



Full Governing Body Minutes

Meeting	Full Governing Body	Date	Tuesday 17 March 2020
Location	Folkestone College G3.02	Time	5.30pm
Membership	Charles Buchanan (Chair), Graham Razey (Chief Executive Officer), Gail Clarke, Miranda Chapman, Jonathan Clarke, Tim Kent, Peter Troke, Peter Wood, John Korzeniewski, Peter Cheney, Richards Brooks, Joanna Worby, Gregg Skinsley-Stephens (Staff Governor) and Lucas Hammond (Student Governor)		
In Attendance	Anne Leese (Deputy Chief Executive Officer) Chris Legg (Chief Finance and Commercial Officer) <i>Tammy Mitchell (CEO EKC Schools Trust)</i> <i>Paul Sayers, (Chief Strategy Officer)</i> <i>Andrew Stevens (Chief Operating Officer)</i> <i>Jamie Weir (Invited Observer)</i> Sharon Hollingsworth (Interim Director of Governance) Kerry Hickmott (Minute Clerk)		

* *Italics denotes absence*

	ITEM	COMMENTS	ACTION
1	Welcome and Apologies	<p>The Chair welcomed everyone to the meeting.</p> <p>Apologies were received from Paul Sayers.</p> <p>Due to the precautionary measures associated with the Coronavirus, all Governors except for the Chair and the Chief Executive Officer were linked to the meeting remotely through Skype.</p>	

		<p>In addition, the Education, Training and Foundation T-Level Governor Training session, scheduled to take place prior to the FGB had been postponed.</p> <p>The following officers had been stood down: Andrew Stevens Tammy Mitchell Jamie Weir</p>	
2	Declarations of Interest	There were no additional declarations to the meeting than those declared as standing.	
3	Minutes of the Meeting held on 28th January 2020	The minutes and confidential minutes of the Full Governing Body meeting held on 28 th January 2020 were reviewed and approved as an accurate record which were duly signed by the Chair.	
4	Matters Arising	<p>GR updated the governors on the measures being undertaken across the Group due to the Coronavirus pandemic.</p> <p>Governors noted that the Group were following government advice. The colleges are still open and will remain open until further advice is received however consideration is being given to closing some courses (for the most vulnerable) within the Supported Learning provision subject to consultation with KCC.</p> <p>GR advised governors that no member of staff is permitted to travel between sites. Staff will be based at one site until further notice. Staff not based in a college will continue to work out of their site (or from home) but will stay out of colleges.</p> <p>GR reported that student attendance had dropped from 80% last Thursday to 77% on Friday, 74% on Monday and is currently at 64%. The position is that the Group would like to continue with teaching and learning through to Friday 20th March and then potentially plan to reduce this from Monday 23rd if student attendance continues to fall. However, it was noted that the colleges will</p>	

