the 1st floor), and that from that point of view the previous decision of Council is not changed. Clarified that the status of the Landscape Institute are as tenants, and not as owners. If the purchase of 107 Gray's Inn Road goes ahead, they have agreed to move swiftly into that building, otherwise they would have to move out.

It was clarified that there has been full discussions and active engagement between the Council of the Biochemical Society, and their Chief Executive about plans around SGM moving in to CDH, as well as the prospects of expansion of the business to purchase another property.

08. SGM Archives

Council supported the recommendation to gift the historic archives of SGM to the Wellcome Trust. The Chief Executive confirmed that there is no cost to this. If the Wellcome Trust decided they no longer wanted the archives, they would consult with SGM about returning them in a digitised form.

09. Appointments and elections to Council and Committees

Council: the process for nomination to members of Council had already kicked off with an article in MT. However, we will be short of two Council members rather than one. Council agreed with the recommendation to appoint two elected members.

Council noted that it wished to interact more with the industrial sector, but that having a person on Council was not the only way to do this. We would encourage good people to stand for Council, and if that did not mean we had someone from the industry sector, then we would try to find someone to sit on the working group which would review our relationship with that sector in the future.

Divisions: Council agreed that it was no longer necessary to have a Council representative for each Division. The Council representative on the Scientific Conferences Committee would seek to interact with each of the Divisions. It was recognised this would be more difficult if different Divisions meet

at different places and times. Informally some current Council members also sit on Divisions and can feedback – and that can work reasonably well. This role of communication with Council could also fall to the Chairs of the Divisions.

Committees: Council agreed that members coming onto the committees would sit for three years. Council agreed to formalise the role of the elected Council members who sit as representatives on the committees.

Publications Committee: although there is a Council representative, there are no members who are elected directly onto the committee. There will be a review of the structure and function of Publications Committee in the future.

In the meantime, Council agreed to initiate the search process for appointing a new Chair when Charles Penn steps down as September. It was agreed that the Editors in Chief could contribute to this process of suggesting possible individuals.

Scientific Conferences Committee: the decision on appointment should come to Council about who the Chair elect should be. The SCC will deliberate at its March meeting and bring a recommendation to Council for July.

Professional Development Committee: Council agreed on the election of two members.

Communications Committee: Council agreed on the election of two members.

Policy Committee: Council agreed on the election of one member, and the possible co-option of another member.

10. Governance training for Council members

Council agreed to proceed with a formal training session as per the proposal from ACEVO. Council agreed that this would ideally take place on the Thursday afternoon of the 5th December (prior to the Council meeting on the 6th), so that the new starters could participate. The Finance Committee would meet in the (late) morning.

Council agreed that this would be a one-off session. There would need to be on-going training for other Council members joining subsequently, but the format for that could be different – and will be reviewed.

11. FYI: New members of the Society

Noted.

1.1.3 Finance and administration

12. Report from Finance Committee

Council endorsed a decision to realise £3m as cash as soon as possible for the potential capital requirement to proceed with buying into CDH 1, and possibly 107 Gray's Inn Road (subject to due diligence and Council decisions). The figure of £3m is made up of £1.5 million for CDH 1, plus an additional £1.5 million for 107 Gray's Inn Road. The decision to move assets into cash now is based on the current value of the portfolio in relation to its affordability, and protects the SGM from major market movements ahead of the potential buy-ins. Council reaffirmed that realising these assets now should not be prejudicial to the final decision on the purchase of 107 Grays Inn Road.

Investment Managers Report: the investment manager Willie Hartley Russell attended the Finance Committee meeting to review the 2012 performance of the investment portfolio, which had been in line with the benchmark of 9.1%, although when the European Property Fund was excluded, the remainder of the portfolio performed above the benchmark at 10.3%. The valuation of the SGM portfolio is currently at its highest level ever at £12m. A separate update was given on the European Property Fund (a commercial property fund) which SGM is tied into until Dec 2018. The fund has been considered to be problematic for some time, and drags down the performance of the overall portfolio compared to the benchmark. It is perceived to be currently at its lowest point and improvements are expected to flow through from 2015. It has now started to pay a dividend of 2% for the first time for some years.

The Treasurer noted the intention of the Finance Committee to review our investment management approach. One possibility would be to hold a proportion of our portfolio in a tracking fund, which would reduce fund management fees (from 0.5% to 0.2%). Blackrock has performed below the sector benchmark in three of the last five years, but above the benchmark on average over the last 10 years. Their performance and whether we stay with them will be part of the review.

