



**MINUTES OF A MEETING OF THE CORPORATION
5.30PM, TUESDAY 3 DECEMBER 2019, in the Pengelly Room**

Members :	Tom Amery; *Richard Barker; *Hanna Baxter (FE Student Governor); *Michael Clarke; Andrew Davies; *Andy Foot; *Alex Jackson; *Jim Kenderdine; *Robert Lasseter (Vice Chair); *Graham Ledden; *Annetta Minard; Ben Murphy; Vicky Prior; *Luke Rake (Principal); *Andrew Robinson; *Andy Stillman; *Elaine Taylor; *Bethany Thompson (HE Student Governor); *James Tirrell (Chair); *Linda Wyatt
In attendance:	*Richard Bourne (Co-opted Member F&R Cttee (Observer)); *Dan Knight (Observer); *Catriona Wood (Deputy Principal (Finance & Commercial Services)); *Oliver Symons (Deputy Principal (Learning & Performance)); *Vanessa Gifford (Clerk)

** Indicates actual presence at this meeting (Quorum = 8 Corporation Members)*

ITEM NO.	DETAIL
1.	<p>DECLARATIONS OF INTEREST</p> <p>The following declarations of interest were NOTED:</p> <ul style="list-style-type: none"> Item 13c Elaine Taylor and Luke Rake as Directors of KME Limited Jim Tirrell, Robert Lasseter and Luke Rake for any matters relating to the Dorset Studio School
2.	<p>APOLOGIES AND WELCOMES</p> <p>Apologies were RECEIVED and NOTED from Tom Amery, Andrew Davies, Ben Murphy and Vicky Prior.</p> <p>Introductions were made around the table for the benefit of new attendees.</p>
3.	<p>GOVERNOR APPOINTMENTS</p> <p>The electronic approval for the appointment of the following Governors was RATIFIED:</p> <ul style="list-style-type: none"> Dan Knight as an Independent Governor for a three year term 4 March 2020 – 3 March 2023; Jim Kenderdine as Academic Staff Governor for a three year term 01 December 2019 to 30 November 2022. <p>The appointment of Richard Bourne as an Independent Governor for a three year term 29 February 2020 – 28 February 2023 was also APPROVED.</p>
4.	<p>MINUTES OF THE MEETING HELD ON 15 OCTOBER 2019</p> <p>The Corporation APPROVED the minutes of 15 October 2019 as a true and accurate record, and APPROVED the non-confidential minutes for website publication.</p>

5.	<p>MATTERS ARISING FROM THE MINUTES</p> <p>The following matters were NOTED:</p> <ul style="list-style-type: none"> • The Clerk confirmed that the necessary amendments to the minutes of 9 July 2019 had been made. • The Principal advised that he had met with the unions in Exeter and was currently re-drafting some points within the new contracts on their advice. He confirmed that the unions had no major concerns and he would share the updated documents via GVO for approval, hopefully before Christmas. • The Glover Landscape Report had been shared via GVO. • Details of the sale of 3 Maurward Close had been circulated. • The Marketing Review had been circulated. • It was noted that the review of the Adult Budget against the Budget would be monitored by Committees in due course. • The Deputy Principal (Finance & Commercial Services) confirmed that she still had to review the Corporate Risk Register and there was a meeting of the Risk Management that week to commence the process. 	LR
6.	<p>PRINCIPAL'S REPORT</p> <p>The Corporation RECEIVED the Principal's Report which provided updates on:</p> <p>Overview; Strategic update; Strategic Working Groups; Teaching, Learning and Assessment Update; Principal's Diary</p> <p>Further additional points were NOTED as follows:</p> <ul style="list-style-type: none"> • The substantial list of roles that the Principal held was noted, and the Principal advised that he continually reviewed these roles to ensure that they added value to his work. • The update on the Local Industrial Strategy was well received noting that the College was well embedded in the detail of opportunities for Dorset. • The Corporation was pleased to note that the College was well positioned to receive the award of £111K of additional funding for remedial repairs and development work. The Principal advised that this would be allocated for the refurbishment of the kitchens; repairs to roads; and the Outdoor Adventure Centre. • The Principal added that in addition to the funding above the College had recently been awarded a further £127K which had come from a speculative bid for IT infrastructure. The LEP had re-allocated funding from projects that had lagged. The Principal emphasised that this highlighted the importance of his work with the LEP. A further £70K had been allocated on a joint project with the Bournemouth Councils Partnership at Hengistbury Head which was a co-branded opportunity to provide work experience. • It was noted that recruitment for 2019/20 after the 6 week census date was 22 students above the previous year. This was against a KPI of 5% growth which was 27 students. The Principal considered there was a shifting perception of the College, and was pleased to report that applications for 2020/21 were positive, with applications for the Equine Department increasing. New pathways were being provided within Equine to give a choice to those not wanting to ride, and its Facebook presence was very good. • The Principal reported that Twitter activity was good across the board. 	