		<p>remain open as a business to support students. Home working will be maximised. All external visitors and external meetings have ceased. With immediate effect no new provision will be commenced. At the current time there are no confirmed staff or student cases of coronavirus, however a number of people are self-isolating.</p> <p>Regular updates are being sent to staff, students and governors.</p> <p>GR informed governors that CL had undertaken an analysis of the financial impact. It is predicted that the impact will be in the region of £2,653,000 which is made up from: no future starts; no adult starts; no future apprentice starts; the closure of commercial outlets and the loss of full cost income and international income.</p> <p>Colleges will be lobbying for financial protection however it would be surprising if this extends to the commercial operations.</p> <p>The current position with The Yarrow is that it remains open to residents, but occupancy is reduced. GR noted that this is being kept under constant review.</p> <p>A governor noted that a number of school Heads were concerned about their level of responsibility to high risk/low income students. GR acknowledged that this was a real challenge for schools and colleges. GR informed governors that the local colleges had signposted food banks and will endeavour to see that bursary money is available. A free school meals provision is being considered. Financial support is possible.</p> <p>It was noted that Teachers will remain in contact with students that are vulnerable or at risk. Virtual learning will continue through Microsoft Teams and Moodle where possible.</p> <p>A governor asked for an update on the provision of financial bursary and student support. AL offered to provide an update to governors on the support being provided by the Group for students during the current period of partial closure. AL to circulate an update following the meeting.</p>	<p>AL</p>
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		<p>GR noted that it is not known how long the potential closure will be for. Five colleges nationally had closed to date.</p> <p>Online activities will be developed where possible. Further government advice is awaited as to how this will affect exams.</p> <p>A governor noted that consideration is also needed for the animals at Canterbury College. GR agreed and assured governors that the care of the animals is being managed by the team.</p> <p>GR advised that there are 10 senior staff (over 70 years old), who have all been given the option to work from home or be absent. The same arrangement has been made for staff that are pregnant.</p> <p>Climate Agenda Update</p> <p>GR asked if there were any questions regarding the presented report on the Climate agenda.</p> <p>It was noted that students had expressed concern through the Broadstairs Local Board that they felt there was a lot of project work for them to undertake.</p> <p>GR responded that the students who are passionate about the agenda are leading the way. Students are encouraged to lead the agenda and they will be fully supported by Andrew Stevens, Chief Operating Officer to facilitate the changes.</p>	
5	Chair's Report	<p>The Chair reported that Coronavirus was a huge concern at the current time. The AoC has written to the Secretary of State on funding matters looking for emergency support on funding and the continuation of payment of the AEB. A response is awaited.</p> <p>The Chair had met with Kate Young to monitor safeguarding issues. The number of safeguarding cases is variable in different areas. A growing prevalence of bullying was a safeguarding concern but not out of kilter with national levels. It was noted that the top issue continues to be suicidal</p>	

		<p>tendencies, which is in-line with the national position. It was noted that the mental health support offered by the Group is excellent, which may account for the high numbers accessing this facility, as students become more aware that they can access good support.</p> <p>The Chair advised that standard reporting items in the future will be taken as read going forward to allow more focus and discussion on the strategic items.</p> <p>NOTED: The Chair's report.</p>	
6	Chief Executive Officer's Report	<p>The report was taken as read and GR invited questions.</p> <p>The recent Kent Further Education Skills competition was very successful. EKC Group significantly outperformed the other Kent colleges. Folkestone College did particularly well. GR explained there were two reasons for that, the Construction department have a long history of competing with significant success and had previously been a Centre for Excellence. The Edge at Folkestone College did well, as did the Catering department at Broadstairs College. Performance is generally relative to size.</p> <p>NOTED: The Group CEO's report.</p>	
7	Director of Governance report:	<p>DBS checks for Local Board members</p> <p>Following a discussion at the last Safeguarding Committee, it was recommended that all Local Board Members are DBS checked given their roles on the local boards and their potential unsupervised access to the sites. Whilst this is not a statutory requirement, it is considered as best practice.</p> <p>APPROVED: A change to the current arrangements and the introduction of DBS checks for all local board advisors; Agreed that all current and future local board advisors are to be DBS checked.</p>	

		<p>Outstanding mandatory training Governors were requested to complete all training in advance of the next meeting. It was confirmed that Local Boards Governors are not required to complete training at the current time, however this may change following the forthcoming governance review and will be dependent on the overall scheme of delegation.</p> <p>Walkthroughs and Student Experience Reviews Governors were encouraged to participate in these activities to help strengthen their understanding of the business and further their knowledge and experience. A list of dates is on the governance website. Governors were asked to contact SH should they wish to join these activities. LH to liaise with SH.</p> <p style="text-align: center;">NOTED: The Clerk's report.</p>	
8	Project Marathon	This item was discussed following 'matters arising' and was considered confidential and will form Part A confidential minutes. [MC joined the meeting at 6.15pm]. [PC joined the meeting at 6.24pm].	
9	Governance Structure	This item was considered confidential and will form Part A confidential minutes.	
10	Finance Report <ul style="list-style-type: none"> - Insurance Policy Renewal - Governance arrangements 	<p>The report was taken as read.</p> <p>Financial accounts CL presented the January 2020 accounts. CL was requested to publish a re-forecast based on the impact of the coronavirus.</p>	CL

