



MINUTES OF A MEETING OF THE CORPORATION
5.30PM, TUESDAY 7 JULY 2020
held virtually via Zoom due to Covid-19

Members :	*Richard Barker; *Hanna Baxter (FE Student Governor); *Richard Bourne; *John Bullen; *Andrew Davies; *Andy Foot; *Alex Jackson; *Jim Kenderdine; *Dan Knight; *Robert Lasseter (Vice Chair); *Graham Ledden; *Annetta Minard; *Ben Murphy; Vicky Prior; *Luke Rake (Principal); *Andrew Robinson; *Andy Stillman; *Bethany Thompson (HE Student Governor); *James Tirrell (Chair); Linda Wyatt
In attendance:	*Tom Barlow (Deputy Principal (Finance and Commercial Services)); *Nicky Porter (Assistant Principal (Student Experience & Progression)); *Oliver Symons (Deputy Principal (Learning & Performance)); *Vanessa Gifford (Clerk)

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

ITEM NO.	DETAIL	
1.	DECLARATIONS OF INTEREST There were no declarations of interest NOTED .	
2.	APOLOGIES AND WELCOMES Apologies were RECEIVED and NOTED from Linda Wyatt. The Chair welcomed John Bullen as a new Member of the Corporation.	
3.	MINUTES OF THE MEETING HELD ON 5 MAY 2020. The Corporation APPROVED the minutes of 5 May 2020 as a true and accurate record, and APPROVED the non-confidential minutes for website publication.	
4.	NOTES OF MEETINGS The following Notes were NOTED : <ul style="list-style-type: none"> • 02/06/2020 Informal Corporation meeting • 13/05/2020 Chairs Working Group It was agreed that these meetings had been invaluable to keep up to date and the Chairs Working Group was a useful forum.	
5.	MATTERS ARISING FROM ITEMS 3 AND 4 The following matters were NOTED : <ul style="list-style-type: none"> • A meeting of the Farm Strategy Group would be held in the Autumn Term. • The Deputy Principal (Finance & Commercial Services) advised that wedding income was not segregated within the college accounts. • The Principal advised that Ofsted inspections were due to commence in September, although possible not colleges, and he would ensure that 	LR/VG

	<p>any outcome due to Covid-19 were made clear.</p> <ul style="list-style-type: none"> • The Principal and Clerk confirmed that staff had been thanked during a recent Principal's briefing. • The Deputy Principal (Finance & Commercial Services) advised that he still had to action a discussion with the External Auditor regarding the DSS Clawback Agreement. 	
6.	<p>RATIFICATION OF ELECTRONIC DECISIONS</p> <p>The following electronic approvals were RATIFIED:</p> <ul style="list-style-type: none"> • Letter of Engagement for Internal Audit 2019/20 • Internal Audit Plan 2019/20 • Appointment of Mazars as External Auditors for a further years term to cover 2019/20 • The introduction of a Chairs Working Group to support SMT during Covid-19 <p>Also, the appointment of John Bullen as an Independent Governor for a three year term 01/09/20 to 31/08/23 had been carried out electronically prior to the meeting to enable him to participate in the meeting, and this approval was RATIFIED.</p>	
7.	<p>PRINCIPAL'S REPORT</p> <p>The Corporation RECEIVED the Principal's Report which provided updates on:</p> <p>Overview; Finance; Student Recruitment; Curriculum Development & Student Activity; Commercial Activity; Local Industrial Strategy/LEP Engagement; Estate and Capital; and the Principal's Diary.</p> <p>Further additional points were NOTED as follows:</p> <ul style="list-style-type: none"> • The Principal considered that it had been an unusual end of term without the student leaving events and staff celebrations. He advised that he had stalled the staff survey during the pandemic but suggested that it would be good to do in the next few weeks to gauge staff morale with open responses, and then again around Christmas time. • Plans were well underway for September with additional guidance published the previous week which confirmed the college was going in the right direction with the right balance of risk and opportunity. • The Principal was comfortable with the decisions that had been made at this difficult time and it had been a good term, although strange. • The Principal advised that none of the College community had been effected by Covid-19, although family members had caught the virus. He suggested that there could still be a further outbreak so the College had to stay alert. • It was noted that recruitment was positive although the Deputy Principal (Learning & Performance) had reported that systems were less than robust and he was working with the Director of Systems Integration to make improvements. • The link to the KMC Virtual Open Day had previously been made available to the Corporation and the Principal thanked those members who had sent in their comments. • The curriculum for September had been managed as best as possible, however the Principal suggested the online learning was a challenge but he considered there could also be opportunities. 	

