



Full Governing Body Minutes

<b>Meeting</b>	Full Governing Body	<b>Date</b>	Tuesday 11 July 2023
<b>Location</b>	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, Natalie Garner, Jason Howard, Tim Kent, Peter Troke, John Korzeniewski, Peter Cheney, Joanna Worby, Karen Wilks (Staff Governor), Paula Gillespie, Helen Hammond, <i>Carmel Togher</i> , Sam Lain-Rose, Tammy Mitchell, Joseph Rowstone (Student Governor)		
<b>In Attendance</b>	Lucy McLeod (LM) Deputy Chief Executive Officer Chris Legg (CL) (Chief Financial Officer) Paul Sayers (PS) (Chief Information and Strategy Officer) Dan Shelley (DS) (Chief Infrastructure & Transformation Officer) Nick Holbrook-Sutcliffe (Chief Education Officer) Jamie Weir (JW) (Invited Observer) Sharon Hollingsworth (SH) (Group Director of Governance) Nicole Leader (Minute Clerk) Kate Flounders (KF) joined online for item 16		

*Italics denotes absence.*

	ITEM	COMMENTS	ACTION
1	<b>Welcome and Apologies for Absence</b>	The Chair welcomed members to the meeting.  Apologies were received from: Carmel Togher and Ella Brocklebank.	
2	<b>Declarations of Interest</b>	There were no additional declarations to the meeting other than those declared as standing.	
3	<b>Minutes of the meeting held 28 March 2023 including any confidential minutes.</b>	The minutes of the Full Governing Body meeting held 28 March 2023 were reviewed and agreed as an accurate record including the confidential minutes.  The Chair will sign the minutes following the meeting.	

4	Matters Arising not covered by this agenda:	There were no matters arising.	
5	Proposed Independent Governor Appointment -: John Oliphant, 4 year term of office	<p>The Search and Governance Committee recommend that John Oliphant (JO) be appointed as an Independent Governor to the Full Governing Body from the 1 September 2023. All governors were in favour of the appointment.</p> <p>It was noted that JO currently serves on the Property Sub Committee as a co-opted member, it was agreed that JO will move from being a co-opted member to an independent governor of the Committee given his new appointment.</p> <p style="text-align: center;"><b>APPROVED: John Oliphant appointment as an independent member to the Full Governing Body starting from 1 September 2023, for a four-year term.</b></p>	
6	Chair's Report	<p>On behalf of the Governing Body, the Chair thanked and congratulated the Group Leadership Board on the incredible outcome following the Ofsted Inspection. The Chair acknowledged and praised the hard work of the Executive Team and the entire staff group for their solid dedication that had contributed to the Group's success. The outcome is highly commendable.</p> <p>The Chair provided an update regarding membership of the Full Governing Body, noting that Paula Gillespie had decided to step down from being a Governor and will be leaving the Board in September. 2023. Allan Baillie had also decided to step down, although Allan has agreed to continue in his role up until December 2023, if required.</p> <p>Joseph Rowstone, Student Governor was thanked for his commitment and contribution to the board, during the past year and was wished well for the future.</p> <p>It was farewell to Tim Kent, the Chair thanked Tim for his enormous commitment and dedication serving on the Board and various committees over the past 14 years. The Board is truly appreciative of Tim's time, his knowledge and experience and his input will be greatly missed by all.</p> <p>It was agreed that Tammy Mitchell will serve as Chair of Dover Technical Local College Board, when Tim Kent steps down on 31 August 2023. Tammy will consequently serve on the Education Committee., also.</p>	



