

## Governing Body Minutes

<b>Meeting</b>	Full Governing Body	<b>Date</b>	29 <sup>th</sup> March 2017
<b>Location</b>	Room W3.3, Hospitality Suite, Dover Campus	<b>Time</b>	5.34pm
<b>Membership</b>	Patrick Hollis (Chair), Graham Razey (Principal), Beverley Aitken (Vice-Chair), <i>Tom Price</i> , Jonathan Clarke, Sarah Kemp, <i>Patrick Finucane</i> , Tim Kent, Gail Clarke, Charles Buchanan, Stephanie Martin, Miranda Chapman, <i>Jill Leigh</i> , <i>Joanna Brown (Staff Governor)</i> and <i>Joanne Timms (Staff Governor)</i>		
<b>In Attendance</b>	<p>Anne Leese (AL) (Officer)  <i>Paul Sayers (PS) (Officer)</i>            Chris Legg (CL) (Officer)            Lauren Anning (LA) (Officer)  <i>Lut Stewart (LS) (Officer)</i>  <i>Mark Hill (MH) (Officer)</i></p> <p>Tara Ashman (Clerk)            Jamie Weir (Invited Observer)</p>		

*Italics notes absence*

	ITEM	COMMENTS	ACTION POINT REQUIRED
1	<b>Welcome and Apologies for Absence</b>	<p>The Chair welcomed members and those in attendance to the meeting and thanked GR for the detailed update on current progress regarding the merger and Area Review before the meeting.</p> <p>Apologies were received from Patrick Finucane, Tom Price, Joanne Timms, Joanna Brown, Jill Leigh, Paul Sayers, Lut Stewart and Mark Hill.</p> <p>The Chair passed on his best wishes to Mark Hill who is leaving the College on Friday and wished him every success in his future endeavours.</p>	
2	<b>Declarations of Interest</b>	There were no additional declarations of interest at the meeting.	

3	<b>Minutes of meeting held on 8<sup>th</sup> February 2017</b>	The minutes of the previous meeting held on 8th February 2017, including confidential minutes part A, part B and part B(2) were formally approved as an accurate record and duly signed by the Chair.	
4	<b>Matters Arising</b>	<p>The Chair noted that the Local Advisory Board reports are at this meeting and that the mechanism for these will be reviewed in the newly merged College.</p> <p>The new general manager has started at the Yarrow and a number of members have already had the opportunity to meet with him.</p> <p>All other matters are covered within the agenda.</p>	
5	<b>Chair's Report</b>	<p>The Chair reported under the following headings:</p> <ul style="list-style-type: none"> <li>• <b>Membership</b> - Patrick Finucane has resigned from the Governing Body with effect from 31<sup>st</sup> March, the Chair asked the Clerk to write to Patrick on behalf of the Governing Body. This leaves a vacancy for Lead Governor for HE but this will be considered in the newly merged College and will remain vacant this year.</li> <li>• <b>Dover Mock Interview Event</b> - The Chair and MC supported this event in Dover this morning which was of great benefit to the students giving them an invaluable experience. The Clerk advised a similar event is being held in Folkestone on the morning of the 27<sup>th</sup> April and is seeking volunteers.</li> <li>• <b>Prevent Training</b> - The Chair and 2 other Governors attended this training with Nick Wilkinson last Wednesday which was an interesting exercise and one likely to be repeated for the board going forward.</li> <li>• <b>Star Awards</b> - Invitations have now gone out for this staff recognition event on Thursday 27<sup>th</sup> April.</li> <li>• <b>Remuneration Committee</b> - The Committee met on 15<sup>th</sup> March regarding the Clerk and an update will follow at the next meeting following further discussion with the Transition Board.</li> </ul> <p>The Chair continues with the monthly meetings with the Principal and the Clerk however this is now combined with the Chair of the Transition Board for continuity.</p> <p><b>5.1 Staff acknowledgements</b> - There were no individual staff acknowledgements brought to the meeting.</p>	Clerk

