



**MINUTES OF A MEETING OF  
THE CORPORATION'S FINANCE AND RESOURCES COMMITTEE  
4:00PM TUESDAY 02 MAY 2023  
Held in the Whatmoor Room, Main House**

<b>Members:</b>	Richard Barker; *John Bullen; *Henry Cox (co-opted); *Robert Lasseeter; *Graham Ledden (Chair); *Luke Rake (Principal);
<b>In attendance:</b>	Dan Knight (Chair of A&A Committee); *Julian Tucker (Chief Financial Officer (CFO)); *Tom Hallam (Deputy Principal); *Nicola Newman; *Vanessa Gifford (Clerk)

*\* Indicates actual presence at this meeting [Quorum = 3 Committee Members]*

ITEM NO.	DETAIL	
1.	<b>DECLARATIONS OF INTEREST</b>  There were no Declarations of Interest <b>NOTED</b> .	
2.	<b>APOLOGIES FOR ABSENCE</b>  Apologies for absence were received from Richard Barker.  The Committee Chair welcomed Nicola Newman to the meeting as an observer.	
3.	<b>MINUTES OF THE MEETINGS HELD ON 28 FEBRUARY 2023</b>  The Committee <b>AGREED</b> the minutes of 28 February 2023 as a true and accurate record, and <b>APPROVED</b> the non-confidential minutes for website publication.	
4.	<b>MATTERS ARISING</b>  The following matters arising from the meetings of 22 November 2022 were <b>NOTED</b> : <ul style="list-style-type: none"> <li>• Exchange of contracts for Manor Garden Cottage was imminent, there was just a boundary query to resolve.</li> <li>• The Principal updated the Committee on the recent publicity with the transport contract. It was noted that Nordcat had had its licence revoked from 23 July 2023. The charity was in the process of being wound up and the company had agreed to keep the College informed. The Principal advised that there had been little impact to KMC as action had been taken quickly to mitigate. The College had commissioned independent assessors to check the Nordcat buses to ensure they were safe for student use and all had passed the tests to date. It was noted that the new company that would be taking over from 1 August 2023, had been impressive so far.</li> </ul>	

5.	<p><b>MANAGEMENT ACCOUNTS TO 31 MARCH 2023</b></p> <p>The Management Accounts to 31 March 2023 were discussed and the following key points were <b>NOTED</b>:</p> <ul style="list-style-type: none"> <li>• The Committee was concerned to note the significant increase in electricity usage, particularly since September 2021 when the Ground Source Heat Pump (GSHP) was initiated and was more than was expected. The CFO was requested to filter out the usage just for the GSHP, rather than costs which were down to the Ukraine situation. The Committee discussed the issues around the project, noting that the SMT was investigating a way forward, and agreed that a reasonable target for completion of the investigations was September 2023. It was also questioned where the College stood with Salix and the Principal advised that he had not got to that point and would require advice.</li> <li>• The CFO advised that the cashflow had been revised and it was shared with the committee and the updated document would be presented to the Corporation in the meeting pack.</li> <li>• The Income and Expenditure Account was reviewed and it was noted that the CFO was confident with the forecast out-turn, with a caveat around the utility costs.</li> <li>• The Cashflow was scrutinised and questioned when the emergency funding would be received. The Principal advised that he was in discussion with the ESFA but it would take time, and in the meantime, he had requested permission for the income from asset sales to be utilised for operational purposes. Further steps to mitigate were noted.</li> <li>• The Committee thanked the CFO for the commercial margins.</li> <li>• It was confirmed that the bank was fully aware of all issues.</li> </ul>	JT
6.	<p><b>KMC FINANCIAL STATEMENTS 2020/21</b></p> <p>The letter from the ESFA dated 18 April 2023 was NOTED, and agreed that it should be presented to the Corporation.</p>	
7.	<p><b>DEBTORS REPORT</b></p> <p>The Debtors Report was reviewed noting there were no concerns.</p>	
8.	<p><b>FEES POLICY 2023/24</b></p> <p>The Deputy Principal advised that the Fees Policy 2023/24 had been amended to reflect the changes with the HE offer. The Committee questioned whether the fees were competitive and the Deputy Principal advised that they were in line with market rates.</p> <p>The Committee <b>RECOMMENDED</b> the Fees Policy 2023/24 to the Corporation.</p>	
9.	<p><b>UPDATE ON DISCUSSION WITH THE DfE/ESFA/FEC</b></p> <p>The Committee was updated on recent discussions around the Dorset Review, noting that a Steering Group had been set up to monitor progress and all notes would be shared with the Corporation.</p>	
10.	<p><b>CAPITAL PROJECT UPDATE</b></p> <p>The following points were <b>NOTED</b>:</p> <ul style="list-style-type: none"> <li>• The Principal advised that the Steering Group for the Dorset Studio School capital project had met with the DfE to consider the next steps. It was</li> </ul>	