		<p>The Chair referred to the Full Governing Body and Committee meetings during 2023-2024, noting that all meetings are to be held in person, if a governor or chief officer is unable to attend then non-attendance will be noted, with the exception being where the chief officer is presenting one paper. Smaller Committees such as Search and Governance and Remuneration may take place solely on Teams, if agreed by the Committee Chair. The Chairs of the Local College Boards have the option to meet in person or solely on Teams.</p> <p>The Chair advised that since the last FGB meeting he has engaged in regular 1:1s with GR and SH and has undertaken his annual 1:1's with governors.</p> <p style="text-align: center;"><b>NOTED: Chairs Report</b></p>	
7	<p><b>CEO's Report</b></p> <p><b>Group Development</b></p>	<p>The CEO opened by thanking Tim Kent for his incredible support and contribution over the past years.</p> <p>Governors had received an e-copy of the strategic priorities 2022-23 document that outlined our 17 strategic priorities and the Group's achievements against each during the year. Governors reflected on the great achievements, noting that it had been another successful year for the Group.</p> <p>The AoC had repeatedly stated before and after the reclassification of colleges back into the public sector that one of the core benefits would be VAT exemption for the sector. However, following a Westminster Hall Debate held on May 17 this now seems highly unlikely. Partial exemption will continue however it appears that the Group is not getting as much as other organisations in the sector. The CEO suggested that the Audit Committee review this work and potentially commission some work for specialist advice to ensure the Group reclaims VAT where there are entitled to do so.</p> <p>This item was considered confidential and will form Confidential minutes Part A.</p> <p style="text-align: center;"><b>NOTED: CEO Report</b></p>	
8	<b>Group Director of Governance Report</b>	<p>The Group Director of Governance updated the Board on key governance matters and recent business of the Governing Body.</p> <p>The Board noted the following approved e-resolution of the Governing Body that was taken outside of the formal meeting cycle:</p>	

	<p>6 June 2023 – approved the signing of the Memorandum of Understanding between Swale Borough Council and EKC Group relating to the Sheppey College extension levelling up fund project.</p> <p>The Board noted that the following Governors had decided to step down from their governor role during this calendar year:</p> <ul style="list-style-type: none"> <li>• Tim Kent will step down at the end of his current term, being 31 August 23</li> <li>• Paula Gillespie will step down during September 23</li> <li>• Allan Baillie will step down by the end of December 23</li> </ul> <p>In view of the membership changes the Search and Governance Committee has taken the following decisions:</p> <ul style="list-style-type: none"> <li>• John Oliphant (current co-opted member of Property Committee) to be recommended to be appointed as a Governor and serve on the Property Committee, this will therefore remove the need for a co-opted member. Proposed appointment date: 1 September 2023.</li> <li>• Tammy Mitchell to take the place of Tim as Chair of Dover Technical Local Board and serve on the Education Committee with effect from 1 September 2023</li> <li>• FGB membership will revert back to 19 members in September 23 when Paula steps down, at this time the Business Committee will reduce its number of independent members from five to four.</li> <li>• The CEO to form, chair, and get underway EKC Training Local Board. The Committee will consider an independent governor to chair when this Board is up and running.</li> </ul> <p>To support governors to widen their experience of the work of the Governing Body (GB), a governor observation process for GB committees has been developed and will be introduced during 2023-24. Governors will have the opportunity to observe meetings of the Audit, Business and Education Committees. The arrangements were briefly discussed any governors wishing to participate should contact SH to express their interest, attendance at these observation sessions will support the reporting of governor development.</p> <p>The Group's external governance review is included in the Governing Body's Audit Plan 2022/23. The Review is due to take place between October to December this year. It was noted that the Board must have an external review by July 2024. The Chair, CEO and SH have met with the Reviewer, the scope of the review will be agreed in September.</p> <p>The ETF Governance Development Programme is moving to a new Learning Management System which will be live from October 2023. Governors registered on the existing FutureLearn platform will receive a</p>	
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		series of emails between July and October with information about how to move across.	
		<b>NOTED – Group Director of Governance Report</b>	
9	<b>Budget Strategy:</b> <b>a. Revenue Budget</b> <b>b. Capital Budget</b>	<p><u>Revenue</u></p> <p>CL presented the proposed Revenue budget apprising governors as to some of the key assumptions that are driving the revenue budget for 2023-24 and the key financial outcomes that will be achieved.</p> <p>Key factors in the cost pressures for 2023/24 are the 4.5% budgeted pay award and the end of energy fixed tariffs, resulting in a 150% increase in gas and electricity costs from October 2023.</p> <p>CL explained that next year’s target has significantly reduced cash generation therefore generating less cash has restricted the amount of capital that the Group is able to invest in the coming 12 months. A 12-month loan re-payment holiday period has been requested and if this is approved this will help to increase the capital budget. If not approved there will only be capital expenditure available for emergencies.</p> <p>CL noted the key risk factors impacting the budget:</p> <ul style="list-style-type: none"> <li>- Under delivery of the Adult Education Budget.</li> <li>- Commercial Services, pay and non-pay inflation is putting cost pressure on many of the commercial businesses who are not always in control of being able to pass on these cost pressures through increased prices, e.g., free college meals, funded nursery places, local competition and although new businesses have come on-stream in the last few years, all business operations that were underperforming have now been closed.</li> <li>- As a result of a reduced EBITDA the Group’s financial health score will be “requires Improvement” which will put additional pressures on the Group.</li> </ul> <p>CL noted the level of investment into the student union.</p> <p>A Governor asked about the lack of contribution from Folkestone and Sheppey Colleges. CL responded that this is mainly due to the rise in energy prices and the reduction in disadvantage funding.</p> <p>A Governor enquired as to how likely the 2023-24 AEB performance delivers to budget. CL responded that since COVID it has been difficult to re-engage adults in education. Centres are fully operational and fully staffed. Plans are in place to deliver 100% of the budget but there is a contingency plan in place which will be reviewed at Q1 budget re-forecast.</p>	