	<ul style="list-style-type: none"> • The Principal outlined the capacity challenges that the Dorset Studio School were dealing with in regards to accommodation; catering; transport etc., and going forward there would have to be some proactive strategic decisions made. The following issues were among those discussed: <ul style="list-style-type: none"> * The HE students at KMC would ideally like an 18+ environment, possibly a University Centre, so that they 'owned' their own centre. * Further discussions would be held with the Parish Council to jointly lobby for restrictions on the Tincton Road. It was suggested that once the election was complete this could be discussed with the local County Councillor. • The Principal advised that the growth of commercial income was still developing with the appointment of the new Commercial Finance Manager. • Curriculum development was noted, especially the possibilities going forward. • The Principal reported on the response of fellow students following the death of a student. They had organised a Tractor Run in her memory expecting up to 30 tractors, and 95 had turned up on the day raising over £1,000 for MIND. • The Corporation was pleased to note that the College had again been awarded with an AoC Beacon Award for its excellent student support, and also recognition for its support for the Armed Services with the award of the Silver Employers' Recognition Scheme Award, having only signed the covenant a year ago. • The Principal shared some highlights of student activity, especially the introduction of the CCF which was planned to grow by opening it up to the wider College. • The Principal advised that there were significant financial challenges but he considered the College was moving in the right direction. The additional students enrolled would provide around £300K of additional funding in 2020/21 but this could not be relied upon in the current year but there was positivity for next year. • The Corporation agreed that some capital projects had to be 'shovel ready' as capital funding could be released by the LEP at the end of its financial year if projects had not progressed as planned. The Principal advised that there were several estate based projects within the Masterplan that could utilise any windfall. Members questioned whether there would be a review of the return on the Play Barn and it was agreed that it would fall to the Audit & Assurance committee to monitor as a Post Project Review. • The Principal's Diary was noted. • The following documents were noted: <ul style="list-style-type: none"> * The LEP economic summaries * Progress Report: Independent Commission on the College of the Future 	
7.	<p>THE STUDENT VOICE</p> <p>The Student Reports were NOTED and the following points made during discussions:</p> <p>FE Report</p> <ul style="list-style-type: none"> • The Principal responded to the lack of CCTV especially around the 	

bicycle storage by advising that it was on the capital list for when funding became available.

- The Student Governor advised that many students had complained about the ban on students using the lawn and lakeside areas at break times especially with the lack of indoor common areas. The Principal advised that unacceptable litter had been found in these areas and when he had introduced the ban and explanation had been provided and a request for the guilty party to come forward and then he would reconsider the ban. Nobody had come forward to accept responsibility so the ban stood. The Principal advised that since the ban litter had reduced, but he had to consider the paying public in the gardens and animal park, and the damage to public perception. He added that he would reconsider in the Spring and there were also plans in the pipeline to provide more common areas by covering the courtyard area at Higher Dairy.
- The Principal advised that the Outdoor Adventure Centre was due to be completed in April/May 2020.
- The Principal accepted that crowding in the Courtyard canteen was a challenge, as this was the facility used by the DSS. SMT was monitoring the issue and may consider staggered lunch breaks to resolve. The FE Student Governor added that there was often a shortage of food if students arrived at the end of the lunch break to avoid the queues. It was noted that this would continue to be monitored.
- The Deputy Principal (Learning & Performance) advised that the new Student Committee was meeting the following day at 12.30pm.
- The Principal advised the Corporation that the four local candidates for the General Election were holding a hustings with students that week

HE Report

- The HE Student Governor raised the impact of the large number of DSS students that were now on the campus, and endorsed the issues in the canteen and behaviour. She suggested the students were not supervised which was disputed by the Principal DSS. It was considered that HE students had higher expectations as they were paying to undertake their programmes and it had been a shock for many to come back in September to so many younger students. The Principal agreed that the College had to be mindful that HE students paid and the development of a stand-alone University Centre should be achievable in due course when funding was available.
- The ban on smoking within the campus was also raised and that students were now congregating at the entrance of the DSS which was unsafe. The Principal acknowledged that the ban had displaced the problem, however it was common for legislation to be in place in the commercial working environment and public places. The students questioned whether there could be a shelter on the edge of campus and the Principal emphasised that he stood by his decision and was considering the long term health and behaviour of students.
- The HE Student Governor provided feedback on her attendance at the National Student Governor Training Programme. She had returned having learnt a lot, with many ideas and had enjoyed the whole programme. The Principal thanked her for attending and hoped the experience of joining the AoC Conference was also beneficial.