	<p>noted that the FEC had recommended that formal contracts were put in place between KMC and the school rather than SLA's. It was understood that completion by Quarter 4 of 2025 was the target. The Principal added that the additional piece of land was still being considered.</p> <ul style="list-style-type: none"> <li>• The College had been successful with two capital bids recently; £1.3M for kit and £2.1M for capital estate improvements which would be split over two years. The result of two further bids of T level funding were still awaited.</li> <li>• The British Eventing Team had visited the campus and had agreed to hold an equine cross-country event in June 2024. T level funding could be utilised to build the course as it was required for college programmes any way. The College would be appointing a course builder in due course. The Committee questioned whether planning consent was necessary and as the course was made up of temporary structures it was not, although the installation of a water facility would have to be checked.</li> </ul>	
11.	<p><b>COMMERCIAL UPDATE</b></p> <p>The Principal advised that the Estate Committee had received a useful commercial update, which had been followed up by an operational meeting. The presentation had been shared with the Corporation.</p>	
12.	<p><b>VAT CLAIM</b></p> <p>There was no update to note.</p>	
13.	<p><b>PROCUREMENT/TENDERS/VALUE FOR MONEY/CONSULTANCIES</b></p> <p>The following points were <b>NOTED</b>:</p> <ul style="list-style-type: none"> <li>• The bus contract had been completed.</li> <li>• No other tenders were in the pipeline</li> <li>• A review of weddings and catering would be carried out and may result in a tender exercise in due course.</li> <li>• SG Associates was still supporting the Principal on a retainer until September 2023.</li> </ul>	
14.	<p><b>PROJECT BID UPDATE</b></p> <p>There were no additional bids outstanding to note.</p>	
15.	<p><b>RISK MANAGEMENT</b></p> <p>The Committee risks were <b>CONSIDERED</b> and the following points <b>NOTED</b>:</p> <ul style="list-style-type: none"> <li>• The FEC Team had questioned the assurance on the Risk Register and the Chair of the Audit &amp; Assurance was sharing some definitions of assurance.</li> <li>• It was agreed that there was no question that the highest risk for the college was financial.</li> <li>• Two new risks were considered: <ol style="list-style-type: none"> <li>1. Should the Ground Source Heat Pump project have its own risk, due to the current issues?</li> <li>2. Was there a plan should the FEC discussions get into the public domain? The Principal advised that he had this under control and would take guidance from the FEC/DfE.</li> </ol> </li> </ul>	

16.	<b>ANY OTHER BUSINESS</b>  The following points were <b>NOTED</b> : <ul style="list-style-type: none"> <li>• The Principal advised that a survey had been completed on the Annex and reported that the roof was in a bad state of repair. If works were completed it would require Corporation approval due to the cost.</li> <li>• The CFO was currently working through budget meetings to enable a draft budget for the next meeting.</li> </ul>	
17.	<b>MEETING DATES 2022/23</b>  The following dates were <b>NOTED</b> : <ul style="list-style-type: none"> <li>• 27 June 2023</li> </ul>	
	<i>Meeting closed at 18.20 with no further business.</i>	

**APPROVED** 27 June 2023