6	Principal's Report	<p>GR covered the following highlights within the report:</p> <p><b>High Needs Funding</b> - The College has now reached the critical point in this dispute, although there are 4 key areas, 2 are most relevant to East Kent College;</p> <ol style="list-style-type: none"> <li>1. The College is in the process of pulling students from their placements on the supported internships model as KCC are not funding the job coach element which takes the support under the £6,000 threshold. There are other routes which can be considered for the model going forward including Government sponsorship however this is not something that can be done in year or retrospectively and this has been run on the assumption of payment since September. There is no right of appeal leaving the option of political pressure with local press, MPs and stakeholders which is not a route the College would choose to go down. A benchmarking exercise against high needs funding was published 3 weeks ago which shows that Kent fund at 52% higher than the national average but FE was 15% lower than the national average. Concerns were raised against the breach in the SEND Code of Practice but again this is a route the College would prefer to avoid. The great shame is for the 23 students that will be brought back into College from such a worthwhile scheme.</li> <li>2. KCC have refused to pay costs for high needs students which have transferred into the county, although the dispute is not in the cost for the students but in that KCC feels the 'home' Local Authority should be responsible for the students high needs plan which is a big problem for us. Again there is no appeal to this and just results in a time consuming legal case but morally the right thing has to be done.</li> </ol> <p><b>Ofsted</b> - The East Kent College report has now been published and has received great coverage, GR has been invited to speak at a number of events. The Canterbury College report went live yesterday and describes a highly capable senior team.</p> <p><b>Register of Apprenticeship Training Providers</b> - GR noted that 31 Colleges were turned for the new register of apprenticeship training providers but advised the College were successful. A Governor asked if there were any turned down in Kent and GR reported Ashford and West Kent were unsuccessful but are in the process of appealing.</p> <p><b>Successes</b> - Unfortunately the College did not win the TES award for contribution to the local community but student success continues at all campuses.</p> <p><b>Funding</b> - The EFA have confirmed further protection against the allocation for next year which is helpful.</p> <p><b>Property</b> - With the delay following the uncovering of the tunnels on site in Folkestone work is now back on track and will be ready for September 2017.</p> <p><b>Safeguarding &amp; Prevent Data</b> - The data was circulated in advance of the meeting and questions were invited.</p>	
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<p>7</p>	<p><b>Governor Feedback</b></p>	<p>The Clerk presented the update on recent business undertaken by Governors outside of the Full Governing Body meeting. The Clerk noted the recommendation from Search and Governance and asked for approval to commission Mike Snell to undertake a desktop review of the implementation of the recommendations for the Learning Board including the Carver model and adequacy of Education focus using the Advisory Boards. This would be from the Internal Audit Budget and the report would go to the June Audit meeting. Governors approved the commission up the value of £2000.</p> <p style="text-align: center;"><b>APPROVED - Governors approved the Commission of Mike Snell as part of the Internal Audit plan</b></p> <p><b>Food Manufacturing Task and Finish Group</b> - Sarah Kemp provided some context to the working group and advised that the initial proposal will be for an apprenticeship in Food Manufacturing from September 2017 at the Folkestone campus. Members discussed celebrity endorsements going forward.</p> <p>The Clerk reported that unfortunately due to issues with quoracy and holidays the Broadstairs Advisory Board did not take place however Tom Price and Paul Manning had met to discuss the external membership going forward and both the Chair and Vice Chair had received the teaching and learning profile and Campus Performance Indicators for Broadstairs which did not flag any major concerns.</p> <p><b>Folkestone</b> - Charles Buchanan noted similar issues with external membership and has asked the Campus Principal to look into this. The input from Lee Moors was very positive and he discussed some ways in which the school and college could work more closely together including NEET reporting by the school until the student reaches 18 and communication regarding vulnerable students. There is clear evidence of Shepway District Council wanting to work with the College and the Campus Principal is engaging with the local stakeholders in her new district. There was a continued focus on the destinations for students; a good meeting but no recommendations brought forward for the main board. A Governor commented how positive it was to have a deputy head on the board which will surely only help with future engagement.</p> <p><b>Dover</b> - Patrick Hollis reported full attendance to the meeting with four external stakeholders on the board. A representative from one of the local schools would be most welcome. GR asked for clarification on the issue of the PRU (Pupil Referral Unit) which is currently situated in the Cambia building outside of the Campus footprint. This unit was only a temporary housing measure as the space was intended for a medical school (students with health issues which cannot attend mainstream school). The Campus Principal was not aware of any issue as this was raised via the student representative, Anne Leese will follow this up with her directly.</p>	<p>AL</p>
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8	<p><b>College Performance Indicators</b></p>	<p>GR reported a similar position to the previous month for the overall College part 1.</p> <p>GR highlighted the issue with retention was partly due to giving students an extension of time from the previous year and these student have since dropped out which has impacted retention this year.</p> <p>Apprenticeship success is improving incrementally and the team is confident the target can be achieved by the end of the year, a Governor queried the data asking why the year end forecast is miles away from the intended. GR described the mechanical assessment based on previous year's performance, at this point the College is relatively confident that most of the leavers are at the end of the year and there will be a spike in achievement. GR suggested he bring a paper to the next meeting which gives further assurance on this and Governors agreed.</p> <p>Members discussed the other indicators including health and safety and were pleased with the distance travelled against the challenging targets. A Governor commented on the helpful notes attached to the end of the CPIs and asked about the red attendance rating for Folkestone, GR advised this had been raised at performance review with the Campus Principal but no systemic reason could be found as to why.</p> <p>A Governor asked about the percentage of students feeling safe within the technical school, 7 cases out of 49 students seemed a significant amount. Members discussed the vulnerable cohort and the issues this can present, including the removal of CAMS from secondary school. AL advised the restructure has allowed the previously titled Head of Campus Operations, now Assistant Principal, time to focus on this growing issue.</p> <p>The major change in part 2 is down to adult funding allocations and the way in which it is now calculated. The discretionary learning support is not in the figures and at present there is not a way to forecast this. Adult numbers are down and the College may need to do some subcontracting to cover the shortfall to spend the 90% of allocation to receive the full 100%. The other element is the £400,000 of learner support which is</p>	GR