The investment manager advised what assets from the portfolio should be sold to realise up to £3m cash for the Charles Darwin House investment. He also indicated that if there is a possibility that we will have a requirement for capital, he recommended that it would be prudent to do this sooner rather than later as he was of the opinion that the markets were still volatile.

Financial Report for the year ended 31 December 2012: shows a deficit of £117k against a revised forecast for the whole year of £525k deficit and an original projected deficit of £499k. The income although lower than last year was ahead of budget and a number of departments spent less than was budgeted.

The year end reserves were at £11.8m, an increase on Dec 2011 of £500k due mainly to an increase in the value of the investments (as above). Marlborough House has not been revalued since 2010, and this would need to happen after there is clarity of relocation plans.

The audit manager and partner from Chantrey Vellacott, the Society's auditors, had attended the meeting and confirmed that the audit had gone well and a clean audit report would be issued. There was a small number of exceptions found (where the auditors have suggested different practices), totalling around £1.2k and a number of suggestions had been made on the presentation of the accounts to give Charities Commission more information on the expenditure. A suggestion was also made that we should increase the level at which we capitalise fixed assets from the current low level of £100 to a higher number, possibly £500 or £1000. The Trustees' Report needs to be updated and will then be sent round to Council for review and comment before the accounts are finalised and signed off at the July meeting of Council.

Monthly figures for Feb 2013 are showing journals income of £2.65m, which is 96% of the value at the same time last year. The number of journal subscriptions is also down on the same time last year at 93%. To some extent these decreases are likely to reflect delays in chasing up customers due to the rolling out of the CRM, and the recent establishment of a professional marketing department. We are now in a process of catching up with the subscriptions (including from some major Tier 5 institutions who are negotiating hard on price, and with a subscription aggregator called Ovid). The membership numbers are currently down 4.3% and the schools membership by 35% due again in part to the same CRM issues. The bank balances are at a healthy £1.9m and \$184k, very similar to this time last year.

Council requested that they should see the management account figures on a regular basis as used to be the case, and the Treasurer apologised for this oversight on his behalf.

13. Purchase of 107 Gray's Inn Road

Council approved in principle the decision to move forward with respect to due diligence for a possible purchase of the property at 107 Gray's Inn Road with a contribution of up to £3 million to include the buy in to CDH, subject to satisfactory agreements on the business plan, and further clarification on a significant number of issues, some which are covered below.

Council noted that Charles Darwin House had been successful as a bioscience hub, and that Council had already agreed to buy in, subject to due diligence. The current owners have found that they are ahead of projections with their business plans to generate income from rental and conferencing [Post Council meeting notes – the vast majority of this income does come from a variety of other bioscience organisations who use CDH for their meetings and conferences, and therefore can be seen to contribute to the bioscience cause as well as generating a return on investment].

Since CDH became fully occupied more quickly than planned, the current owners have looked at whether there is potential for expansion. There are only a limited number of office buildings close by, and it so happens that the property at 107 Grays Inn Road has come up for sale. It is therefore seen as an opportunity to expand, and reconfigure the business. The latter would likely involve holding more of the internal meetings in the new building, so that they do not interfere with the conference facilities at CDH 1.

The building at 107 Grays Inn Road is about half the size of CDH. The Landscape Institute have agreed to move in and would occupy one floor. Since there would then be a variety of tenants occupying a major proportion of the new building at or soon after purchase, this would mean the business would have a significant rental income once refurbishments were completed. Then over the longer-term, attempts would be made to increase the proportion of bioscience organisations within the mix.

It was explained that the purchase of 107 Gray's Inn Road is dependent on a contribution from SGM as well as from the collective contributions of the other societies. If the new purchase goes ahead, SGM will pay £3M to buy into the two buildings. This comprises £1.5M for purchase of 107 Gray's Inn Road and £1.5M for the move into CDH. The other societies will use the latter contribution plus £2M cash for the balance of purchase of the new building (all of the other owner societies would therefore also be contributing to the purchase costs - roughly in proportion to their remaining reserves. Our overall contribution will remain as £1.5M, as agreed by Council, if we move to CDH without 107 Gray's Inn Road being purchased.

Council will need to be mindful of the risks of the purchase. Purchasing into the business puts at risk the capital value – and this relates to London property prices. Another risk is that the income generated is not as great as it would have been had the same amount been vested in the investment portfolio.

Council noted that they do already own a building (Marlborough House) on which there is no income whatsoever, and this would to a small extent offset any lower returns. Council agreed that after relocation, the future of Marlborough House would be reviewed.

The other societies are in a similar position of going through a formal decision-making process within their Councils. The two smaller organisations have already had approvals from their Councils (Society

of Biology and Society of Experimental Biology). The Biochemical Society are known to be fully committed, and the British Ecological Society is moving towards Council approval.

