



Full Governing Body minutes

Meeting	Full Governing Body Meeting	Date	7 October 2022
Location	The Yarrow Hotel – Alfred Yarrow Room	Time	3.30pm
Membership	Charles Buchanan (Chair), Graham Razey (CEO) (Chief Executive Officer), Allan Baillie, Ella Brocklebank, Gail Clarke, Miranda Chapman, Natalie Garner, Jason Howard, Tim Kent, Peter Troke, John Korzeniewski, Peter Cheney, Joanna Worby, Paula Gillespie, <i>Camel Togher</i> , Sam Lain-Rose, Helen Hammond, Karen Wilks (Staff Governor), Joseph Rowstone (Student Governor)		
In Attendance	Lucy McLeod [LM]– Chief Education Officer Chris Legg [CL] – Chief Financial Officer Paul Sayers [PS] – Chief Strategy Officer Dan Shelley [DS] – Chief Transformation Officer Tammy Mitchell [TM] – Schools Trust Chief Executive Officer Nick Holbrook-Sutcliffe (NH-S) Chief Curriculum Officer Sharon Hollingsworth [DoG] – Director of Governance Jamie Weir [JW] – Director of Communications Nicole Leader [NL]– Executive support Manager [Minutes Clerk]		

(Italics denotes absence)

	ITEM	COMMENTS	ACTION
1	Welcome and Apologies	The Chair welcomed everyone to the meeting. Apologies were received from Camel Togher.	
2	Declarations of Interest	There were no additional declarations to the meeting other than those declared as standing.	
3	Minutes of the Meeting held on 12 th July 2022	The minutes and confidential minutes of the Full Governing Body meeting held on 12 th July 2022 were reviewed and approved as an accurate record and duly signed by the Chair.	

4	Matters Arising not covered by the agenda	There were no matters arising.	
5	Chairs Report	<p>The Chair discussed the current position with regards to the Group budget reflecting on the added pressures of raising energy costs and increased insurance costs and, the recent court judgement that had impacted adversely on the budget.</p> <p>The rise in the cost of living and what the Group is doing to help those staff on the lower pay scales is also having an adverse impact on the budget. The Chair clearly stated that there are difficult times ahead and issues will be addressed.</p> <p>There is now a property sub-committee formed who meet monthly to monitor the projects and costs going forward.</p> <p>The Chair is working with the Education and Training Foundation and the Institute of Directors to deliver External Governance Reviews.</p> <p style="text-align: center;">NOTED: The Chairs report.</p>	
6	CEO's Report	<p>The CEO discussed the challenging position in education. The Governments attention is not on FE, therefore the impact of this going forward will be significant for the Group.</p> <p>The Chief Regulator of Ofqual visited Canterbury College this week, following Ofqual's scrutiny of awarding organisations and their concern with the core assessment papers for the Health, Healthcare Sciences T Level.</p> <p>It was noted that Ofsted has updated its Education Inspection Framework, the changes are effective from September 2022. The Group is due an Ofsted inspection at some point this academic year.</p> <p>Harper vs Brazel Supreme Court ruling had significant adverse impact on the Group. The judgement by the court means that any worker who has a continuing permanent contract throughout the year, but only works for certain periods during that year (eg term-time only) must receive holiday pay based on the hours they work in a normal week, rather than paying them pro-</p>	

		<p>rata based on the number of weeks they work each year. A full review of staff affected by this ruling has been carried out, re-calculating staff pay where this applies and informing them of the impact.</p> <p>The Executive team have reviewed the strategic priorities with the view to reduce them but felt there was none to remove at this point.</p> <p>Issues being considered by the FGB may impact the outcome of the strategic priorities with overriding priorities discussed at the strategic event.</p> <p>A Governor asked if the Issues with BTEC results disadvantaged students. GR confirmed that nothing has been reported yet. Most of the Social Care T-level students sat the exam but was set on the wrong material. These students will be given the opportunity to re-sit the exam and will be credited with the same result as the achieved on the other assessment taken last year. Ofqual have been heavily involved with this issue.</p> <p style="text-align: center;">NOTED: The Group CEO report.</p>	
7	Director of Governance Report	<p>The DoG informed Governors that the Group had been invited to participate in a governance diagnostic software pilot.</p> <p>The diagnostic takes the form of a survey and provides high level mapping to the AoC Code of Good Governance and the Department for Education FE Governance Guide. The survey will provide the opportunity for governors to express their view about the organisation's approach to governance. The survey will be sent to Governor for completion during October.</p> <p>Governors were reminded of the suite of training modules available as part of the Governance Development Programme on FutureLearn. Governors are required to undertake at least one module each year and to notify the DoG when complete.</p> <p style="text-align: center;">NOTED: The Director of Governance Report</p>	