		<p>the adult equivalent of the KCC High Needs funding. GR is aware that there is a real need to have a robust forecast soon.</p> <p>The operational surplus has proved a big challenge within the accounts, the ability to generate cash is good but the non-cash items have skewed the performance indicators. The financial indicators going into the new year will be adjusted to offer the appropriate assurance against the financial model.</p> <p>A Governor asked why the part 2 report was not February, GR advised this was down to a publication timing issue, the Clerk advised these have now been published on the SharePoint site.</p>	
9	Finance Report	<p>CL advised that the quarter 2 report has been completed and following a comprehensive review there is a deterioration in the operating position. CL guided members through the new presentation of the accounts looking at EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) which factors in non-cash items below the line.</p> <p>CL reported further on:</p> <ul style="list-style-type: none"> <li>• The College is over on pay for teaching support but under on teaching and administration, the quarter 2 forecast assumes that teaching posts will be filled but as this may not happen the final position may be improved.</li> <li>• Full cost recovery courses is down and much of this is due to ambitious over planning with what has been offered generating a poor take up. Members discussed the opportunities in this area for the future sustainability.</li> <li>• Merger costs will leave a net problem to the bottom line of approximately £100,000.</li> <li>• The net current liabilities stand at £1.4million which has improved since the start of the year and should be near £1million at the end of the year</li> <li>• The level of debt still remains better than the sector average and the forecast still shows good financial health by the end of the year</li> </ul> <p>A Governor queried the student debt recovery and, added to the non-student debt, this comes out quite high. CL advised much of this is due to instalment plans and adult learner loans which are treated as debtors but will be recovered over the life of the course.</p>	

