



Full Governing Body Minutes

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| <b>Meeting</b>       | Full Governing Body  | <b>Date</b> | Tuesday 12 July 2022 |
| <b>Location</b>      | The Alfred Yarrow Suite, The Yarrow Hotel, Broadstairs   | <b>Time</b> | 5.30pm               |
| <b>Membership</b>    | Charles Buchanan (Chair), Graham Razey (CEO) (Chief Executive Officer), Allan Baillie, <i>Ella Brocklebank</i> , Gail Clarke, Miranda Chapman, Jonathan Clarke, Natalie Garner, <i>Jason Howard</i> , <i>Tim Kent</i> , Peter Troke, John Korzeniewski, Peter Cheney, Richard Brooks, Joanna Worby, Karen Wilks (Staff Governor), <i>Ethan Stocker</i> (Student Governor)  |             |                      |
| <b>In Attendance</b> | Chris Legg (CL) (Chief Financial Officer)<br>Paul Sayers (PS) (Chief Strategy Officer)<br>Tammy Mitchell (TM) (Chief Education Officer)<br>Lucy McLeod (LM) Chief Further and Higher Education Officer<br>Nick Holbrook-Sutcliffe (NH-S) Chief Curriculum Officer<br>Jamie Weir (JW) (Invited Observer)<br>Sharon Hollingsworth (SH) (Director of Governance)<br>Kerry Hickmott (Minute Clerk)<br>Helen Hammond (Guest)<br>Carmel Togher (Guest)<br>Sam Lain-Rose (Guest)<br>Paula Gillespie (Guest)<br>Joseph Rowstone (Guest)<br>Corrine Burkin (Guest observer from Mid-Kent College)<br>Kate Young – Item 10 (Independent Safeguarding Lead) |             |                      |

*(Italics denotes absence)*

|  | ITEM | COMMENTS | ACTION |
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| 1 | Welcome and Apologies                                      | <p>The Chair welcomed members to the meeting.</p> <p>Apologies were received from Tim Kent; Jason Howard; Ethan Stocker and Ella Brocklebank</p> <p>Richard Brooks attended the meeting remotely.</p>   |  |
| 2 | Declarations of Interest                                   | <p>There were no additional declarations to the meeting other than those declared as standing.</p>  |  |
| 3 | Minutes of the Meeting held on 29 <sup>th</sup> March 2022 | <p>The minutes and confidential minutes of the Full Governing Body meeting held on 29<sup>th</sup> March 2022 were reviewed and approved as an accurate record and duly signed by the Chair.</p>  |  |
| 4 | Matters Arising  | <p>There were no matters arising.</p> <p>Item 11, Appointment of main contractor for the Dover Motor Vehicle new build – The Chair advised that following the concerns raised at the last meeting, a meeting had taken place with the Project Management Team and the decision had been made to appoint Baxall instead of BEC.</p>  |  |
| 5 | Chair's Report   | <p>The Chair welcomed new governors Helen Hammond, Carmel Togher, Paula Gillespie and Sam Lain- Rose together with Joseph Rowlstone, the new student governor all in an observer capacity. They will officially commence their new governor roles with the Group from 1<sup>st</sup> August 2022.</p> <p>Joseph is a currently a student at Broadstairs college studying Catering and Hospitality.</p> <p>Corrine Burkin is the Clerk at Mid Kent College who is shadowing the Director of Governance for her development.</p> <p>It was acknowledged that this was the last FGB meeting for Richard Brooks. Richard was thanked for his input. Richard will remain as a member on Dover Technical College Local Board.</p> |  |