8.	<p>CLERK'S REPORT</p> <p>The Clerk's Report was NOTED, with the following additional points:</p> <ul style="list-style-type: none"> • The Clerk also thanked the HE Student Governor for attending the Conference and advised that it was hoped it would become an annual event. • It was noted that the AoC briefing note on Insolvency had been loaded to GVO for information. 	
9.	<p>HEALTH & SAFETY ANNUAL REPORT 2018/19</p> <p>The Health & Safety Annual Report was CONSIDERED, with the following points NOTED:</p> <ul style="list-style-type: none"> • There was an increase in accidents due to rugby and it was agreed that realistic targets had to be set. Members requested segregation of accidents, noting that rugby was not RIDDOR reportable. • The Corporation requested that information should be displayed in tables. The information was incorporated within the text however was easier to analyse if it was within a table. • Members questioned whether any insurance claims had been made due to accidents and the Principal advised there had been no claims although there had been a staff injury on site which had been reported to the insurance company and was being monitored. • Members questioned whether an Action Plan was in place for the areas of concern, and the Principal advised there was under the remit of the Estates Group. • Concerns had recently been expressed regarding the speed of traffic on the Tincton Road and the College was liaising with the Parish Council on any actions to the local authority. 	<p>LR</p> <p>LR</p>
10.	<p>HR ANNUAL REPORT 2018/19</p> <p>The HR Annual Report was CONSIDERED, with the following points NOTED:</p> <ul style="list-style-type: none"> • Turnover of staff was 17% which was its lowest ever point and the Principal suggested that some turnover was necessary in an organisation and he was pleased with the data. • The number of long term sickness absences had plummeted. • Stress related absence had also reduced dramatically and was at its lowest point in five years. • Gender Pay Gap remained a challenge, however the appointments for the new Deputy Head roles were predominantly female. However, this remained a long term challenge. • It was noted that there had been more applicants apply for jobs with a disability, but not many had been appointed. The HR Team would drill into this data to investigate. The Principal was not aware of any benchmarks for this data. • Members requested that full time equivalents be provided when reporting. • The Corporation questioned the number of withdrawals post offer as recruitment was a big investment for the college. The Principal considered this was due to pay and although salaries were advertised applicants would still try and pursue a higher level of pay which the College was unable to agree. 	<p>LR</p>

	<p>The Corporation agreed that it was important to see the whole range of data, and the report was good.</p> <p>Staff Development The extensive Staff Development Report was NOTED.</p>	
11.	<p>FINANCIAL REPORT TO 31 OCTOBER 2019 (Management Accounts)</p> <p>The Deputy Principal (Finance & Commercial Services) (DPFCS) verbally updated the Corporation on the Management Accounts to 31 October 2019. The following points were NOTED:</p> <ul style="list-style-type: none"> • A crude cut of the figures had revealed that the current position was significantly behind budget. • The DPFCS had not set the Budget herself and therefore needed to understand the figures and make some necessary adjustments. It appeared that income was not as forecast and growth in commercial income was not performing as quickly as necessary. • It was agreed that once the final figures were available they would be uploaded to GVO for members to access. • It was agreed that the Budget had been optimistic with very little space for under-performance. The Corporation agreed that if targets were not being met decisions would have to be made before the next round of meetings. The DPFCS advised that she would keep the Chair and Chair of the F&R Committee updated. • Members questioned whether the Budget could be restructured and the DPFCS advised that she would normally only recommend this if student numbers were significantly different. • It was understood that a new Integrated Financial Model for Colleges (IFMC) had to be approved by the Corporation and submitted to the ESFA by the end of February 2020. It was agreed that this would have to be reviewed at the February Strategy Day. • It was agreed that it had always been understood that 2019/20 would be a challenging year and a cash surplus had to be generated with no further houses to sell. The whole FE sector was in a challenging financial climate however there was 'light at the end of the tunnel' for 2020/21 but the current year would be difficult. • The DPFCS advised that the College financial position was fragile and current issues for her urgent review were: <ul style="list-style-type: none"> * Commercial Income * The VAT debtor * Apprenticeships • The DPFCS was working on ensuring that the Corporation was given factual information to enable reactive decisions to be made. The main issue was around income generation and how quick this could be forthcoming. • The Principal confirmed that his line of sight was on commercial activity and marketing, and it was necessary to review real time data across the piece. • It was noted that an Apprenticeships Manager and Animal Park Manager had now been appointed, however it would take time to see any impact. 	