	<ul style="list-style-type: none"> • The Staff CPD Week was currently underway with staff accessing various online session via a website titled "KMC Festival of Learning". The website also linked to the published AoC CPD sessions. It was agreed to share the link with all members for information. • The Principal confirmed that the Animal Park and Gardens had re-opened to the public the previous week, as well as Wedding Show-rounds with a booking for 2022. • The Position Statement on the Dorset Studio School was noted and the Principal confirmed that it had been agreed that the College would lease the Courtyard Classrooms to the school for 2020/21. Discussions continued with the DfE to find a permanent solution to the capacity issues at the School as the College could not support in the long term due to its own growth. • The Principal advised that three Expression of Interest had been submitted to the LEP for Pipeline projects: <ol style="list-style-type: none"> 1. Dairy development room and business incubation unit 2. Demolition of Category D (inoperable) Outdoor Education Centre and replacement with modular eco-build for Rural Business training room (16-18 students), seminar and mixed-purpose community use. 3. University Centre and Rural Business Development Hub - the Principal considered that this project was ambitious but there was a lack of HE in the area and Dorset Council was supportive. Members questioned whether the projects were deliverable in the timeframes and the Principal considered they were since Dorset Council had considered the College Masterplan which laid out the foundations. • The Key Performance Indicator (KPI) Report for 2019/20 was NOTED. 	VG
8.	<p>THE STUDENT VOICE</p> <p>The FE Student Governor considered that the move to a blended curriculum delivery in September was good with two physical days in the College for practical sessions. Although the FE Student Governor had now completed her course she considered that students would be confident in returning to college knowing that all the Covid-19 guidelines had been implemented and social distancing considered.</p> <p>The HE Student Governor reported that she had received conflicting opinions on communication from the College with parents of younger students advising that they had not received as much communication as they would have expected, although her fellow students in HE were satisfied with what they had received. The Deputy Principal (Learning & Performance) advised that this was a challenge for the College as if the student was over 18 years of age they had to confirm that parents could be contacted and if not, the College could not communicate with those parents. Systems were being developed to assist with this. The Deputy Principal (Learning & Performance) acknowledged that communication was slow at the beginning of the pandemic as the answers were unknown and the College had to await the guidelines from the government.</p> <p>The Principal advised that he could not ensure safety but appropriate mitigations would be put in place and there was a balance between communication and risk. There were inherent contradictions within the guidance but the College had completed all appropriate Risk Assessments and communication would continue.</p>	

	<p>During this discussion it was suggested that the Corporation should consider appointing a Parent to the Board, however the Principal suggested this was a sample size of one and there was a risk that some parents would not understand the governance role and the Corporation should always consider its gaps in experience and skills. College students over the age of 18 could choose for parents not to be contacted and felt this was the difference between schools and colleges.</p> <p>Members of the Corporation advised that they were impressed with the KMC Virtual Open Day, however questioned whether students would still feel they had value for money with the blended curriculum. The Deputy Principal (Learning & Performance) agreed that it was vital that students felt part of the culture of the college and one of the big focuses for the staff CPD week was looking at online learning to ensure there were consistent messages. He considered that the approach would give an interesting two days of learning at the College and students may feel they were getting better value for money as it would save on travel and give exciting opportunities. Both Student Governors felt that they would get value for money with the HE Student Governor advising that students would still get the required qualification at the end of the course, as well as the support of staff. However her biggest concern was still paying the same fee even though lessons were online. The FE Student Governor suggested that students' expectations would change once they were established as previously having younger students on site from the Studio School had been a concern but now students were used to it.</p> <p>The Principal thanked the students for their views and advised the Corporation that recruitment was slightly up on the previous year with many making decisions in August once they knew what the offer was. A good product was required that gave good quality outcomes.</p>	
9.	<p>CLERK'S REPORT</p> <p>The Clerk's Report was NOTED with the Clerk adding that since the report she had attended a GVO Webinar on Policy management and was investigating whether this could be used by the College.</p>	
10.	<p>ANNUAL SAFEGUARDING REPORT 2019/20</p> <p>The Annual Safeguarding Report was NOTED with the following key issues highlighted:</p> <ul style="list-style-type: none"> • There had been an increase in cases but in no particular area. The cases were mainly around anxiety due to Covid-19 and lockdown. The Welfare Team was working with students and external agencies where necessary. • The Assistant Principal (Student Experience & Progression) agreed to provide a comparison with the previous year in future reports, but she had no concerns with the data. • There had been an issue with gang involvement for the first time and the College had worked well with the student who had turned around this behaviour. • Drug use issues were similar to the previous year • The Welfare Team had assisted with wider issues around domestic violence during lockdown. • Cases of bullying were increasing but it was considered that this was 	NP