		<p>It was questioned if the pay award had put further pressure on the budget. The Union has agreed to the pay award and the Group is not bound to any nationally-agreed teacher pay award.</p> <p style="text-align: center;"><b>RESOLVED: The revenue budget for the 2023/24 academic year was approved</b></p> <p><u>Capital</u> CL informed Governors as to some of the key assumptions that are driving the capital budget for 2023-24 and the delivery of the property strategy.</p> <p>CL explained that approval is requested of the capital budget, the £4.3million DfE loan to support the Ashford College project and delegated authority to the CEO for stewardship of the capital budget.</p> <p>The Property Strategy is supported by significant grant interventions from the ESFA and Levelling-Up funds.</p> <p>A Governor questioned if the Department for Education (DfE) decided not to approve the £4.3million loan how this would affect the capital budget. CL advised that projects would have to be re-considered if the loan is not approved.</p> <p>Governors raised serious concern regarding the presented cash flow situation that had been caused by the re-classification of colleges and asked how the cash flow would be managed if the loan was not approved. The CEO explained that he is working with the DfE to form a plan and assured the Governors that a solution would be agreed to ensure the Group’s financial stability.</p> <p>A Governor questioned what the next steps are if the loan is not agreed. The CEO responded that a conversation is planned with the DfE in three days to confirm next steps, however following the latest conversation with the DfE and assurances received from them, it is firmly viewed that the application for the £4.3million loan will be passed by ministers.</p> <p>If not approved, an emergency meeting will be formed by the CEO with the Chair and Chairs of the Committees.</p> <p>Governors viewed the cash flow situation to be of significant concern and requested the Minute from this item to be available by Friday 14 July 2023.</p> <p style="text-align: center;"><b>RESOLVED: The Board approved the following:</b></p>	
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10	Group Development	This item was considered confidential and will form Confidential minutes Part A.	
11	<b>Contract Renewals:</b> <ol style="list-style-type: none"> <li>a. Energy</li> <li>b. MFD</li> <li>c. Adobe</li> <li>d. All Health Matters</li> </ol>	<p>DS presented the following proposed contract renewals for Governing Body approval:</p> <p>Energy Supply Contract- three-year flexible rates contract for both gas and electricity secured via energy broker</p> <p>MFD – 5-year MFD contract to be awarded to HP</p> <p>Adobe - renewal of the Adobe Creative cloud license</p> <p>All Health Matters - renewal of AHM contract for Occupational Health services for 3 years.</p> <p>Governors were comfortable with the proposed contract renewals.</p> <p style="text-align: center;"><b>RESOLVED: Governors approved the presented contract renewals for Energy, MDF, Adobe and All Health Matters</b></p>	
12	<b>Broadstairs Insurance Claim Options</b>	<p>DS presented the options and recommendations for the settlement of the insurance claim for the fire damaged workshops on Broadstairs campus. Consultation was carried out with the loss adjusters and with MCAG, our external project managers on the project.</p> <p>Two options were presented, option 1: settlement based on invoices and option 2; settlement based on Early Settlement, as a lump sum. Both options have been reviewed by the Group Leadership Board and the Property Sub Committee.</p> <p>The members of the Property Sub Committee put forward the recommendation to proceed with option 1, to maximise the value of the Claim. There were no concerns raised.</p> <p style="text-align: center;"><b>RESOLVED – Governors agreed to take forward option one, settlement based on invoices.</b></p>	
13	<b>Further Education Transformation Fund (FETF) and Energy</b>	DS presented an overview of the recommended use of the Further Education Transformation Fund (FETF) and Energy Efficiency Grant (EEG) financial allocations to improve the Group Estate. The funds will provide a more environmentally sustainable and energy efficient estate and improve the condition to reduce heat loss and carbon emissions.	