		<ul style="list-style-type: none"> <li>• Refectories are not doing very well this year however the automatic system transferring the bursary for free school meals has not come through and this represents approximately £30,000 which should bring them closer to target.</li> <li>• The nursery is making a profit and, although there is more competition locally the opening of the Folkestone nursery in September should also prove profitable.</li> </ul> <p>A Governor commented on the new presentation being very helpful in showing the true cash position. The members of the management accounts working group had the opportunity to scrutinise the Yarrow report and discuss the ongoing pension pressures which gave assurance to fellow Governors.</p>	
10	Teaching, Learning and Assessment	<p>LA advised the College is now looking at the points for improvement following the recent Ofsted success including:</p> <p><b>Passport to excellence</b> - additional sessions have been introduced into the programme on assessment and feedback to students;</p> <p><b>Personal Improvement</b> - individuals identified a real desire for self-improvement, particularly at Broadstairs and this is being encouraged;</p> <p><b>Senior Learning Coaches</b> - The College has now been successful in appointing to these critical mentor roles;</p> <p><b>Passport to Observe</b> - These are being run on each campus with a focus in differentiation for students;</p> <p><b>Assessors</b> - East Kent College and Canterbury College Assessors met for the first time collectively at the improvement day this week and the strategies being developed across the partnership will be reported at the next meeting.</p> <p>In regards to Quality assurance there are no inadequate programmes and the number of good and outstanding programmes has improved since the last report.</p> <p>Attendance is currently at 83.7% which is slightly better than the same time last year, the gap between the main programme of study and English and maths is also diminishing but there is still work to be done. There are extra sessions running through the Easter break in the run up to exams and teachers are now starting to deliver outside of core hours for additional support.</p> <p>A Governor commented that the biggest challenge during the mock interviews this morning was the quality of English and maths on the CV.</p> <p>The Chair thanked LA for her report.</p>	

11	Risk Management Report	<p>In the absence of MH and PS the risk register was presented and GR invited questions.</p> <p>A Governor suggested that as now members were assured of the risk process and that these are being well managed by the executive that these could come to the Governing Body every quarter with the updated register published on the SharePoint monthly. Members agreed with this approach for this and additionally the CPIs and the Finance Report; being assured that the management accounts are being scrutinised by the working group monthly and any concerns on any of the three reports would be highlighted out of cycle. The Clerk to action against the agenda.</p>	Clerk
12	Clerk's Report	<p>The Clerk highlighted the changes in the report from the previous year and advised, subject to the merger proceeding, that a review of the Chair would not take place next year but the process would continue with the new board going forward.</p> <p>The Clerk invited questions. BA noted that it was useful to share experiences and build on the relationship with other Kent Chairs.</p>	
13	Audit Committee Report	<p>TK reported on the work of the Audit Committee at the last meeting held earlier in the month, with three external audit reports being brought to the Committee, providing comfort in each area.</p> <p>The <b>financial audit report</b> was positive and the high rated risks were explained through the management response.</p> <p>The <b>Yarrow report</b> was pleasing with the hotel off to a good start. There was some concern about the midterm forecast but CL remains confident for a break even position by year 3. The full report was included as an appendix to the papers for information. Paul Manning is attending the next meeting to put the curriculum into context in regards to any issues with a hotel year and an academic year.</p> <p>The <b>apprenticeship readiness review</b> demonstrates the College is in a strong position for when the levy and new standards are upon us, TK noted the presentation at the meeting was more favourable than the written report and both can be found in the Governors area for information. TK advised the CPIs for apprenticeships may need to be split into parts next year for reporting purposes against old and new.</p> <p>Members discussed whether the internal audit plan remained fit for purpose, using the budget to commission work against the high level risks than standard annual reports. It was agreed that it was right to focus the</p>	