	<p>down to improved reporting systems.</p> <ul style="list-style-type: none"> • The Areas for Development in 2020/21 were noted as: <ul style="list-style-type: none"> ➢ Prevent update training for all staff in the new academic year ➢ Monitoring the effect of Covid-19 • The Principal added that as more work was being undertaken online there would be more online counselling required. He reported that out of hour support and care would be introduced. • It was noted that the internet filter produced a report on staff internet activity and many of the issues identified work due to work related searches. This was monitored by the Assistant Principal (Student Experience & Progression) and the Principal only. • The Principal suggested that with 700+ students on the campus there was very little behavioural issues due to drugs which reassured him that the right students were being enrolled and the correct actions being taken to support. • It was suggested that the College could engage with the Alcohol Education Trust which had offices in Poundbury and assisted young people with making the right decisions. The Assistant Principal (Student Experience & Progression) agreed to investigate. She also added that she was also investigating support on gaming and gambling. • A new Governor was reassured with this report which assisted with his understanding of the safeguarding issues. 	
11.	<p>CORPORATION WORK PROGRAMME 2020/21</p> <p>The Corporation Work Programme 2020/21 was APPROVED subject any amendments that were necessary due to external agency changes which the Deputy Principal (Finance & Commercial Services) and the Clerk would investigate.</p>	TB/VG
12.	<p>FINANCIAL REPORT TO 31 MAY 2020 (Management Accounts)</p> <p>The Corporation CONSIDERED the Management Accounts to 31 May 2020. The following points were NOTED:</p> <ul style="list-style-type: none"> • The Deputy Principal (Finance & Commercial Services) advised that the year to date position had improved from the last report due to cost savings although the situation was still very difficult. • The Corporation had been aware that the financial challenges prior to Covid-19 especially around Adult and Apprenticeship funding. Since Covid-19 all commercial income streams had been stripped out. • Although the Animal Park was now open to the public it was not anticipated that this would make a huge difference to the forecast. • The report highlighted a £300K year to date deficit, after the sale of the house in Maurward Close, and the Deputy Principal (Finance & Commercial Services) forecast that this would be £550K by the end of the financial year. • There was still some potential income to add with the ESFA advising that the full allocation would be paid for Adult Learners and this was currently not reflected in the figures. In addition there would be the flow through of cost savings and no assumptions had been made for this. • The Deputy Principal (Finance & Commercial Services) advised that this forecast would impact the Financial Health Score of the College and the covenants would be breached. The Deputy Principal (Finance & Commercial Services) had been in discussions with the banks to ensure that bank waiver letters were in place before the end of the financial 	

