



Business Committee Minutes

Meeting	Business Committee	Date	29 June 2022
Location	Broadstairs – Executive Suite Boardroom	Time	9.30am
Membership	Tim Kent (Chair), Charles Buchanan, <i>Gail Clarke</i> , Joanna Worby, Graham Razey, Karen Wilks		
In Attendance	Chris Legg, (CL) Chief Financial Officer Dan Shelley (DS), Chief Transformation Officer Sharon Hollingsworth, (SH) Director of Governance Nicole Leader (NL), Executive Support Officer - Minutes Clerk		

**Italics denotes absence*

	ITEM	COMMENTS	ACTION
1	Welcome and apologies for absence	The Chair welcomed everyone to the meeting and thanked them for their time. Jo Worby and Sharon Hollingsworth joined by Teams. Apologies received from Gail Clarke.	
2	Declarations of Interest	There were no additional declarations to the meeting other than those declared as standing.	
3	Minutes of the meetings held 17 March 2022 including confidential minutes	The minutes and confidential minutes of the Business Committee meeting held on 17 March 2022 were reviewed by the Committee members and approved as a true and fair account. The minutes will be signed following the meeting by the Chair	
4	Matters Arising not covered by this agenda:	Item 8 - Appointment of Main Contractor, Motor Vehicle new build at Dover Technical College. CL advised the Committee that the appointment for Dover Main contractor was awarded to Baxall. Item 10 – Business Continuity Plan – members reflected on the recent fire at Broadstairs College and discussed when to alert governors of this type of incident. The Committee concluded that communication with Governors should form part of the management of communications within the plan.	

Strategic items			
5	Property Strategy update includes Capital Project monthly reporting	This item was considered confidential until FGB approval and will form Confidential Minutes PART A.	
6	Update on Folkestone College Project	This item was considered confidential and will form Confidential Minutes PART A	
7	Budget Strategy:	<p>CL presented the draft Budget Strategy for 2022-23. The budget has been split into Revenue and Capital for the Committee to review and if comfortable to make a recommendation to the Full Governing Body for approval. CL invited questions from the Committee:</p> <p>a. <u>Revenue Budget</u> An increase of 8.4% in the 16-19 student funding, 2.3% increase in other 16-19 funding in 2022-23. Estimated cost of Pay award is £1.2m out of this £500k from the funding increase. Broadly the reduced financial performance of a 7% EBITDA equates to two thirds of the salary enhancement. High needs block funding remains flat but does not include the Junior Colleges. Five out of the six colleges have reduced student numbers and have been through a stringent budget planning process resulting in several businesses cases Student recruitment is up by some 1,000 applications compared to last year.</p> <p>b. <u>Capital Budget</u> CL advised the Committee of the key assumptions that are driving the capital budget for 2022-23 and the delivery of the property strategy. CL led governors through the detail behind the Cash Generation Plan, Project Cash Flows, Capital Grant Income, Loan Financing and the Group Cash Contribution and invited questions from the Committee. Governors were comfortable with the presented Revenue Budget and Capital Budget and agreed that it was a prudent to recommend both to the Full Governing Body.</p> <p style="text-align: center;">RECOMMEND: Budget Strategy 2022-23 to the Full Governing Board for approval</p>	

Reporting		
8	May Management Accounts	<p>CL presented the May 2022 Management Accounts which includes the Q3 Re-forecast.</p> <p>The Committee noted £750K underperformance against the Adult Education Budget. EBITDA is now slightly behind target due to the underperformance. However, the EBITDA will increase slightly through savings on non-pay. It was reported that activities are happening across the Group to improve the AEB position. Governors expressed concern and challenged the Executive on the position asking how it had happened and what are plans for it not happening in the future. CL highlighted the new areas of activity that are being introduced in 2022-23, including the new civil engineering centre, Weekend College at Canterbury and the Ashford Plumbing & Electrical centre.</p> <p>Financial health is forecasted to have 10 points fewer than last year but remains in good financial health. The capital programme will reduce the financial health score but is estimated to improve in 2022/23.</p> <p>Commercial Management accounts – this item was considered confidential and will form Confidential Minutes PART B.</p> <p style="text-align: center;">NOTED: May Management Accounts</p>
9	Fees Policy	<p>CL advised that there had been some minor formatting changes to the policy.</p> <p style="text-align: center;">Recommend: The Fees Policy to the Full Governing Board for approval.</p>
10	Financial Regulations	<p>CL informed the Committee 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>It was noted that the proposed delegated powers to the property sub-committee should be included in the Regulations ahead of Governing Body approval.</p> <p style="text-align: center;">Recommend: The Financial Regulations to the Full Governing Body, for approval, subject to the above amendment.</p>