<p>for commercial investments</p>	<p>CL acknowledged that Commercial income is at risk. CL reported that the Group's Insurance policy does not cover our loss as Coronavirus is not on the approved list of viruses. Government advice is awaited.</p> <p>CL stressed that the impact on the Group's financial health, as a result of the coronavirus may drop from Good to Satisfactory, however the EFSA haven't yet advised how this will be viewed. CL clarified that the banking covenant will not be affected.</p> <p>It was noted that there would be limited cost savings in the closure of colleges as the biggest outlay is pay which is set to continue. There is a small workforce of contracted staff, mainly within The Yarrow. Sick pay for staff is six months full pay followed by six months half pay.</p> <p>Revenue spent was £545,000 more on pay than last year however it was decided (at the budget setting stage) to sacrifice 2% of EBITA to ease the workload challenges. There is currently an underspend of £277,000 against the pay budget.</p> <p style="text-align: center;">Noted: the financial report.</p> <p>Insurance</p> <p>CL advised that the insurance renewal is above the signing threshold for the Group Chief Executive Officer and sought approval for the expenditure. Following a comprehensive procurement exercise, approval is sought to procure a 3-year cover arrangement with the option to extend for a further 2 years.</p> <p>It was noted that the proposed insurance premium for the 3-year period provides savings in excess of £100,000 per year for the same cover.</p> <p>Governors of the Audit committee advised that they were satisfied with the outcome of the procurement process and noted that a thorough review that had been undertaken.</p>	
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		<p style="text-align: center;">APPROVED – Governors approved the £435,896 three-year financial commitment associated with the insurance renewal</p> <p>Governance arrangements for commercial investments GR explained that the Group is looking to increase its High Street presence. A 3-year lease has recently been secured in Sittingbourne. Relationships have increased with Jobcentre Plus and a leasing arrangement in Ashford is being explored.</p> <p>The Group’s aspiration is to increase the commercial portfolio and explore commercial arrangements particularly where the college struggles to find sufficient numbers for work placements. There is often a need to move quickly as it is a very fast-moving market. Governor approval is sought for delegation to the CEO and Chair to approve property acquisitions up to a certain threshold.</p> <p>Governors recognised that property acquisition is a risk. GR noted that the proposal is not to buy anything for more than it’s worth in order to able to liquidise the asset should the venture not be successful.</p> <p>A governor asked what type of properties are being considered.</p> <p>CL explained that the Broadstairs Nursery and The Yarrow came about from gaps identified in the market. It was noted that motor vehicle and garages have an issue with gaining relevant work placements.</p> <p>It was acknowledged that any acquisition would need to enhance the educational offering to the benefit of students.</p> <p>A governor raised concern with regards to the auditing of decisions being made from a control perspective. It was suggested that proposals go through the newly proposed Business and Finance Committee or the Audit Committee on an ad-hoc basis.</p>	
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		<p>It was agreed that a sub-committee would consider an alternative resolution that allows for a rapid response. The process to be adopted needs to hold up under scrutiny. It was agreed that this would be resolved within the new governance structure. The sub-committee will discuss and propose a resolution.</p> <p>CL explained that the second resolution being sought is the revolving credit facility with Santander. There is currently a £5,000,000 revolving credit facility that has to be paid down once a year which makes it short term debt and part of the Group's current ratio thus supressing financial health.</p> <p>CL reported that a £5,000,000 is no longer required however as the contract has not expired it is proposed that we agree to transfer £1,000,000 as long-term debt, with a separate set of terms and conditions that enables this to be treated as long-term borrowings</p> <p>RESOLVED: The sub-committee to consider an alternative resolution that holds up under scrutiny whilst allowing a rapid decision in order to consider property acquisitions (and potentially other investments).</p> <p>APPROVED: Governors approved a change to the existing revolving credit facility with Santander to enable £1million of the £5million facility to be treated as long-term debt and used to acquire suitable properties as they become available.</p>	
11	Risk Management Report	<p>The report was taken as read following a comprehensive review of the Risk Register at the last Audit Committee meeting. Questions were invited.</p> <p>It was confirmed that the risks around coronavirus will be added imminently.</p>	