	<b>Efficiency Grant (EEG) allocations</b>	<p>The recommendations presented in the paper have been reviewed and agreed by the Group Leadership Board.</p> <p>If approved, an initial submission to Department for Education (DfE) will be made by the deadline of 31 July 2023 and then more detailed costing work will start, with the caveat that work may not begin until summer 2024 once the wider financial environment is more certain.</p> <p>Governors were in favour of the presented recommendations, there were no concerns raised.</p> <p style="text-align: center;"><b>RESOLVED: Governors agreed to the submission of the indicative allocations to DfE by 31 July 2023.</b></p>	
14	<b>Staff Pay Award 2023/24</b>	<p>This item was considered confidential and will form Confidential Minutes Part A</p>	
15	<b>Sub-contracting Rationale 2023-24</b>	<p>PS presented the proposed subcontracting rationale for 2023-24 explaining that the Group no longer has any ESFA subcontracted provision.</p> <p>The Group's current rationale is stated below to reflect that there is currently no subcontracted provision:</p> <p>"EKC Group does not currently subcontract any of its ESFA-funded provision. Where subcontracting may be considered in the future, this would be for a limited amount of curriculum, focused on bridging identified gaps in provision to meet the needs of our communities. The Group's subcontracting will meet one or more of the following aims:</p> <ul style="list-style-type: none"> <li>• enhance the opportunities available to young people and adults;</li> <li>• fill gaps in niche or expert provision, or provide better access to training facilities;</li> <li>• support better geographical access for learners;</li> <li>• offer an entry point for disadvantaged groups." <p>The above statement, if approved, will be published on the Group's website.</p> <p style="text-align: center;"><b>RESOLVED: Group's subcontracting rationale for 2023-24</b></p> </li></ul>	
16	<b>Safeguarding update</b>	<p>(Kate Flounders) joined the meeting via Teams for this item]</p>	



