

Governing Body Minutes

Meeting	Business Committee	Date	26 November 2014
Location	Board Room First Floor Inspire Building	Time	5.35pm
Membership	Patrick Hollis (Chair), Liz Langton-Way, Tom Price, Graham Razey, Lewis Waitt (Staff Governor)		
In Attendance	Anne Leese (Officer) Chris Legg (Officer) Tara Ashman (Clerk)		

	ITEM	COMMENTS	ACTION POINT REQUIRED
1	Apologies for Absence	The Chair welcomed the Committee to the first meeting of the academic year and took the opportunity to formally congratulate the College on the recent Beacon Award success. Apologies were received from Gail Clarke.	
2	Declaration of Interests	None	
3	Membership and Terms of Reference	The Business Committee membership was agreed at 6 for the academic year and the terms of reference were reviewed and will remain as presented. AGREED - The terms of reference for Business Committee were agreed	
4	Minutes of last meetings held 3 June 2014 and 9 July 2014	The minutes of the last meetings held on 3 June 2014 and 9 July 2014 respectively were approved and signed as an accurate record of the meeting including the confidential minutes of 3 June 2014.	

5	Matters arising	None not covered within the agenda.	
6	Subcontracting Performance Update	<p>AL presented the subcontracting update as written by Nick Holbrook-Sutcliffe for information and invited questions. The report presents detail of last year's performance and the College's current position.</p> <p>Governors discussed specific partners and the individual contract values and the Chair asked if the College expected the subcontracting to expand. GR reported that subcontracting provision is likely to reduce with a clear steer being given at the National Association Of College's conference that funding will be directed towards; (1) apprenticeships and (2) working with the unemployed in the future. CL explained the margin between subcontracting and in house delivery is between 30%-40% more expensive however the success rates for subcontractors is very high. The College is part of the FE equivalent of the Teach First programme (FE Premium Graduate Scheme) and currently has 6 graduates.</p> <p style="text-align: center;">NOTED - The Committee noted the subcontracting performance update</p>	
7	Financial Report	<p>The Chair advised the committee that Tom Price and himself went to Discovery Park earlier in the week to discuss the management accounts in detail and additionally noted the concern with science provision at Discovery Park currently with no applicants for next year. AL confirmed the offer is being reconsidered for next year to attract students. GR added sports science could be moved there to create more of a community.</p> <p>Governors had received the Management Accounts for October 2014 and CL guided them through the summary and reported on the key points:</p> <ul style="list-style-type: none"> • Early days in reporting for Dover and Folkestone, much of the caution previously noted on the curriculum plan was right. Recruitment was not as expected in Higher Education. The HNCs recruitment has dipped, this would appear to be a trend across the FE sector. A couple of new Access programmes did not recruit and this is reflected in the dip in income. This has been balanced with some rationalisation of teaching teams and claw back from pay costs. • The quarter one forecast will be out in the November accounts with the bottom-line figure being slightly lower. A Governor commented it would be interesting to see the split at campus level and be able to drill down into the finer detail. Concerns were raised over the Broadstairs campus being an expensive to run in non-pay costs but no real flex left within the pay costs. A Governor asked if there were other opportunities to help alleviate this concern, GR highlighted the £100,000 cost to the College for Commercial activities is no longer tenable. 	

		<ul style="list-style-type: none"> AL advised that given the current financial situation the College is not proposing a pay award at this point in the year and would like to defer this decision to the spring. GR advised of the uncertainty in (1) cuts to funding (2) employers NI increase and (3) TP & LGPS employer's contribution to be increased. Governors agreed to recommend to defer the consideration of a pay award to the spring term. <p>AGREED - Governors agreed to recommend to the Full Governing Body to defer the consideration of a pay award to the Spring term</p> <ul style="list-style-type: none"> Yarrow Hotel business plan will be presented to the next Business Committee. Asset base has risen to £43 million The College is still sitting on large cash amounts but this is largely committed to capital expenditure. 8 Commercial activities were reported on, restaurant has recently used Groupon for promotion, refectory is looking at loading a pre-paid card to encourage more take up on free school meals. Hornby Hobbies have renegotiated the deal and rent has been waived and staff discount brought in with a 50/50 profit share scheme. Salon is now embracing rent a chair and working more with the students. Nursery income has not been accurately represented as the accounts show cash/credit sales and not the actual income generated. GR noted Iris Johnstone will be doing the official opening in January. A Governor asked how involved marketing get in the commercial activities and GR was clear that no resource was taken from core purpose of the students and Shane Godwin has been appointed as Head of Commercial Activity, this falls under his remit. Biggest risk is within the revenue budget delivering the curriculum plan, negotiated a tolerance with the SFA, if the College delivers 85% then it gets to keep 100%. Appointed a Director of Business Partnerships, just about to sign 2 very good contracts with Dover Harbour Board (Port of Dover) and DFDS Seaways for training and apprenticeships. Capital work will be dealt with under item 10. <p>Further questions were invited. The Chair thanked CL for his report.</p> <p>NOTED - the Committee noted the Management Accounts for October 2014</p>	<p>Agenda</p>
8	Human Resources Update	AL presented the HR update and invited comment. Items of note were:	

