



Business Committee Minutes

Meeting	Business Committee	Date	11 th March 2021
Location	Virtual	Time	9.30am
Membership	Tim Kent (Chair), Charles Buchanan, Gail Clarke, Joanna Worby, Graham Razey, Gregg Skinsley-Stephens		
In Attendance	Chris Legg (CL), Chief Financial Officer Andrew Stevens (AS), Chief Operating Officer Simon Smith (SS), Chief People Officer Paul Sayers (PS), Chief Strategy Officer Sharon Hollingsworth (SH), Director of Governance John Korzeniewski (JK) – Chair of Education Committee, Item 5 only.		
Minutes Clerk	Nicole Leader – Executive Support Officer		

	ITEM	COMMENTS	ACTION
1	Welcome and apologies for absence	The Chair welcomed everyone to the meeting. There were no apologies received.	
2	Declarations of interest	There were no additional declarations to the meeting other than those declared as standing.	
3	Minutes of the meeting held 26 November 2020	The minutes of the Business Committee meeting held on 26 November 2020 were reviewed by the members and approved as a true and fair account. The minutes were agreed and will be digitally signed after the meeting by the Chair.	
4	Matters arising not covered by this agenda:	Item: 9 list of outstanding leases and charges on land to be presented at the next Business Committee meeting.	CL

Strategic Items		
5	Property Strategy and Capital Project proposals	<p>John Korzeniewski, Chair of Education Committee joined the meeting at: 9.35am for this item.</p> <p><u>Property Strategy and project proposals for the FE Capital Transformational Fund</u></p> <p>PS presented the Property Strategy and capital funding projects approval paper drawing attention to the executive summary therein and noted the following points:</p> <ul style="list-style-type: none"> - The Group commissioned RLF to support the Group in developing the Property Strategy, the strategy is included in the report as appendix 1. - The strategy objectives include: <ul style="list-style-type: none"> - Accommodating growth at each campus as a result of new policies, demographic changes and planned increases in market share - Ensuring that all campuses can accommodate new areas of curriculum, including T Levels, that are linked to local needs - Reducing grade C and D1 accommodation (and improving grade B accommodation where required, which is in line with the ESFA's policies and FE Capital Transformation Fund) - Ensuring each campus maximises its community presence - Improving space utilisation. <p>PS noted that the strategy document needs to be dynamic to be able to respond quickly to Government funding opportunities.</p> <p>PS invited questions. A Governor commented that the strategy needs to directly link to the Education strategy. PS clarified that the property strategy has been developed to align with EKC Group's 2020-24 strategic plan.</p> <p>A Governor asked for the reasoning behind the planning of Sport curriculum at Folkestone and land-based provision at Broadstairs which would affect the market share at other Colleges who currently deliver this curriculum provision.</p> <p>The Chair asked JK on the views from the Education Committee perspective. JK commented that the drive behind the strategy from an Education Committee viewpoint is the development of T-</p>