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|   |              | <p>It was farewell to the student governor, Ethan Stocker who has reached the end of his term. Ethan has been an excellent student governor and he has found being part of the Board a rewarding experience.</p> <p>It was also farewell to Kerry Hickmott, who is changing her role to become the Director of Business Support for the Group.</p> <p>The Chair noted the resignation of Jonathan Clarke and thanked him for his enormous commitment over the last 10 years. During this time, Jonathan has served as Chair of the Transition Board, MAT, Trustees; Search and Governance and Remuneration Committees to name a few. Jonathan has been appointed to being a Member of the MAT.</p> <p>The Chair advised that since the last FGB meeting he had had his regular meetings with the Chief Executive Officer and the Director of Governance, he had attended meetings with the AoC who were in consultation with governors about changing governance counsel and providing a refreshed and enhanced remit to feed into national policy. He had also been part of a selection group for Margate Digital.</p> <p>The Chair had also attended a meeting with the KFE to consider a joint bid with colleges to ensure they achieve the best funding streams. The three KFE Chairs would like to be further involved in the governance in KFE to co-ordinate our positions within Kent and to secure the best possible funding outcome.</p> <p>Finally, the Chair had been asked to join panel of governors to provide external board reviews.</p> <p style="text-align: center;"><b>NOTED: the Chair's report.</b></p> |  |
| 6 | CEO's Report | <p>The Chief Executive Officer (CEO) highlighted the recent political and government changes along with the recent changes in educational leads.</p>   |  |

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|   |                               | <p>The CEO advised that consideration was being given to the reclassification of FE into the public sector. These changes will be significant and would affect our ability to borrow money for capital investment and commercial activities.</p> <p>The AoC have a view which Chairs do not fully support. Any conservative government is unlikely to change quickly. A change of government would be likely to see a direction to a more centralised model.</p> <p>The CEO expressed that we need to be mindful of government policy due to change of Prime Minister and Ministers of state.</p> <p>The CEO highlighted a recent visit from Dominic Gilchrist, a No 10 civil servant responsible for FE and skills, who requested a visit of Broadstairs College to gain an understanding of how FE works in innovative ways and in alignment with local skills priorities.</p> <p>It was queried whether a centralisation to the public sector would involve a change to the governor membership. The CEO advised that centralisation could entail a forced membership of governors. It was felt that this could provide the Secretary of State with the opportunity to intervene quickly where necessary.</p> <p style="text-align: center;"><b>NOTED: the Group CEO report.</b></p> |  |
| 7 | Director of Governance Report | <p><b>Written Special Resolution of the Governing Body</b></p> <p>The Director of Governance presented the following agreed electronic written resolutions of the Governing Body that were required for formal minute:</p> <p><u>Special Resolution dated 15 May 2022</u> approval of the appointment of Jenner as being the preferred main contractor for the Ashford Phase 2 Project</p>  |  |