	<p>KF presented her final report of the academic year noting the following key headlines:</p> <p>There have been 1646 safeguarding incidents across the colleges and affecting a total of 976 students. These are across the colleges with incidents being relatively proportional to the size of the campus and reflect the issues affecting the demographics of the area in which the colleges sit.</p> <p>At present the top 5 safeguarding issues affecting the Group are: suicidal tendencies, self harm, bullying (including cyberbullying), child on child abuse and sexual abuse.</p> <p>There has been a rise in the number of child on child bullying which is largely reflective of the fall-out from the pandemic and is reflective of the national picture.</p> <p>There has been a rise in the number of students being unable to manage their emotions and their emotional response to difficult situation or occurrences. This area is being reviewed by the Safeguarding Board and is likely to be addressed through tutorials in the new year.</p> <p>Governors learned of a tragic incident where sadly an EKC student had ended their own life. There had been an internal review, and nothing indicated the student may take the action they did. Every safeguarding response to the incident happened appropriately, it was a very sad situation to manage for everyone involved. A governor asked if there were any learnings from the incident. KF assured the Board there were no indications. Supporting students to cope with unplanned situations is being addressed through tutorials.</p> <p>The Governor Lead for Safeguarding continues to meet regularly with KF and the Deputy CEO and assurance is given that safeguarding arrangements go above and beyond the statutory requirements to ensure students feel safe within the Group.</p> <p>KF congratulated the whole team on the recent Outstanding Ofsted report.</p> <p>The Chair thanked KF for her work during the year.</p> <p style="text-align: center;"><b>NOTED: The Independent Chair of the Safeguarding Committee year end update report</b></p> <p>(KF left the meeting)</p>	
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17	Minutes of Committee Meeting's:	<p>The draft minutes from the recent committee meetings were presented to the governing body for information. The draft minutes were taken as read, and each Chair was invited to provide key headlines from their meetings.</p> <p><u>Remuneration Committee (09.05.23)</u> Remuneration of Senior Postholders</p> <p><u>Education Committee (15.06.23)</u> Approved amendments to the Student Admissions Policy, HE Admissions Policy, and Junior College Admissions Policy with minor amendments</p> <p><u>Audit Committee (22.06.23)</u> Internal auditors reported on 2 audits and no significant issues reported. External auditors presented their Financial Statements Audit Strategy for 2023-year end audit Governing Body (GB) Internal Audit Plan recommended for FGB approval.</p> <p style="text-align: center;"><b>APPROVED: GB Internal Audit Plan 2023-24</b></p> <p><u>Business Committee (27.06.23)</u> Reconvened the monthly Finance Sub Committee meetings Revising the management accounts for a forward looking view on the cashflow to help mitigate risks</p> <p style="text-align: center;"><b>NOTED: Draft committee meeting minutes:</b></p> <ul style="list-style-type: none"> <li>• Remuneration, 09.05.23</li> <li>• Education, 15.06.23</li> <li>• Business, 22.06.23</li> <li>• Audit, 27.06.23</li> </ul>	
18	Group Management Accounts – May 2023 including Q3 forecast	<p>CL noted that the Accounts for May 2023 had been presented and scrutinised at the recent Finance sub-committee meeting, the governors attending the meeting were comfortable with the presented accounts.</p> <p style="text-align: center;"><b>NOTED: Group Management Account – May 2023 including Q3 forecast</b></p>	

19	<b>Progress against the Quality Improvement Plan</b>	<p>The progress against the Quality Improvement Plan was presented to the governing body for information and taken as read. NS was invited to highlight key headlines:</p> <p>The presented QIP had been thoroughly reviewed by the Education Committee at their last meeting.</p> <p>The new Group Leadership structure enables greater focus to the education and experience of our students.</p> <p>The standards of teaching, learning and assessment are improving overall, with those programmes graded good or outstanding for the Group as a whole increasing from 86% to 89% through February to June. The standards continue to be robustly judged and verified.</p> <p>Ashford’s Grading Profile has improved significantly since February.</p> <p>Attendance continues to cause concern across the Group, the Education Development Group, continue to hold firm to a strong focus on improving attendance through purposeful interventions.</p> <p>Retention of Young People for the Group as a whole is below target and marginally below the same point last academic year. The drop correlates to emergent national retention data.</p> <p>Functional Skills milestones are broadly on track.</p> <p style="text-align: center;"><b>NOTED: Progress against the Quality Improvement Plan</b></p>	
20	<b>Any Other Business</b>	No other business discussed.	
21	<b>Matters Considered Confidential</b>	<p>The following items were deemed confidential and will form Confidential Minutes Part A:</p> <p>Part of item 7 – Group Development</p> <p>Item 10 – Group Development</p> <p>Item 14 – Staff Pay Award 2023/24</p>	
22	<b>Date and time of next meeting</b>	Friday, 6 October 2023 – FGB Strategy event 10.00 – 15.00 followed by FGB meeting at 15.30 – 17.30	

There being no further business the meeting closed at 19.30pm



Signed:

A handwritten signature in black ink, appearing to read 'Charles Buchanan'.

Print: Charles Buchanan

Date: 6 October 2023