7.15pm	Annetta Minard left the meeting and it remained quorate.	
12.	<p>AUDIT & ASSURANCE COMMITTEE</p> <p>It was NOTED that the following papers had received full scrutiny by the Audit & Assurance Committee, with the recommendations, additional points, and further actions set out below:</p> <p>Internal Audit Reports</p> <ul style="list-style-type: none"> • Follow Up Review 18/19 • Compliance Review of Learner Numbers • ICT – Cyber Security Follow Up Review • Compliance Review of Key Financial Controls • ICT Review of ICT Infrastructure: the Chair of the Audit & Assurance Committee drew all Members attention to this report. It was noted that the Committee had requested assurance from the SMT that the 3 Important recommendations were high priority and that any actions were reported back to the Committee. • Internal Audit Annual Report 2018/19 <p>Letter of Engagement for the Audit Financial Statements and Reporting on Regularity: 31 July 2019 for KMC and KME Ltd The Letter of Engagement for the Audit Financial Statements and Reporting on Regularity: 31 July 2019 for KMC and KME Ltd was APPROVED.</p> <p>Annual Report of the Audit & Assurance Committee 2018/19 The Annual Report of the Audit & Assurance Committee 2018/19 was APPROVED, including the ratification of the electronic approval for the Self-Assessment.</p> <p>Update on Internal Auditors The Chair of the Committee advised that there were a number of Internal Audit Reports due to the Internal Auditors having to catch up. The Chair then informed the Corporation that the relationship with the Internal Auditor had broken down and outlined the issues. The Audit & Assurance Committee had had lengthy discussions with the auditors as the Committee was dis-satisfied with the service. TIAA Ltd had been left with no doubt of the expectations but had since resigned with immediate effect. The service was due to be re-tendered in the Spring of 2020 but it was noted that the Committee had commenced the process instantly and may have to accept a reduced programme for 2019/20, subject to the tenders that were received.</p> <p>Draft Minutes of the meeting held on 12/11/19 The draft minutes of the Audit & Assurance Committee dated 12 November 2019 were NOTED, with no further comments.</p> <p>The Chair of the Corporation formally thanked the Audit & Assurance Committee for its robust scrutiny of internal audit and confirmed that it was exactly what as required in the sector for accountability.</p>	
13.	<p>FINANCIAL STATEMENTS 2018/19</p> <p>It was NOTED that the following papers had received full scrutiny by the Audit &</p>	

	<p>Assurance Committee, Finance & Resources Committee and KME Ltd with the recommendations, additional points, and further actions set out below:</p> <p>External Auditors Audit Completion Report for the year ended 31 July 2019 inc Management Representation Letter</p> <p>The following points were NOTED:</p> <ul style="list-style-type: none"> • The accounts for 2018/19 had received a clean audit by the External Auditors. • A final reconciliation had been received in the last few days and an update on movements since the last meeting, as there had been a deficit, was shared with Members. Two exceptional issues; Insurance Income and KMF funds, as reported to the F&R Committee, had ensured the College remained in a 'Good' Financial Health position and the Bank Covenants had not been breached. • There were no concerns on a 'Going Concern' perspective. • The Deputy Principal (Finance & Commercial Services) advised that she still had to review the Budget for 2019/20. • It was acknowledged that the final position had only been achieved with a lot of hard work but the College was now in a better position to commence another challenging year, with the Budget for 2019/20 already exposing challenges with 'fragile' finances. <p>The External Auditors' Audit Completion Report for the year ended 31 July 2019 inc Management Representation Letter was APPROVED.</p> <p>KMC Financial Statements 2018/19 The KMC Financial Statements 2018/19 were APPROVED.</p> <p>KME Limited Financial Statements 2018/19 The KME Limited Financial Statements 2018/19 were APPROVED.</p>	
14.	<p>FINANCE & RESOURCES COMMITTEE</p> <p>Draft Minutes of the meeting held on 12/11/19</p> <p>The draft minutes of the Finance & Resources Committee dated 12 November 2019 were NOTED, with no further comments.</p>	
15.	<p>VAT CLAIM REPORT</p> <p>In response to a request from the Audit & Assurance Committee the Deputy Principal (Finance & Commercial Services) presented an update on the exposure of the VAT Claim within the financial accounts. The following points were NOTED:</p> <ul style="list-style-type: none"> • The only figures that were included in the accounts was a small build-up within the debtors where the new formula for VAT calculation had been introduced. • It was agreed that the only exposure was the position around the VAT claim itself which had now become a matter of materiality for the External Auditors to bring to the attention of members. • The DPFCS advised that the VAT consultant had requested an acceleration of review post tribunal and the result was awaited. • The F&R Committee had requested that the DPFCS sought independent advice on how this issue could get resolved. The Corporation agreed and requested the DPFCS to follow this through. The College had to ensure that it was following the correct steps going forward and 	CW