The offer to purchase 107 Gray's Inn Road was made by the CDH Management Committee, but since this was made under English property law, is not legally binding until contracts are signed and exchanged. That is why endorsement is being sought from the respective Councils of all of the societies.

14. Recommendation on Annual Pay Award 2013

Council accepted the recommendation from the Chief Executive for no across-the-board pay award for 2013, recognising that this was an unusual year because of the high level of staff departures and new starters. It was clarified that this would not affect any redundancy pay, which is based on statutory pay (rather than salary).

Council requested that there should be a clear salary policy in place, so that these decisions are more straightforward in subsequent years. The Chief Executive explained that the principles of a salary policy had been put to and endorsed by Finance Committee the previous day, and that this would enable a salary policy to be developed to come into place for 2014.

15. Confirm winding up of historic ReAssure company pension scheme

Council noted for the record that this historic pension scheme should shortly be wound up. The trustees, who are legally responsible for the scheme, are to meet after the Council meeting to sign the discharge forms for the final members of the scheme, after which SGM can inform the Pensions Regulator that the scheme has been wound up.

1.1.4 Scientific Conferences

16. Review of conferences - Phase I

Council endorsed the main recommendations of the review of conferences, namely that the autumn conference would be suspended for a two-year trial period from 2014, and would be replaced by (initially three) focused "themed meetings" which could go for one or two days with perhaps five speakers each day. These could be underwritten to a maximum of £5000 each. The other main change is that the Scientific Conferences Committee would move to a role of both proposing sessions, and in addition reviewing sessions which had been proposed externally.

Another proposed change was to the speaker and attendance allowances for travel and accommodation would be amended to be less generous. For the various members of the Society who sit on Council, the committees and Divisions, this would reflect their contribution to the Society, but would no longer extend to the full length of a conference. Council noted that up to a third of those who are eligible had taken up the full 4-days of conference attendance available in 2013. The revised attendance allowances are included as an appendix at the end of these minutes.

The Chair of the Scientific Conferences Committee noted that the Divisions had already made substantial efforts and progress to reduce costs through better rationalisation of speaker invitations and session design.

Council agreed that the decision to have only one major conference a year would necessitate a review of prize lectures, since it will be difficult to fit the current total complement of prize lectures into a single spring conference. Council agreed as well that we would review the supporting structures around conferences, which would include the composition of the Divisions, and the matrix system.

17. Attendance allowances at conferences for volunteers and speakers

Council endorsed the new attendance allowances, subject to some changes which had been discussed and agreed on the previous Thursday.

18. FYI: Minutes of SCC of 29/1/2013

1.1.5 Professional Development

19. Nominations for honorary membership

Noted that there were none.

20. Prize medal and lectures

Council will need to decide at its next meeting in July on the 2015 prize medal. The Chief Executive will circulate the nomination form after the Council meeting with an appropriate deadline.

Council agreed that following the restructuring, which has involved the departure of the Head of Membership Services, that there would need to be appropriate support structures at SGM for all prize activities. Council noted that there needed to be improved communication, for example to those who had proposed individuals for prizes but had not been adequately informed of the outcomes.

21. Review of grants – update

A review of grants is being progressed by a working group under the oversight of the Professional Development Committee. Such a review has not happened for a long time, and there is no established process. The working group has agreed that the intention is to improve the clarity and efficiency of the administrative arrangement, as well as formalise a cap on the budget – and this is proposed at a level of the previous year's spend of £410,000.

It will be important to consider to what extent the grants serve the different categories of members, and to ensure that no single group is disproportionately benefited (although recognising that Council might wish to target resources at certain groups). It might be necessary to introduce certain conditions, such as how long a person needs to be a member for before they can receive a grant.

22. FYI: Minutes of PDC of 11/1/2013

Noted.

1.1.6 Communications

23. Rebranding of the Society – report back from Working Group

Council endorsed a decision to commit the expenditure for the rebranding exercise with the company Firedog after explanation that this was the preferred option from the working group. The work should incorporate the possibility of future changes, not least a possible change in the name of the Society.

Council understood that the purpose of the exercise was to create a clear, consistent, attractive and recognisable brand/visual identity which could be applied across the activities and outputs of the Society.

24. FYI: Minutes of CC of 28/1/2013

Noted.

1.1.7 Policy

25. Update: including GM statement for sign off

Council endorsed the GM statement, subject to a further statement that no technology should be intentionally developed to have detrimental effects.

Council agreed that the Society should revisit the subject of synthetic biology in a future statement.

Council noted that a submission had been made with respect to the consultation on the triennial review of the Research Councils – and this was tabled as a paper at the meeting for information.