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|  |  | <p><u>Special Resolution dated 14 June 2022</u> approval of the appointment of Wilmott Dixon Interiors as being the preferred main contractor for the Margate Digital Project.</p> <p><b>Statement of Corporate Governance and Internal Control 2021-22</b><br/> The ESFA has introduced 2 new requirements in the statement of corporate governance and internal control for the financial year ending 31 July 2022:</p> <ul style="list-style-type: none"> <li>- a report on activities undertaken over the year to develop governors and clerks/governance professionals</li> <li>- a report on whether the corporation has conducted/ commissioned an internal or external review of governance</li> </ul> <p><b>ETF Governance Development Programme transfer to FutureLearn</b><br/> The Governance Development Programme being delivered by the Education and Training Foundation has now transferred to the FutureLearn Online Platform. Governors should have received a notification email from FutureLearn around June 1<sup>st</sup> inviting them to set up their account.</p> <p><b>External Governance Review</b><br/> In January 2021, the Department for Education launched the Skills for Jobs White Paper. Chapter four includes the ‘strengthening governance’ section, in which the department outlined a future requirement for colleges to undertake an external board review every three years, with an annual self-assessment to ‘level up governance’.</p> <p>The requirement for an External Governance Review has been included in the Governing Body’s Audit Plan 2022/23. The annual governor self-assessment process alongside the governor annual skills audit will take place during July/August</p> <p><b>Governor/Executive engagement arrangements</b></p> |  |
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|   |   | <p>The agreed Governor/Executive engagement programme will be held on October and February. Calendar invites will be sent out in July/August. It is envisaged that all Governors (apart from those serving on the LCB) will attend at least two engagement sessions per year, while attendance will be optional for LCB chairs.</p> <p><b>Further education (FE) workforce governor data collection</b></p> <p>Last year the ESFA launched the FE workforce governor data collection, in its first year, participation in the collection was voluntary, but from September 2022, submitting a return is mandatory. The ESFA will use the FE workforce data collection to collect data about governors (for FE and sixth form colleges only). The collection will provide governor board formation and composition data of the sector to the Department for Education (DfE).</p> <p><b>NOTED:</b></p> <ul style="list-style-type: none"> <li>• Special Resolution dated 15 May 2022 the appointment of Jenner as being the preferred main contractor for the Ashford Phase 2 Project</li> <li>• Special Resolution dated 14 June 2022 the appointment of Wilmott Dixon Interiors as being the preferred main contractor for the Margate Digital Project.</li> <li>• the changes to the statement of corporate governance and internal control for the financial year ending 31 July 2022</li> <li>• the ETF Governance Development Programme transfer to FutureLearn</li> <li>• the requirement for an External Governance Review</li> <li>• the Governor / Executive engagement arrangements</li> <li>• the Further education (FE) workforce governor data collection</li> </ul> |  |
| 8 | <p><b>Budget Strategy</b></p> <p>a. Revenue Budget</p> <p>b. Capital Budget</p> | <p>a. <u>Revenue Budget</u></p> <p>The Chief Financial Officer presented the revenue budget which had been presented to the Business Committee.</p> <p>The target income for 2021/22 planned to generate £73.1 million.</p>  |  |