11	Update on performance of Group Commercial activity	This item was considered confidential and will form Confidential Minutes PART B	
12	Update on staff vacancies & staff recruitment	<p>GR presented the update report on staff vacancies and staff recruitment commenting on the performance in the previous 12 months and future strategies to improve time to hire and quality of candidates.</p> <p>The current labour market is extremely competitive driven by record lows in unemployment and record numbers of vacancies according to the latest ONS data, although the rate of growth has slowed since the last quarter.</p> <p>It was reported that the volume of staff vacancies remains high. Growth of the Group and high staff turnover are the main factors for this.</p> <p>The time to hire staff has reduced in Commercial services due to targeted approach in adapting the recruitment process for this area of work.</p> <p>Discussions have taken place with other Colleges and local employers regarding recruitment challenges and the same pattern is emerging throughout.</p> <p>The Committee discussed the high number of vacancies and the adverse effect on staff sickness levels and staff satisfaction levels.</p> <p>Human Resources have been split into three areas: Resourcing, People Development and People Services which all have their own directorate.</p> <p>The newly formed Resourcing Directorate is to solely focus on recruitment for the Group both strategically and operationally. Once fully recruited the team will have 2 resourcing assistants and a resourcing officer in addition to the Director.</p> <p style="text-align: center;">NOTED: Update on staff vacancies & staff recruitment</p>	
13	Update on staff absence position	GR outlined the sickness absence trends across EKC Group. The Committee discussed the current statuses against national benchmarks and sector comparators. Comparatively, EKC Group's absence levels are high. The percentage of working time lost for sickness-related reasons stands at 2.3% above	

		<p>national levels. Similarly, the average number of days incurred for sickness absence per employee exceeds national norms by 3.8 days. Covid still remains the majority reason for absence. Student attendance and retention is down and could be affected by the staff absence and covering lessons.</p> <p>NOTED: the update report on staff absence position</p>	
14	Gender Pay Gap Snapshot report	This item was considered confidential until publication and will form Confidential Minutes PART A	
15	Policy Report:	<p>Code of Conduct and Dress Code Policy – it was noted that reference to employees and staff was stated within the policy. The Committee recommend that the term 'staff' should be used rather than employees.</p> <p>Resolution: The Code of Conduct and Dress Code Policy was approved subject to the above amendment.</p> <p>Corporate and Social Responsibility Policy - minor updates have been made to job titles and associated policies and procedures. As part of the review, a benchmarking exercise was undertaken to assess the Group's policy against similar policies that other Further Education Colleges and Universities have in place. The Group's Corporate and Social Responsibility policy was found to be fit for purpose and needed no significant changes.</p> <p>Resolution: The Corporate and Social Responsibility Policy was approved.</p>	
16	Report on HR matters	<p>GR provided a verbal update on the position of current HR matters explaining that the volume of cases has reduced. The ruling for one of the key high-profile cases is now likely to take place in Autumn 2022.</p> <p>NOTED: Update on HR Matters</p>	



Procedural			
17	Any Other Business	There was no other business	
18	Matters Considered Confidential	Item 5, Property strategy – resolution remains confidential until board agreement Item 6, Folkestone College project Item 8, Commercial part of the management accounts Item 11, Update on performance of Group Commercial activity Item 14, Gender Pay Gap until publication	
19	Date and time of next meeting	24 November 2022 at 9.30am	

There being no further business the meeting closed at 11.30am

Signed: GRAME

Print: GRAHAM CLARKE

Date: 25 November 2022



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.

Business Committee Meeting of 29/06/22 Part A Confidential Minute Number 5

	ITEM	COMMENTS	ACTION POINT REQUIRED
5	Property Strategy update includes Capital Project monthly reporting	<p>DS presented the property strategy update paper focusing on the main elements of the capital programme and went into detail in some areas to provide governors with a deeper understanding.</p> <p>The Committee discussed the recommendations and proposed resolutions in the report.</p> <p>Given the potential number of contractual decisions and agreements required over the next six months, it was recommended that a monthly Property Sub Committee be re-established to lessen the ad-hoc calls on governing body members and ensure that projects can agree contracts and provide oversight and assurance of these major capital programmes.</p> <p>It was noted that the formation of the property sub-committee should consist of Governing Body Members. Proposed members for this sub-committee are Gail Clarke, Charles Buchanan, and Paula Gillespie. The meetings will be online monthly with some site visits.</p> <p>Committee Members recommend that the delegated authority levels should reflect the agreed budget for the main contractor.</p> <p>The Levelling up fund bid for Dover will provide a foothold in the centre of Dover to deliver curriculum outside of the footprint of the current College site. This could also provide an opportunity for other curriculum areas not currently delivered at the College site.</p> <p>Governing body representation on the panel to review the tenders for the design and build for the Spring Lane project should be members from the property sub-committee.</p> <p>Sheppey College Extension - Swale Borough Council has decided to focus its Levelling Up Fund bid on Sheerness, as it sees the regeneration of the town as a key priority. The project will support the Group's strategy</p>	