26. FYI: Minutes of Policy Committee of 27/11/2012

Noted (David Blackburn to be minuted as present).

Council noted that SGM has been engaging in the issue of antibiotic resistance, but could do so in a more concerted way. Some of the policy issues arise quite rapidly, such as ash dieback, and SGM needs to be adequately agile in responding.

1.1.8 Publishing

27. Update

The Head of Publishing gave an update. Recruitment is proceeding well, with most people to be in place by the end of March (with all staff into CDH by the end of April). This will give us a good mixture of new skills and experience from different backgrounds. The next few months will be about bedding down the new structure and introducing new ways of working.

The work to transition production to Charlesworth is proceeding. This will help further with business continuity, and should provide much more consistency of speed and quality for production turnaround.

Good progress has been made by the Sales and Marketing Manager with respect to journal subscriptions.

The problems we have been experiencing with delays, in particular on JGV, relate more to some problems with the legacy systems of the past. They are caused by a misfortune of multiple cumulative delays in the way some papers are handled.

The Publishing Department will be examining carefully its cost base going forward, in particular in relation to external suppliers.

28. FYI's: Minutes of Publications Committee of 24/1/2013

Noted.

1.1.9 Other

29. Dates for Council meetings in 2014

These were proposed as 6/7 March (draft accounts, annual pay), 3/4 July (finalisation of accounts), 25/26 September (budgets), 4/5 December (CEO appraisal). The new Treasurer cannot make the December date.

30. Next Meeting of Council

5 July, 2013, 9.00 a.m at Marlborough House (then 13/09 and 06/12).

1.2 AOBs

EFB: The European Federation for Biotechnology has approached SGM for support to hold a meeting in the UK in September 2014. This will be passed to the Grants review panel. [Post meeting note – no formal approach solely to SGM has been made by EFB, so nothing has been passed to the Grants review panel. But the EFB has approached a consortium of learned societies to promote the conference collectively].

Early career researchers: SGM needs to consider what it can do to support postdocs and other early career researchers. Mentoring has been considered as one option in the Equality and Diversity Working Group.

Staffing: the President thanked the staff for maintaining the work of the Society during this time of considerable change.

1.3 Action points

1. CEO and General Secretary to arrange to meet Prof Geoff Smith, IUMS President. ✓ Meeting was held at the spring conference in Manchester, and it was agreed that we would seek a date for Geoff to visit Council when we are undertaking the international review – likely 2014.
2. General Secretary and Chair of Scientific Conferences Committee to initiate a review of prize lectures. ✓ Early discussions took place, but this is now on hold pending a Working Group.
3. Critical risk register should be in the papers every time to refresh Council's memory. ✗ The Chief Executive agreed with the President that the critical risk register will go to Council every 6 months for now.

2. APPENDIX I - SGM Conference Attendance Allowance

Suggested changes to attendance allowances at SGM Spring Conferences

Council has noted the rapidly increasing cost of conferences over recent years. The following proposes new attendance allowances for SGM conferences which are more closely tailored to circumstances. If approved, changes will be implemented after Spring 2013. SGM staff members are also reducing significantly their attendance (to what is necessary for meetings or other duties).

The "Current Allowances" below are given as for a Spring Conference. The new "Proposed Allowances" would apply for either a Spring or an Autumn conference.

Attendee Type	Current Allowances		Proposed Allowances	
	Registration	Accommodation	Registration	Accommodation
Speakers (0.5 and 1 day sessions)	4 days	Up to 5 nights [†]	2 days	2 nights
Speakers (1.5 and 2 day sessions)	4 days	Up to 5 nights [†]	3 days	3 nights
Division members (not organising a session)	4 days	Up to 5 nights [†]	2 days	2 nights
Scientific Conferences Committee members	4 days	Up to 5 nights [†]	4 days	3 nights**
Session organisers* (inc. Division Members)	4 days	Up to 5 nights [†]	4 days	3 nights**

Committee members (e.g. Policy etc.)	NA	NA	2 days	2 nights
Council	4 days	Up to 5 nights [†]	2 days	2 nights

[†] Four nights as standard. Five if unable to return home due to flight or train schedules.

*Maximum of three organisers per session, but typically two.

** Could be extended to four nights where other SGM meetings, flight or train schedules require. Any extensions should be endorsed by relevant Head of Department i.e. Conferences, Publications etc.

NB: FOCUSED MEETINGS

This is covered in Phase One of the Conference Review

- Five invited speakers per full day of science
- Two session organisers and one Division member (if original two organisers are not from Division)

Author Susan Wong

Date 20 March 2013