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|  |  | <p>Governors were disappointed to note that the Adult Education Budget did not meet the target allocation and discussed the planned activities to ensure the target is met next year. It was acknowledged that student behaviours have changed following Covid, and as a result the refectories were hit by a change in student eating habits.</p> <p>Governors were concerned that the AEB target had not been met in 2 years. It was noted that a number of new activities have recently been implemented which plan to ensure this target is met going forward. These include the new civil engineering building being fitted out; the start of the Weekend College in Canterbury and a new Plumbing and Electrical centre in Ashford. This additional income is budgeted to be more than the deficit this year.</p> <p>It was queried how we are contributing to the upskilling of low-skilled workers and other adult provision. The funding provision is not good for people in work unless their employers pay or if it is free for the unemployed.</p> <p>It was acknowledged that the Government is missing the opportunity to upskill people in low paid jobs.</p> <p style="text-align: center;"><b>APPROVED: the revenue budget for 2022/23</b></p> <p>Approval was sought for the provision for 850 bus tickets with stagecoach which applies to 5/6 districts. It was noted that Swale use an alternative bus company. This agreement saves the Group £286,000 however the cost is above the CEO's signing authority and therefore approval is sought from the FGB for this spend.</p> <p style="text-align: center;"><b>APPROVED: the signing of the Stagecoach contract</b></p> <p>b. <u>Capital budget</u></p> <p>The Chief Financial Officer informed Governors as to some of the key assumptions that are driving the capital budget for 2022-23 and the delivery of the property strategy.</p> |  |
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|  |  | <p>The revenue budget for the 2022/23 academic year delivers a 7% Earnings Before Interest, Tax, Depreciation &amp; Amortisation (EBITDA). The Group will continue to pay off existing loans totalling £1million of capital being cleared annually.</p> <p>Approval is sought for the proposal for the CEO to invest £1 million into the capital equipment fund, within the confines of our financial regulations. It is planned that the Education Board and the Resources Board be allocated £150,000 initially to respond to innovation requests. It is planned to release a second/third tranche if revenue comes through as expected.</p> <p>It is proposed to invest £3.5 million into the Property strategy next year with a net cash outflow of £1 million.</p> <p>The Property Strategy element of the capital budget represents the total expenditure for the plan, totalling £17.4million in the 2022/23 academic year and then a further £7.3million in the 2023/24 academic year. £15 million is financed through capital grants.</p> <p>The Ashford College development is intended to be supported by loan financing. This proposal has been put to the Group’s bankers, Santander, who have provided an initial approval in principle for the additional borrowings of £4.5million, with the Group contributing £840,000.</p> <p>The CFO confirmed that the proposals will allow good financial health to be retained.</p> <p>It was queried whether the current ratio could be affected. The CFO explained that major capital works can have a short-term detrimental effect on financial health as the calculation is based upon a 31<sup>st</sup> July snapshot, but the underlying financial health can be over-written in these circumstances.</p> <p><b>APPROVED:</b> the capital budget was approved along with the approval of the £4.5million loan to support the Ashford College project and approval of delegated authority to the CEO for stewardship of the remaining £1million capital budget.</p> |  |
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| 9  | Staff Pay Award<br>2022/23 | <i>This item was considered confidential and will form Confidential Minutes Part A</i>   |  |
| 10 | Safeguarding<br>Update     | <p>(Kate Young joined the meeting via Teams for this item]</p> <p>The Independent Safeguarding Chair reported there had been 1525 safeguarding incidents to date across the colleges, affecting a total of 944 students. This increase is likely to reflect students spending more time on campus than the previous 2 years.</p> <p>The top 5 safeguarding issues has changed. Suicidal tendencies and self harm remain the top two areas of safeguarding incidences. There has been a growth of peer on peer abuse which is likely due to the impact of the pandemic: more immaturity, less resilience by students. This area is being addressed through tutorials.</p> <p>Government guidance has recommended that suicidal tendencies and self harm are no longer reported as individual areas and are included in the broader 'mental health' category. The Safeguarding Committee has however decided that it will maintain to report the suicidal tendencies and self harm categories in the next academic year. The numbers for Mental health issues are already captured but not reported on at Board level. This approach has been working and will be used going forward.</p> <p>The Board were assured that the interventions in place were working effectively, whilst noting that the Group is not an interventions service.</p> <p style="text-align: center;"><b>NOTED: the report of the Independent Chair of the Safeguarding Committee</b></p> |  |
| 11 | Financial<br>Regulations   | The Chief Financial Officer presented an annual review of the financial regulations.   |  |

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|    |                        | <p>It was noted that a review has been undertaken of the existing set of Financial Regulations and no substantial changes are being proposed. There have been a few minor presentational changes to improve the appearance but nothing over and above these cosmetic changes have been enacted.</p> <p style="text-align: center;"><b>APPROVED: the Financial Regulations review</b></p>   |  |
| 12 | <b>Fees Policy</b>     | <p>The Chief Financial Officer presented an overview of the minor amendments that have been proposed to the Fees Policy. There is no proposed change that covers anything material to the charging and collection of student and employer sponsor debt. The changes include the following:</p> <ul style="list-style-type: none"> <li>• Update relevant year</li> <li>• Update approving body</li> <li>• Corrected numbering</li> <li>• Updated liability dates for HE fees</li> <li>• Update apprenticeship co-investment percentage</li> <li>• Update full time programme hours</li> <li>• Add full fee remission point for 'Active Benefits'</li> </ul> <p>It was noted that the liability fee dates for the HE courses moves forward a full day.</p> <p style="text-align: center;"><b>APPROVED: the Fees policy</b></p> |  |
| 13 | <b>Sub-contracting</b> | <p>The Chief Strategy Officer presented the proposal for the rationale and plans for 2022-23 and the sub-contracting provision with Aspire.</p> <p>The Group has a long-standing partnership with Aspire, a provider based in Thanet that delivers niche programmes to 16-18 students who are not yet ready for a college environment, with progression routes to our colleges. It is proposed that this relationship continues into 2022-23.</p> <p>The Group's current rationale is stated below, and no changes are recommended:</p>  |  |