		<p>A governor queried risk 1 which focused on Canterbury College working with local police. GR reported that the risk is specific to Canterbury College however it was acknowledged that different challenges exist at other colleges.</p> <p>A governor queried risk 2 which focused on the decision of DfE to remove funding. This was associated with the bespoke Gateway Entry 3 and Level 1 provision. GR advised that the Group are currently assisting Gateway Qualifications with their appeal against this decision. If this is not successful a new curriculum will be needed by September 2021. It was noted that a Beacon award was received for the outstanding progression curriculum provision.</p> <p>A governor questioned why T-levels were not included as a risk. It was acknowledged that this is becoming more of a risk area and will appear soon given the lack of action from the government.</p> <p>The ETF presentation which was due take place prior to this meeting will be re-scheduled in due course.</p>	<p>PS</p> <p>Clerk</p>
12	Annual Reports	<p>Health & Safety Annual Report 2018/19</p> <p>A programme of health and safety inspections has been undertaken by the Interim Director of Corporate Services, in accordance with Group policies and monitored through internal audit. A governor asked if there is any value in doing cross college inspections. GR explained that it is not current practice as the policy is to limit staff travel to other colleges. However, best practices are shared in various forms across the Group.</p> <p>A governor noted a high number of accidents in proportion to the number of students at Broadstairs College. It was noted that they have three high risk areas in Catering; Supported Learning and Carpentry.</p> <p>APPROVED – Governors approved the Health & Safety Annual Report 2018/19 for publication and implementation</p>	

		<p>Gender Pay Gap Report 2018/19 Questions were invited on this statutory paper.</p> <p>A governor queried what jobs constituted the lower pay gaps. GR advised that this was made up from Learner Support Practitioners and Teaching Assistants. There was no differential in pay for roles across the Group.</p> <p>It was noted that this data is a year out of date however current figures were unlikely to change.</p> <p>NOTED – Governors noted the publication of the Gender Pay Gap report for EKC Group</p>	
13	<p>Policy Report - Treasury Management</p>	<p>The following policy was presented for Governor approval, both a clean draft copy and one with tracked changes:</p> <p><u>Treasury Management Policy</u> Job titles have been updated to reflect changes along with a reference to EKC Group’s revolving credit facility has been added.</p> <p>APPROVED: Governors approved the Treasury Management Policy.</p>	
14	<p>Quality Improvement Plan Report</p>	<p>The report was taken as read and questions were invited.</p> <p>GR explained that under the proposed new governance structure this report will be scrutinised in detail at the Education committee.</p> <p>NOTED: The Quality Improvement Plan Report</p>	
15	<p>MAT Report</p>	<p>GR reported that all four schools transferred to the MAT on 1 March 2020.</p> <p>With regards to the coronavirus, all four schools are all still open although some have issues with self-isolation. The schools have agreed as a collective to stay operational as long as possible and</p>	

		<p>follow government guidance. There have been no direct operational issues in supporting the new schools to date.</p> <p>The FGB extended their thanks and appreciation to Tammy Mitchell and Jonathan Cresswell for their work in securing the Trust.</p> <p>A governor asked whether the MAT reported to Audit committee. GR confirmed that the MAT has its own Audit and Finance committee.</p> <p>Another governor queried whether there was a financial risk to the MAT given the coronavirus. GR agreed to report back to the Board on the financial implications associated with the MAT.</p> <p style="text-align: center;">AGREED: The Clerk to write on behalf of the Chair and the Governing Body to thank Tammy Mitchell and Jonathan Cresswell for their work in securing the Multi Academy Trust.</p>	<p>GR</p> <p>Clerk</p>
16	Any Other Business	None.	
17	Matters Considered Confidential	Ashford Governance structure.	
18	Date and Time of Next Meeting	Tuesday 5 th May 2020, Canterbury College 5.30pm	