	<p>required advice to give a level of comfort. It was agreed that the cost of independent advice would be shared via GVO, and hoped that this opinion would be available for the next F&R Committee to discuss the next steps.</p>	<p>CW/VG</p>
<p>16.</p>	<p>QUALITY & STANDARDS COMMITTEE</p> <p>It was NOTED that the following papers had received full scrutiny by the Quality & Standards Committee, with the recommendations, additional points, and further actions set out below:</p> <p>Self-Assessment Report (SAR) 2018/19 and Quality Improvement Plan (QIP) 2019/20</p> <ul style="list-style-type: none"> • The Deputy Principal (Learning & Performance) (DPLP) advised that the SAR 2018/19 had been judged against the new Education Inspection Framework (EIF) and assessed as 'Requires Improvement'. • The QIP 2019/20 gave a clear steer of actions required to enable a 'Good' assessment. • The SAR 2018/19 would be uploaded to the Ofsted Portal in January 2020. • Members considered the whole process to have been easier this year and it had worked well. The DPLP was thanked for his work with producing a document that moved the College forward and at speed. <p>The Corporation APPROVED the Self-Assessment Report (SAR) 2018/19 and Quality Improvement Plan (QIP) 2019/20.</p> <p>Sub- Contracting</p> <p>The Corporation was aware that Sub-Contracting was being monitored across the sector and had requested a full update on College activity. The DPLP had produced a report setting out the details and the following points were noted during the discussion:</p> <ul style="list-style-type: none"> • The DPLP advised that the College met all the requirements of the Sub-Contracting regulations. • The existing subcontracting arrangements with Educ8 and Side by Side Partnership Ltd were NOTED. • The details of the new agreement with Dorset and Wiltshire Fire & Rescue Authority was noted, with 12 apprentices doing well and due to complete by the 17th December 2019. A full cohort would then be enrolled in January 2020 and this relationship was expected to be long term. • The DPLP confirmed that all three relationships were below the £100K threshold with a total value of £130K. <p>Draft Minutes of the meeting held on 13/11/19</p> <p>The draft minutes of the Quality & Standards Committee dated 13 November 2019 were NOTED, with the following further comments:</p> <ul style="list-style-type: none"> • The Committee had requested an IT update from the Director of Systems at its next meeting. <p>The DPLP took the opportunity to advise the Corporation that after a rigorous interview process a Head of Apprentices had been appointed, with the candidate having accepted the appointment that day. The candidate had a wealth of land-based knowledge and had held a similar role in another land based college. It is noted that the start date would be at the end of March</p>	

	2020 and it was hoped that this role would grow Apprenticeships and Short Courses.	
17.	<p>RISK MANAGEMENT: ENTRIES FOR THE REGISTER</p> <p>The Deputy Principal (Finance & Commercial Services) still had to review the Corporate Risk Register with an input from an imminent Risk Management Group meeting.</p> <p>The Corporation requested that the VAT issue be considered once the Deputy Principal (Finance & Commercial Services) had had a chance to review the Register.</p>	
18.	<p>ANY OTHER BUSINESS</p> <p>There was no further business NOTED.</p>	
19.	<p>2019/20 MEETINGS</p> <p>The meeting dates for 2019/20 were NOTED:</p> <ul style="list-style-type: none"> • 3 March 2020 • 5 May 2020 • 7 July 2020 	
	<i>Senior Post holders, Staff and Student Members left the meeting for the next item. The Corporation AGREED that the Principal and Clerk should remain in the meeting.</i>	
20.	<p>CONFIDENTIAL ITEM</p> <p>This item was minuted confidentially.</p>	
	<i>The meeting closed at 8.15pm with no further business.</i>	

Chair.....**Dated**.....