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|    |               | <p>“EKC Group subcontracts a limited amount of its curriculum that is focused on bridging identified gaps in provision to meet the needs of its communities. The Group’s subcontracting will meet one or more of the following aims: · enhance the opportunities available to young people and adults; · fill gaps in niche or expert provision or provide better access to training facilities; · support better geographical access for learners; · offer an entry point for disadvantaged groups.”</p> <p><b>APPROVED: the proposed sub-contracting provision for 2022/23 and the Group’s subcontracting rationale.</b></p>   |  |
| 14 | Policy Report | <p><u>Whistleblowing Policy</u></p> <p>The Chief Strategy Officer presented the minor amendments to the Whistleblowing Policy, as follows:</p> <ul style="list-style-type: none"> <li>• The current Whistleblowing Policy whilst detailed does not describe the legal basis of a relevant and qualifying disclosure nor describes the structured approach to assess if the disclosure of information is both relevant and qualifying. Section 2 has been added to meet this requirement.</li> <li>• Minor changes to format and possible grammar, and unnecessary wording removed</li> </ul> <p><u>Health, Safety and Welfare</u></p> <p>The Chief Strategy Officer presented the minor amendments to the Health, Safety and Welfare Policy as follows:</p> <ul style="list-style-type: none"> <li>• Change to job titles and additions to reflect latest structure status (Director of Projects and Managing Director roles)</li> <li>• Clarification about role of Director of Estates</li> <li>• Clarification that health and safety applies to social action programmes</li> <li>• Amendments/clarifications about Director of HR’s remit</li> </ul> <p><b>APPROVED: the Whistleblowing Policy and the Heath, Safety and Welfare Policy</b></p> |  |