There being no further business the meeting closed at 7.55pm

Signed: 

Print: Chair of the Governing Body

Date: 5 May 2020

The FGB Chair, CEO and the Director of Governance have been given delegated authority by FGB to review confidential minutes on an annual basis. The following minute was released for publication following the review panel meeting held on 12 November 2020.

FGB Part A Meeting of 17/3/20 Confidential Minute Number 9

	ITEM	COMMENTS	ACTION POINT REQUIRED
9	Governance Structure	<p>GR presented the proposal regarding a new governance structure for the Group. It was noted that the Chair and Interim Director of Governance had worked with GR to develop the proposal.</p> <p>GR advised that the current structure particularly with the expansion of Local Boards is placing a significant workload on both governors and the senior staff of the Group. The plan is to bring in a new structure of governance for implementation from 1st May.</p> <p>Governors discussed the presented proposed structure noting that it is a traditional model with a structural twist to incorporate Local Boards. The rationale for the Local Boards to report through the Quality and Standards ('Education') Committee is so that the business at Local Boards is not duplicated, that there is a clear reporting line for Local Boards and so the consolidation of all education matters at Group level can be achieved with significant input from a local level.</p> <p>Governors agreed that the overarching parameters of the new structure are appropriate and that delegated authority to the Governing Body Sub-Committee to complete the detail around the structure is acceptable.</p> <p>It was noted that the Board are in a stable position and that the focus on quality of education with the introduction of an Education committee is important.</p> <p>A governor supported the approach and felt the new model would give the Board more of an opportunity for consideration of educational matters and would strengthen the link between Local Boards and the Full Board.</p> <p>A governor queried whether the proposed 3 meetings of the Education Committee is adequate.</p> <p>It was queried further whether an implementation date of 1st May is sufficient time to consider the structure. GR advised that an Ofsted visit is likely in the autumn term and it was felt that with the current structure governors might find it difficult to evidence challenge around education matters. It would be advantageous to go through the new governance cycle in advance of the autumn term.</p> <p>AL advised that, in the new framework, there will be focus on curriculum and how we are meeting the intent and purpose.</p>	

	<p>It was confirmed that a meeting of the sub-committee had been penciled in, which includes the Chairs of the Local Boards is scheduled for 25th March 2020. The sub-committee will work through new governance arrangements for full governing body approval.</p> <p>GR confirmed that the next Full Governing Body meeting, scheduled for 5th May will still go ahead to consider a final resolution on the proposed governance structure and, to monitor the implications following the proposed acquisition of Ashford College and Spring Lane, Canterbury.</p> <p>APPROVED: for the draft structure to be implemented from 1 May 2020; and for the Governing Body Sub-Committee (agreed at the last meeting) to be empowered to refine the draft structure (including agreeing the ToRs for each Committee) in advance of the implementation date.</p>	
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The FGB Chair, CEO and the Director of Governance have been given delegated authority by FGB to review confidential minutes on an annual basis. The following minute was released for publication following the review panel meeting held on 6 October 2021. FGB Part A Meeting of 17/3/20 Confidential Minute Number 8.