		<p>attention on the highest risk at the time and was a judicious way to use the money. CL noted it is not always easy to procure the services of some of the work as some of the risks are in the future and then it is a case of finding a specialist ahead of the game.</p> <p>TK invited questions, The Chair asked whether the Audit Committee were satisfied with the assurances given at the meeting and Committee members confirmed this to be the case.</p>	
14	<b>Area Review Recommendations</b>	<p>The Governing Body were asked to approve the recommendations for East Kent College in advance of the Area review steering group meeting being held tomorrow.</p> <p>By a show of hands Governors were unanimous in their support of the recommendations.</p> <p><b>RESOLVED : Governors resolved to recommend:</b>          Canterbury &amp; East Kent Colleges to merge to form one corporation, the East Kent College Group (EKCG) by a Type B merger, Canterbury Corporation to dissolve and East Kent Corporation will take on the assets and liabilities.</p> <ul style="list-style-type: none"> <li>• Merger is aimed for 1 August 2017, but to be completed no later than 31 December 2017</li> <li>• If merger does not go ahead East Kent College to stand alone and seek collaboration with other organisations.</li> <li>• Further partnership opportunities with KCC, Mid Kent College and SELEP should be explored to develop appropriate delivery for the Swale area.</li> </ul>	
15	<b>Merger Progress Update</b>	<p>Further to the merger briefing given prior to the meeting and the comprehensive paper from PS, GR offered further clarification on the items presented.</p> <p>The Clerk confirmed the EGM where BDO will present the phase 1 Due Diligence report is to be held on Tuesday 18<sup>th</sup> April 2017 at 5.30pm at Canterbury College.</p>	
16	<b>Technical School Review</b>	<p>This item was considered confidential and will be reported under part A confidential minutes.</p>	
17	<b>Pay Award Review</b>	<p>AL detailed the key findings of the recent independent review commissioned on behalf of Canterbury College and in view of the current budget position recommended that the main lecturer scale be assimilated with Canterbury College in preparation for merger and, in recognition of the excellent work and achievement following the recent Ofsted inspection, a non-consolidated payment of £125 be given to all staff.</p>	

		<p>Governors discussed the cost of the payment and whether more could be given, a Governor suggested that the £125 be a net figure and discussed adding this to the P78 form which is used for the Star Awards and Governors Dinner. Members agreed to this approach and GR will announce the news to staff prior to the Easter break.</p> <p><b>APPROVED - Governors approved the assimilation of the main lecturer scale with Canterbury College's in preparation for merger</b></p> <p><b>APPROVED - Governors approved a one off unconsolidated payment of £125 (net) to all staff at the College</b></p>	
18	<b>Draft agenda for the next meeting</b>	<p>Further to the discussion in item 11 the Clerk will re-cycle the standard items of CPIs, Risk Management Report and Finance Report in line with the annual cycle of business and key dates respectively. In addition to the items proposed the following are to be included:</p> <ul style="list-style-type: none"> <li>• Apprenticeship Success Report - how close is the College to target</li> <li>• Process for Corporation members at point of merger</li> </ul> <p>The development session has been left available at the moment but may include a presentation on the dissolution and transfer of assets which might need to come as an electronic resolution before 31<sup>st</sup> July 2017.</p>	
19	<b>Any Other Business</b>	<p>CL advised the Yarrow has been shortlisted for the Construction Project of the Year Award from the Kent Invicta Chamber of Commerce.</p> <p>MC advised that the nursery within Discovery Park is up for tender and will speak to Shane Godwin outside of the meeting.</p>	<b>MC</b>
20	<b>Matters Considered Confidential</b>	Item 16 will be reported under Part A confidential minutes.	
21	<b>Date of Future Meeting</b>	Wednesday 24 <sup>th</sup> May 2017 - Folkestone Campus at 5.00pm	

There being no further business the meeting closed at 8.10pm

Signed: ..... Position: ..... Date: .....