		<ul style="list-style-type: none"> Acquisition of Folkestone and Dover, HR focus in recent months has been the transition and integration of K College staff 543 staff at present, new HR system 'Jane' is to be implemented in spring 2015. Pilot assessment process with European Foundation for Quality Management (EFQM) is currently taking place and feedback will be presented at the next meeting. HR are currently reviewing recruitment strategies for difficult to fill posts. The intention is to harmonisation terms between EKC and K contracts where possible, including annual leave. K contracts less and less with staff moving over to EKC contracts. Campus Directors have been retitled Campus Principals to better reflect their responsibilities at campus level. Most operational functions have now been devolved to Campus level with further considerations being given to Student Assessment & Support and English and maths. <p>Staff Survey - negative moves within support but this area was hit hard last year and staff do not receive the same breadth of service they previously enjoyed. Work will be done in communicating expectations. Morale is still high given the significant period of change which is pleasing. A Governor asked if a College action plan is undertaken on the back of this and AL confirmed it did.</p> <p>NOTED - The Committee noted the HR update and staff survey results 2013/2014</p>	Agenda
9	Insurance Renewals	<p>CL presented the item on insurance renewals, Marsh are currently appointed and CL asked whether the Committee would like to re-tender or re-appoint for a further 12 months with a full re-tendering considered for 2016. The Committee agreed to continue with Marsh for insurance services for a further 12 months.</p> <p>AGREED - The Committee agreed to continue with Marsh for insurance services for a further 12 months.</p>	
10	Property and Commercial Development Update	<p>Property - The Chair advised that the sub-group for Property met on 17th November and assured the Committee the group would go through the finer detail of all projects providing a summary to the Business Committee and Full Governing Body.</p> <p>The proposal to increase floor space at Mill Lane and thereby increase the extent of the lease was discussed, one year would sit within GR signing limit but overall would need to go to Full Governing Body for approval. The Committee were happy to recommend the signing of the lease to the Full Governing Body.</p>	

		<p>AGREED - the Committee agreed to recommend the renewal of the Mill Lane lease to the Full Governing Body</p> <p>Commercial - CL advised the only thing not covered earlier in discussing the financial report was the Business Incubation space and will form part of the Yarrow Hotel Business Plan.</p> <p>A Governor commented on the excellent refurbishment of the Chapel Café at Folkestone and GR advised a new proposal to work on Radnor Park Lodge which will come to the Full Governing Body.</p>	
11	College Performance Indicators	<p>The Principal guided governors through the current CPI's, explaining the overall College has been split into part one and part two, Business Committee having responsibility for 14-27. Discovery Park has been put with Dover campus reporting and the College report is an aggregation of the three campuses. Annual CPIs 1-20 will follow shortly for those measures which can only be reported on a yearly basis.</p> <p>Due to the significant amount of paper the CPIs generate they will be uploaded on to the Governor area and the summary sheets will be presented at the Committees. Part one including campus based will be available from the first of the month and part two will be after the 20th of the month, the Clerk will notify the Governors when they are available. GR urged the Governors to challenge the Lead Officers where weak performance is identified to maintain the validity of the CPIs.</p> <p>Discussion was had about Committee members impacting on the agenda setting and it was agreed that members will email the Clerk with any suggested items and the draft agenda would be shared with the Committee.</p> <p>Questions were invited. The Chair thanked the Principal for his report.</p> <p>NOTED - the Committee noted the CPI's (November 2014 version).</p>	<p>Clerk</p> <p>Clerk</p>
12	Risk Register Update	<p>CL presented the risk register and identified a number of risks had moved upwards. Governors should be under no illusion the external pressures on the organisation and this is all reflected in the significant movement. Discussion was had around the mitigating risks, some of which there can be no mitigation but Governors need assurance that the right strategy is in place to manage the risk.</p>	

		<p>A Governor asked whether health and safety needed to increase in risk following the development session earlier. GR advised the remit of Governors to ensure the strategy and actions are challenged but to avoid judging the process in risk management, but agreed it can sometimes be a difficult distinction.</p> <p>Further questions were invited.</p> <p>NOTED - the Committee noted the current Risk Register (October 2014 version).</p>	
13	Policy Reviews	<p>The Committee were asked to note the updated procedures for:</p> <p>Staff Disciplinary Staff Grievance</p> <p>These were approved under the last delegated approval, committee noted the review and that they will be taken to the Full Governing Body for note.</p> <p>NOTED - The staff disciplinary and grievance procedures</p>	
14	Action Point Log 2013/2014	<p>The Clerk advised that all action points were colour coded in the RAG system for clarity across the year and this would be taken forward into 2014/15 with an end of year review. AL advised the cleaning contract apprenticeships has now been cleared and the property development paper is to be carried forward into 2014/15.</p> <p>NOTED - the Audit Committee noted the action points for 2013/14 with one item carried forward to 2014/15.</p>	
15	Any Other Business	None	
16	Matters considered confidential		
17	Date of Next Meeting	Wednesday 4 th March 2015 in the Board Room of Inspire Building at 5.30pm.	

There being no further business the meeting closed at 8.20pm

Signed:

Print:

Date:

DRAFT