		<p>for the Isle of Sheppey, creating a Junior College, Creative and Digital facilities, general classrooms, and a new student centre. The extension will also enable the College to introduce an increased adult and community offer. The Council will gift EKC Group the car park adjacent to the College to provide the expansion space. EKC Group would provide £400,000 of match funding for the project, which is affordable in the updated capital investment programme.</p> <p>Newtown works is in stasis until the legal position with the authorities and Quinn Estates is resolved. The Group continues to work with the Council and Quinn Estates to progress the project, including confirmation of timescales, ownership, and operational arrangements for the education facility</p> <p>The Committee asked for the monthly Capital report to include planned progress against the overall progress.</p> <p>APPROVED: To re-establish a monthly property committee to support project governance and decisions over the next six months that would reduce the burden on FGB/Business Committee.</p> <p>APPROVED: To partner with Dover District Council (DDC) on a Levelling Up Fund (LUF) bid and to, in principle provide £300k of Group match funding, to develop a Dover Creative Campus in the town centre.</p> <p>APPROVED: To partner with Swale Borough Council on a LUF funded Sheppey College extension project and, in principle, commit £400k for fit-out costs, which is affordable in the updated capital investment programme.</p> <p>APPROVED: Members of the property sub-group to sit on the tender review panel the week beginning 5 September to review contractor tenders for the design and build of the Spring Lane project.</p> <p>NOTED: Property Strategy Update</p>	
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Signed by:..... Print: Date:



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.

Business Committee Meeting of 29/06/22 Part B Confidential Minute Number 8 and 11

	ITEM	COMMENTS	ACTION POINT REQUIRED
8	May Management Accounts	<p>Commercial income has declined. The Yarrow has seen an improvement in revenue but also an increase in the pay and non-pay budget. Director of Commercial Services now has monthly performance reviews. Yarrow occupancy to be reviewed as part of the performance review panel.</p> <p>Robust planning for 2022-23 has taken place. Re-structure in Commercial to utilise the expertise already existing in Commercial Services to improve the areas requiring improvement. Refectories have had a re-set in the budget planning.</p> <p>Nurseries are expanded in numbers but was unable to recruit staff and therefore was unable to enroll the additional numbers. The nurseries are now fully staffed and will now be able to recruit more numbers for 2022-23.</p>	
11	Update on performance of Group Commercial activity	<p>CL provided an update on Commercial activity to the Committee. The following key points was highlighted:</p> <ul style="list-style-type: none"> - Annes restaurant three-year plan in place to be reviewed at the end of this period. - Marketing Officer for Commercial to focus on key areas in Commercial that require improvement. <p style="text-align: center;">NOTED: Update on performance of Group Commercial activity</p>	

The FGB Chair, CEO, and Group 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 14.10.24.

Business Meeting of 29.06.22 Confidential Part A, Item 14

	ITEM	COMMENTS	ACTION
14	Gender Pay Gap Snapshot Report	<p>GR outlined the Group's position against Gender Pay Gap measures for the reporting period 2022/23.</p> <p>For the Statutory reporting period 2022/23, the Group's workforce predominantly consisted of females accounting for 64% of all colleagues equating proportionately to 546 males and 970 females.</p> <p>The mean gender pay has fallen on the previous year but there has been a sharp rise in the median gender pay gap. GR illustrated how this had come about statistically.</p> <p>Good progress has been made towards reducing the number of females in the lower pay quartile resulting in 2.85% fewer females falling within this pay boundary. The proportion of females within lower and lower middle pay quartiles nonetheless remains significantly high and this is incongruent to national measures, or the progress made by local organisations of a similar size and composition.</p> <p>There are a number of forthcoming actions being implemented to narrow the Gender Pay Gap, one being a 2-year harmonisation programme that will address and improve the pay levels of colleagues in the lowest pay quartiles.</p>	

		Biggest challenge will be attracting more males in lower paid entry jobs (particularly in curriculum support roles).	
NOTED: The Gender Pay Gap Snapshot Report			