8	<p>Management Accounts – July-22 (interim year-end position)</p>	<p>The CFO presented the interim year end management accounts. Achievements are still being added until the middle of the month, therefore final adult education budget and apprenticeship income is unknown at this stage.</p> <p>Governors noted that targets from last year have not been delivered.</p> <p>Financial health has maintained as “good “due to not spending cash at year end.</p> <p>All banking covenants have been met.</p> <p>£1.4m underspend in capital at year end this will be rolled forward to 2022-23.</p> <p>There has been a timing issue with the release of the CRF grant funding and achievements for apprenticeships which has an impact on income.</p> <p>The loan for the Folkestone new build was not drawn down during the 2021-22 academic year. The Governors challenged why the loan was not drawn down. The CFO responded that there was cash in the bank at year-end and savings were made by not paying the interest on the loan.</p> <p>A Governor asked how the forecasting was so out. The CFO responded that there were a small number of larger-value discrepancies relating to project income not being received as expected and a general under-performance in Q4 against adult delivery. Lessons have been learned and this over optimism is not reflected in the 2022-23 budget.</p> <p>The Q1 re-forecast window is about to open, and this will show the impact of student recruitment, increase in insurance premiums and the impact of the Harper vs Brazel judgement on term-time only staff costs.</p> <p style="text-align: center;">NOTED: The Management Accounts – July-22 (interim year-end position)</p>	
9	<p>Policy Report: Safeguarding (including Child Protection) and Preventing</p>	<p>LM presented the Safeguarding (including Child Protection) and Preventing Extremism and Radicalisation Policy for Governing Body approval following oversight by the Policy Committee.</p> <p>There has been an update in the procedure. A Governor asked if the term could be made clearer to the definitions of the term “vulnerable adult” and the “official term vulnerable adult”.</p>	

	<p>Extremism and Radicalisation Policy</p>	<p>Governors were reminded to read the Keeping Children Safe in Education update 2022 and confirm to the Director of Governance at their earliest convenience.</p> <p>APPROVED: Governors approved the Safeguarding (including Child Protection) and Preventing Extremism and Radicalisation Policy for publication.</p>	
<p>10</p>	<p>Annual Reports:</p>	<p><u>Staff Survey results 2021/22</u></p> <p>The CEO presented the report noting the following points:</p> <ul style="list-style-type: none"> - No comparative data available last year. - This year the data has been benchmarked against 45+ other colleges in the sector with a subset of larger colleges also used for comparison.. - Less people engaged in the survey but still a high completion rate compared to other FE colleges. - MS forms used this year. Work to be done on how anonymized the survey is by using MS forms. - Overall, outcomes for Group has dropped but against other college's the position is still strong. - Main areas for improvement are staff workspaces and information being readily available for students - There has been a hardline on bringing leaders (and some) back into the office. More work to be done on communicating this message. - Individual Business Units are yet to respond to results. <p>A Governor asked if we ask questions around age characteristics. It was confirmed that this is not asked as this would not provide anonymity.</p> <p>A Governor asked if the staff survey is mandatory to complete. The CEO clarified that staff are informed that it is not mandatory and do not have to participate in all the questions. Another Governor questioned if there could be some incentive to complete.</p> <p>It was reported that there is a correlation in data between areas where devices are not used by staff and the participation rates.</p>	