	ITEM	COMMENTS	ACTION POINT REQUIRED
8	Project Marathon	<p>GR updated governors on the recent developments in the absence of Paul Sayers.</p> <p>GR explained that there had been some interesting late challenges with the ESFA (around monitoring) and ABC (advisor to the Board) both were resolved to the Group's satisfaction.</p> <p>GR reported that the draft Heads of Terms with the Education Administrators had been issued. GR verbally presented the terms emphasising the key points to ensure that governors understood the key strategic risks to be considered.</p> <p>GR explained that overage is to be granted by EKC in favour of ABC for a period of 25 years in relation to the Phase 1A site being part of the land on the north-east side of Elwick Road, Ashford and Cumming House.</p> <p>The proposal states that should EKC Group wish to sell phase 1A, Ashford Borough Council would receive the first £250,000 however this would be reinvested in the development of phase 2.</p> <p>Similarly, any sale of Cumming House, Ashford Borough Council would receive the first £950,000 which can only be invested into phase 2.</p> <p>GR noted that Ashford Borough Council have agreed the proposal with their members. The Education Minister is satisfied with the position.</p> <p>[MC joined the meeting at 6.15pm].</p>	

	<p>[PC joined the meeting at 6.24pm].</p> <p>Governors noted that should EKC Group cease provision at Cumming House the overage clause would discourage EKC Group from mothballing the property due to the 25 year time period.</p> <p>GR advised that the Department of Education have issued broad Heads of Terms. They have agreed to a grant of £1,227,000 which is the full amount requested. There will be a variation of 10%-25% per line due to some costs being estimates. This is subject to annual monitoring once per year through to 31 July 2022.</p> <p>KPIs are being developed in line with financial forecast along with specific quality measures around Ashford College to demonstrate that the quality of education is improving.</p> <p>Final signed version of the Heads of Terms will be circulated to Governors prior to EGM on 30 March.</p> <p>Governors' approval of the broad conditions of the grant is sought, subject to the terms outlined.</p> <p>GR advised that payment will be made upon invoice of costs. CL has confirmed that our cashflow can manage this. An Annual Use of Funds statement from an auditor will be required, which is costed at approximately £2,000</p> <p>GR confirmed that Santander are comfortable with the leases being taken on.</p> <p>Governors noted that 3 unsecured leases will be relinquished and will end at point of transfer.</p> <p>GR advised that there were two key risks associated with the acquisition. Firstly, the poor air quality issues in some of the teaching rooms in Ashford College. The estimate to put this right is £15,000. Secondly the reputational fallout at the potential closure of the Motor Vehicle site which is currently under consultation. This provision is sub-standard and it is recommended that this should not continue post completion with students on programme.</p>	
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	<p>It was noted that staff at Ashford College were now becoming more positive following a presentation to staff by GR. Strong relationships have been developed with the union. A new recognition agreement has been agreed with the union from 1st April.</p> <p>A governor queried whether as buyers, there were any indemnities or warranties. GR advised that no warranties were expected between now and the transfer however there were discussions involving the guarantee of the provision of a good education.</p> <p>Another governor queried whether the education warranty is forward looking. GR confirmed this was for current students and those made an offer of education to.</p> <p>GR assured governors that there will be a final opportunity to raise any queries on 30th March 2020.</p> <p>A governor questioned whether the target date was realistic given the current situation with the Coronavirus. GR confirmed that the 1st April was still being worked towards. It was felt that the Coronavirus would not impact on the legal transfer however it was acknowledged that the operational transfer may be impacted.</p> <p>GR further explained that an internal project team, reporting to the Executive Team and chaired by the Chief Strategy Officer, meets regularly to oversee the project and the key workstreams.</p> <p>The following resolutions were presented at the meeting; all governors considered that it was in the best interests of the Corporation to enter into the transaction contemplated by the heads of terms, and thereby resolved to:</p> <ol style="list-style-type: none"> 1. delegate authority to the Chair to sign the heads of terms on behalf of the Corporation at the meeting; and 2. delegate authority to the Chair and Chief Executive to: 	
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		<p>a) provide instructions to the Corporation's legal advisers in relation to all legal matters relating to the transaction contemplated by the heads of terms;</p> <p>b) negotiate the terms of the relevant transaction documents (to be prepared by the relevant parties' legal advisers), such final form transaction documents to be presented at a Board meeting for approval by the Board; and</p> <p>c) execute the final form transaction documents (provided they are approved by the Board at a Board meeting).</p>	
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