		<p>levels and improving the curriculum offer through employer links, in line with the Government's recently published White Paper.</p> <p>A Governor commented that the proposal is for each College to offer specialisms and explained that If we continue the offer at Canterbury who has the highest market share, we would then need to reduce our presence in the surrounding districts as it is not possible to replicate the T-level provision on all sites as they need considerably more investment than BTEC which will not be available by 2024. Schools will not be able to offer T-Levels due to the level of investment needed to deliver them. The Group is also aware of a new School soon to open half mile away from Canterbury College which will offer a sixth form of four hundred students.</p> <p>JK commented that timing is fundamental and while the Education Committee had not had sight of the strategy document they would not want to cause a delay but noted that Governors have not had time to debate the curriculum specialisms and the consequences for the longer term.</p> <p>It was noted that the specialisation agenda has been forced by the delivery of the T-Level provision and the Committee agreed that going forward this will need to be discussed at both the Education Committee and Full Governing Body.</p> <p>The Committee requested clarification to what they were being asked to approve at the meeting. PS confirmed that the ESFA require approval of the current version of the Property Strategy as presented today. The Committee is not approving all the individual projects, or the financial commitment noted within the strategy document.</p> <p>PS assured the Committee that other than the Engineering T Level project at Dover Technical College which requires approval by the Committee, the remaining FE Transformation Fund projects will be worked up to a more detailed stage ready for final submission in July 2021. This is dependent on the bids for the projects successfully passing stage 1 of the ESFA application process. The outcome of this will be announced by the ESFA in May 2021. There will be time to review the projects proposals further between application stages.</p>	
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		<p>Estate expansion and self-funded projects will not be approved at this committee today.</p> <p>A Governor queried if part of the funding is not approved how will the projects be prioritised. PS noted that in regard to the FE Transformation Fund projects, the buildings in the poorest condition and the projects that would make the biggest impact would be prioritised. This is a piece of work that will be completed as part of the stage 2 application process and will be submitted to the Business Committee in due course, for approval.</p> <p>A Governor asked for clarification on appendix B. PS confirmed that this shows the funding plan for the first four years of the strategy.</p> <p>A Governor asked what happens if a T Level bid is unsuccessful. PS confirmed that there is contingency in the transformation bid to include the unsuccessful T Level project elements if they meet the bid criteria.</p> <p>A Governor understood that they are being asked for approval to take the strategy to the next stage of the bidding process and not asking for approval to go ahead on individual projects, apart from the Engineering T-Level Project at Dover. The Committee was assured that separate approval would be required on the individual FE Transformation Fund projects if the stage 1 bids are successful.</p> <p>PS guided the Committee through the strategy document page by page explaining the capital project proposals at each individual college. PS invited comments.</p> <ul style="list-style-type: none"> - Governors noted that Ashford College is an expansion of space which is not part of the ESFA capital funding criteria - Broadstairs – there were no clarification questions raised - Canterbury College has £1.2m of projects, these are not part of the bid application but form part of the strategy and will be prioritised according to affordability. It was noted that this is not stated in the plan. 	
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		<p>[GR left at 10.50am]</p> <ul style="list-style-type: none"> - Spring Lane – there were no clarification questions raised - Dover Technical College – the comment raised was considered confidential and will form Part A of the minutes. - Folkestone College – it was noted that part of the plan is not to dispose of the land at the rear of the college, the Group is now considering proposals to build this aspect into the plan. - Sheppey – no questions were raised - Sustainability – no questions were raised - Funding – PS to update with prioritisation statement for Canterbury College. <p>A Governor noted that the Property Strategy and project proposals as presented will deliver a favourable increase of 20% to the value of the Group estate.</p> <p>The Chair sought verbal agreement from each individual member of the Committee.</p> <p style="text-align: center;">RESOLVED: The Committee unanimously agreed the Property Strategy Document and project proposals for the FE Capital Transformational Fund</p> <p>[JK left at 11.05am]</p> <p><u>T Level Capital Funding</u></p> <p>PS presented the project proposals that had been developed for this fund, which focuses on supporting the delivery of Engineering T Levels pathways at Dover Technical College.</p>	PS
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6	January Management Accounts includes Q2 re-forecast	<p>CL gave a short update on the current financial position and highlighted the following points:</p> <p>The Group is currently in a strong financial position.</p> <p>Forecasted 9% EBITDA which is good and are also forecasting to be in line with last year's solvency ratio.</p> <p>The Financial Health at year end is predicted to be the same grade as for last year despite the pandemic and remains "Good".</p> <p>A Governor asked for an update on the position of the capital budget. CL explained that the Group currently has a large cash reserve due to delayed projects. The Group is considering strategies to spend some reserves on various items before the year end such as awards for staff and updating curriculum equipment and MAC suites.</p> <p>It is likely that the main contractor for the Folkestone College project will be paid initially with cash from the Group before draw-down on loan.</p> <p style="text-align: center;">NOTED: The January Management Accounts (includes Q2 re-forecast)</p>	
7	Environment & Sustainability update	The Committee agreed to defer this item until the next meeting.	
8	Update on performance of Group Commercial activity	<p>CL gave a short update on Commercial activity. The financial performance of the Yarrow at the start of the year was good, but income has declined due to the pandemic and the college refectories have had a quiet year, also. Nurseries have been busy with funded child places, but the numbers of fee-paying places have declined. Commercial Cafés have been closed.</p> <p>A Governor asked if there is any support available for landlords. CL replied that the long-term rentals have continued through lock down but no protection for short-term letting income. CL noted that there will be a significant loss in income due to summer schools not being able to operate this year due to the effects of the pandemic.</p>	

		NOTED: The update on performance of Group Commercial activity.	
9	Update on performance against Health, Safety and Wellbeing Policy	The Committee received the update paper as read. NOTED: The update on performance against Health, Safety and Wellbeing Policy	
Procedural			
10	Any other business	CL noted that the financial regulations will be updated to reflect that the Business Committee has delegated authority for expenditure of £150,000 - £500,000. The updated regulations will be submitted to the Audit Committee and the Full Governing Body, for approval.	CL
11	Matters considered confidential	Item 5 – Dover Technical College Item 5 - Restructuring Facility Payment Item 5 - Sheppey discussions with DFE – PS to refine wording in report	PS



12 Date and time of next meeting	Thursday, 10 th June 2021 at 9.30am
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There being no further business the meeting closed at 11.30am

Signed: *[Signature]* Print: *TSKUT* Date: *5/July 2021*