		<p>A Governor questioned if the Group had an Annual Staff Conference. The CEO response was no, the Group have a devolved model, each College has their own development/improvement days. The survey is used by the Colleges to influence what is delivered on these days taking into account points raised.</p> <p style="text-align: center;">NOTED: The Staff Survey results for 2021/22</p> <p><u>Complaints 2021/22</u> The CEO presented the annual complaints report explaining that the report is submitted at the first FGB meeting of the academic year. Complaints were at similar levels as previous year. No concerns to report.</p> <p>A Governor noted that there is a small increase in customer services complaints. This was partly due to delays in the bursaries not being processed quickly enough due to lack of staff and, student volumes increasing, and complaints increased in line with this.</p> <p>To try and improve the issue with the bursary, Q1 will identify how much has been claimed. If an issue is identified Education Committee will review this.</p> <p>Complaints are monitored throughout the year by the Director of Corporate Services and issues raised immediately with the CEO and Principals.</p> <p style="text-align: center;">NOTED: The annual report of Complaints for 2021/22</p> <p><u>Use of the Group Seal 2021/22</u> The DoG presented the report, there were four uses of the Group seal throughout 2021/22.</p> <p style="text-align: center;">NOTED: The use of the College Seal for 2021/22</p>	
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11	Property Committee Report	<p><u>Feedback from inaugural meeting</u></p> <p>DL provided feedback from the inaugural meeting of the property committee held on 12 September 2022. It was noted that most of the meeting time had been taken up discussing the outcome from the review of the Independent Project Review Folkestone College undertaken by RLF.</p> <p>It was noted that the Group continues to work with Woodley Coles to mitigate any further risk and to finalise a financial position to enable EKC to determine the final cost prediction. Additional cost pressures are under review. The Project is due for completion at end of October 2022. Discussion on final cost will start then.</p> <p>Recommendations from the independent review will be used as good practices for other projects.</p> <p>A Governor referred to the Folkestone project and asked if all costs have been accounted for. It was reported that assurance could not be given that all costs have been accounted for.</p> <p>A Governor asked if any of the 3rd parties involved in the project are currently involved in any other project. There are projects that they are involved in, however this is under review.</p> <p><u>Appointment of Co-opted Member – John Oliphant</u></p> <p>The DoG informed Governors that a co-opted expert to advise on governance oversight and management of capital projects had been sought to support the Property Sub Committee. John Oliphant was recommended for board approval. John has wide experience of managing huge capital programmes, the committee feels they would benefit from co-opting John to gain his insights and advice.</p> <p style="text-align: center;">RESOLVED: John Oliphant appointed as co-opted member of the Property Sub Committee.</p> <p><u>Appointment of Abbots – Spring Lane</u></p> <p>Following an open procurement process the committee approved the main construction contract for Spring Lane.</p>	
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		<p>NOTED: Abbotts approved as the modified contractor for Spring Lane Project</p> <p>RESOLVED: Contract agreed for four classroom replacement block and reception refurbishment.</p>	
12	Strategic Development Fund – Service Level Agreements	<p>DS advised the Board that the Group has successfully led on a consortium of the three college groups in Kent and Medway to bid for £2.4m of funding. This is made up of £1.4m capital and £1m revenue.</p> <p>This round of bids focused on supporting the development of new digital, data and Augmented/Virtual Reality (AR/VR) provision aimed at narrowing key skills gaps identified by the Chamber of Commerce’s work to develop a Local Skills Improvement Plan (LSIP).</p> <p>A Governor asked if the revenue income could affect the EBITDA. The income will not be received in one lump sum, a monthly monitoring return will be completed.</p> <p>Governors requested to view and have access to the new equipment and spaces – DoG to arrange.</p> <p>RESOLVED: Governors approved the Service Level agreements</p>	DoG
13	Minutes of Committee meetings	<p><u>Remuneration Committee (31.08.22)</u></p> <p>The Chair of Remuneration Committee informed Governors that an application was submitted to the Charity Commission to consider authorising a further order to continue to pay Charles Buchanan, Group Chair.</p> <p>The Charity Commission has challenged the information provided and now requires further information to fully consider the request.</p> <p>The Committee agreed that in the short-term further information should be provided to the CC to seek a further two-year extension.</p>	

		<p>The further information will be worked up and shared with the Remuneration Committee members except the Group Chair, to be agreed.</p> <p>It was noted that the FE Commissioner is supportive of a paid Chair and is working with the Charities Commission to potentially provide a long-term solution.</p> <p><u>Property Committee (12.09.2022)</u> The minutes from the meeting were noted.</p>	
14	Group Development	<i>This item was considered confidential and will form confidential minutes Part A</i>	
15	Group Development	<i>This item was considered confidential and will form confidential minutes Part B</i>	
16	Any Other Business	No other business to discuss	
17	Matters Considered Confidential	Item 14 – Group Development Item 15 – Group Development	
18	Date and time of next meeting:	Tuesday 13 December 2022 at 5.30pm, The Yarrow Hotel	

There being no further business the meeting closed at 4.45pm

Signed: 

Print: CRS Buchanan

Date: 13/12/22



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 11 October 2023.