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| 15 | Minutes of the Committee Meeting's | <p>The following draft committee meeting minutes were presented by the respective committee Chair:</p> <p><u>Remuneration Committee 07.05.22</u><br/> The Chair of the Remuneration Committee, Jonathan Clarke, advised that the proposal for the Staff pay award had been fully supported by the Remuneration committee.<br/> A Sabbatical policy for senior post holders had been approved subject to recommended changes. It was considered that it was important to retain staff in senior postholder positions and this policy could aid to avoid burnout.<br/> JC advised that the current Order for the remuneration of the Chair ends on 4<sup>th</sup> September 2022. The Committee had agreed to submit a request to the Charity Commission to seek authority to continue to remunerate the Chair for a further 2 years.</p> <p><u>Education Committee 16.06.22</u><br/> The Chair of the Education Committee, John Korzeniewski, advised that following a suggestion from the student governor regarding educating students on self-employment, a proposal had been welcomed to embed a core unit (with no qualification) on self-employment within curriculum courses which is relevant to their subject area.</p> <p>The QIP and CPIs have been regularly monitored. There has been a focus on student attendance and retention and the withdrawal of students that have withdrawn due to external issues e.g. the cost of living crisis, that would otherwise have succeeded. There have been discussions on incentives to support students who are close to completion.<br/> JK highlighted the Outstanding Programme Standards which look at moving areas from Good to Outstanding. It was requested that Local Boards use these standards to influence how well they are being implemented.<br/> JK advised that they had approved the HE Sexual Harassment and Misconduct Policy along with the Junior College Disciplinary and Admissions policies.</p> <p><u>Audit Committee 28.06.22</u></p> |  |
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|  |  | <p>The Chair of Audit Committee, Peter Cheney, reported that the Committee reviewed the internal audit commitments. The internal audit work is ongoing. They had met with external auditors and can report that no major changes in the financial regulations need to be adhered to. They had reviewed the meeting minutes of the Risk, Audit and Compliance Committee along with the risk register and advised that there was nothing of concern to report. Stone King had been commissioned to review the Governance Agreements between the Trust and the Group, there were no material findings, however there had been a recommendation which sought additional work. It was agreed that the Agreements in place were adequate, and no additional review was required.</p> <p>It was noted that the external audit fees have increased by £8,000 in one year, part of which is due to the addition of the two limited companies. The external audit budget has increased at the consequence of the internal audit fees.</p> <p><u>Business Committee 29.06.22</u></p> <p>In the absence of the Chair of Business Committee, Tim Kent, the Group Chair provided an update.</p> <p>In respect to the Property Strategy, it had been agreed to establish a property sub-committee. The membership will be formed by three governors (PG; GC and CB) and may also co-opt an external member with expertise to provide oversight. DS and CL from the Executive team will sit on the sub-committee along with other attendees as the subject matter dictates.</p> <p>The sub-committee will have delegated authority to approve expenditure subject to the overall board-approved project budget and will include the approval of the appointment of contractors and approval of contract terms.</p> <p style="text-align: center;"><b>APPROVED: the establishment of a property sub-committee</b></p> <p><u>Group Development</u> – <i>this item was considered confidential and will form Part A confidential minutes</i></p> <p style="text-align: center;"><b>NOTED: The following draft committee meeting minutes:</b></p> |  |
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|    |  | <ul style="list-style-type: none"> <li>• Remuneration (07.05.22)</li> <li>• Education (16.06.22)</li> <li>• Audit Committee (28.06.22)</li> <li>• Business (29.06.22)</li> </ul>   |  |
| 16 | Group Management Accounts – May 2022 including Q3 forecast | <p>The Chief Financial Officer presented the Group Management Accounts for May 2022. Income is now forecasted to be £547,000 below budget due to a shortfall in Adult Education Budget (AEB) income of £759,000, £120,000 lower fee income and a reduction in commercial income of £300,000.</p> <p>Pay expenditure was forecasted to be underspent by £327,000 at Q1, mainly due to the level of vacancies in the first quarter with Q2 reporting a higher £713,000 underspend. Q3 has identified an increase the underspending on pay expenditure to £1,043,000.</p> <p>Non-pay was better than the forecast with further savings identified at Q3 which will offset the reduced income with a forecasted overspend of just £980,000.</p> <p>Overall, the level of EBITDA is now slightly behind budget with a negative variance of £484,000.</p> <p>The forecast is on track and allows for the investment in the pay strategy</p> <p style="text-align: center;"><b>NOTED: the May Management Accounts</b></p> |  |
| 17 | Progress against the Quality Improvement Plan              | <p>The Chief Education Officer presented the Group’s progress against the Quality Improvement Plan for terms 3-5.</p> <p>The quality of education overall is strong, 87% of programmes are currently good or better, some programmes have not been graded good due to attendance to maths and English or due to inconsistent staffing. This year there has not just been a focus on moving requires improvement programmes to good, but all Principals and Managing Directors have been asked to identify key programmes that could be focused on to move them to outstanding.</p>   |  |

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|    |                                 | <p>There has been significant work on the wider student experience, social action projects are now embedded and many continuing to take place beyond the two identified community weeks. The Erasmus Project has been a huge success.</p> <p>It was acknowledged that Maths and English remains a challenge and our greatest vulnerability.</p> <p style="text-align: center;"><b>NOTED: the progress against the Quality Improvement Plan</b></p> |  |
| 18 | Any Other Business              | There was no other business.   |  |
| 19 | Matters Considered Confidential | <p>The following items were deemed confidential and will form Part A of the confidential minutes:</p> <ul style="list-style-type: none"> <li>• Item 9 – Staff Pay Award</li> <li>• Item 15 – Group Development</li> </ul>  |  |
| 20 | Date and Time of Next Meeting   | Friday 7 October at 3.30pm, Yarrow Hotel, Broadstairs  |  |

There being no further business the meeting closed at 7.42pm

Signed: 

Print: Charles Buchanan

Date: 7 October 2022