FGB Meeting of 07/10/22 Part A Confidential Minute Number 14

	ITEM	COMMENTS	ACTION
14	Strategy Event	<p><i>Present for this item were the independent governors, CEO, DoG, LM, CL, PS, DS, TM,</i></p> <p>The Board reflected on the comprehensive discussion and debate at the Strategy event held directly prior to the Full Governing Body meeting.</p> <p>The Chair drew attention to the substantial financial pressures being faced by the Group. Governors agreed that there is an urgent need to identify and agree radical savings to maintain the financial viability of the Group. Governors once again carefully considered the presented following key challenges that were thoroughly discussed, and questioned at the Strategy Event:</p> <ul style="list-style-type: none"> - Out-turn for 2021/22, Projected to be £1.39m worse than budget - Significant over-spends on capital budgets - Cost pressures in 2022/23 - Harper vs Brazel Supreme Court Judgement - Insurance premium - Capital programme costs inflated - Further cost pressures in 2023/24 - Energy costs - Wage inflation <p>The Chair reminded Governors of the solutions discussed at the Strategy event. Once again, Governors discussed the pros and cons of each and their impact on the strategic plan to gain complete assurance. Governors were firmly satisfied that the following proposals will help to mitigate the financial challenges and will help to preserve the financial viability of the Group:</p>	

		<ul style="list-style-type: none">- Reduce the cost base of the Group- £750,000 to save in 2022/23, £2.9m estimated in 2023/24- Relax the fiscal rules but maintain good financial health- EBITDA to be 7% in 2022/23 and 6% in 2023/24- Current ratio to be 1.2:1 in 2023/24- Cut and delay the capital programme- Dover T-Level (cut)- Broadstairs College improvements (delay) <p>For the reasons fully discussed the Governors agreed that the proposed solutions were a necessary and appropriate response to the current situation and by a show of hands unanimously agreed to the following resolutions:</p> <p>RESOLVED:</p> <ul style="list-style-type: none">(i) The closure of Folkestone College Restaurant (Anne's Restaurant)(ii) To cut the Dover T-Level from the Capital Programme(iii) To delay the Broadstairs College improvements	
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Signed: 

Print: Charles Buchanan

Date: 10 January 2023



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 11 October 2023.

FGB Meeting of 07/10/22 Part B Confidential Minute Number 15

	ITEM	COMMENTS	ACTION
15	New Structure for Group Leadership	<p><i>Present for this item were the independent governors and the CEO.</i></p> <p>The CEO drew attention to the discussions at the Strategy Event regarding the need to make savings to maintain the financial viability of EKC Group.</p> <p>The CEO led a discussion on the proposals to create a new structure for Group Leadership and Management to ensure the Group remains focused on the challenges ahead.</p> <p>The proposal includes a reduction of Leadership posts to 24 which will give the proposed saving of over £580,000.</p> <p>The proposal will enable the CEO to have a greater focus on our people, infrastructure and finances.</p> <p>The Executive Team is being expanded to ensure greater representation and increased oversight; the role descriptions have been re-designed to ensure greater focus on our delivery. The model of College Principals is to be maintained.</p> <p>Governors challenged the rationale behind the changes and showed broad support for the CEO in making changes. It was stated that the CEO should have flexibility to not cut 'as far' as proposed to ensure that the current challenges can be managed.</p> <p>RESOLVED:</p>	

		<ul style="list-style-type: none">(i) The proposals to change the number of SPHs including the de-classification of the Chief Strategy Officer and Chief Financial Officer roles and the removal of the Chief Education Officer role.(ii) Approval of the creation of the Deputy Chief Executive Officer role and delegated authority to the CEO to set up the interview panel of Board members for Deputy CEO (SPH) role and with authority to make the appointment.	
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