	<p>year. He advised that NatWest were content to agree a waiver, however the position with Barclays was not clear and a response was awaited. The Deputy Principal (Finance & Commercial Services) confirmed that the banks were aware that any waiver was required by 31 July 2020.</p> <ul style="list-style-type: none"> • The cash position was acceptable with the overdraft only being used once in early April, although the Deputy Principal (Finance & Commercial Services) anticipated that it would have to be utilised in the current month and the projection for the cash balance at the end of the year was tight. Cashflow would be closely monitored with a significant funding allocation expected in August. It was noted that although it was understood that the funding profile could be changed there had been no update. • A small provision for bad debts had been made at approximately £10K which was mainly around student debt relating to final instalments of short courses which were unlikely to be collectable. • Members questioned whether any national support had been forthcoming and the Deputy Principal (Finance & Commercial Services) advised that there was nothing specific despite national lobbying, other than the furlough funding. NatWest Bank had advised that the College was eligible for a Coronavirus Business Interruption Loan at favourable rates and this was being investigated. It was noted that 48 staff were currently on furlough which related to £20-25K income a month. The External Auditor had advised that this funding was allocated to income rather than staff costs. • The Government had announced that £200M of capital funding was being brought forward to 2020/21 but it was unknown how this would be delivered. • The Principal advised that a White Paper on FE had been initiated by the DfE, alongside the work of the College of the Future Commission, so the future was turbulent. • Members questioned the £210K debt relating to VAT and the Deputy Principal (Finance & Commercial Services) advised that there was no definitive answer with the result of the Colchester case being embargoed, and the VAT Consultant would raise the pressure over the next few weeks, but it was suggested that the final outcome was a lot closer and hopefully the end was in sight before the external audit of the accounts and the VAT Consultant had clear instructions on negotiating but any outcome was unlikely to fall in the current financial year. 	
<p>13.</p>	<p>BUDGET 2020/21</p> <p>The Deputy Principal (Finance & Commercial Services) advised that in normal circumstances the Budget for 2020/21 and Financial Plan would have been presented to the F&R Committee for recommendation to the Corporation. However due to the current uncertain financial climate this had not been possible and an Extraordinary meeting of the Corporation was being called for 28 July 2020 to approve the Budget before submission on the 31st July 2020.</p> <p>The Deputy Principal (Finance & Commercial Services) forewarned the Corporation that it would be a deficit Budget and he was not being ambitious with efficiency savings. He assured members that many other colleges were in the same position and it was important that the ESFA understood the scale of the difficulties.</p>	

	<p>The Principal added that he had met with the Landex Board earlier that day and no land-based colleges were predicting surpluses for 2020/21, and the financial challenges were across the sector. In the past colleges had been driven to over optimistic budgeting but this was not the time to be optimistic. It had to be acknowledged that for 12 years the base rate of funding had been flat-lined. It was noted that before Covid out of 244 colleges; 69 were on the ESFA radar; 29 in full intervention; and 2 in administration, and the current crisis would exacerbate this.</p>	
14.	<p>FINANCIAL PLAN 2020/21</p> <p>This item was covered under the previous item.</p>	
15.	<p>FINANCIAL REGULATIONS</p> <p>The Principal advised that the Financial Regulations were due for a review and this had lagged due to the staff changes. He had now had the opportunity to present the reviewed document to the Corporation for approval, advising that many of the amendments were general and related to updated regulations and staff title changes. It was noted that the previous Deputy Principal (Finance & Commercial Services) had tightened up on many financial procedures including the use of credit cards.</p> <p>The Principal suggested that the College was now in an unusual situation and flexibility was required to enable urgent IT provision, so drew the attention of Members to 'red' wording within Clause 18.5. He suggested that the current tender process was too long and gave an unnecessary risk to IT infrastructure and stability. Members were aware of the recent JISC report on the IT infrastructure and the urgent actions that were required. The Principal suggested that the College was in a vulnerable position if it did not take urgent action.</p> <p>The Corporation debated this at length and it was agreed that further information was required, as it was not in a position to be able to agree the provision of an IT support contract alongside the approval of the Financial Regulations.</p> <p>It was therefore agreed that the following information was required before a decision could be made to ensure best value and due diligence, with a decision being made remotely if necessary:</p> <ul style="list-style-type: none"> • Costings, including Benchmark analysis, for IT provision • The background on any service provider • Some amendments were required to the proposed clause to include the requirement for benchmark information. • The Chair of the Audit & Assurance Committee advised that he had sent some comments to the previous Deputy Principal (Finance & Commercial Services) on the amended Financial Regulations and these should also be considered, and he agreed to resend. • The approval of Financial Regulations and the appointment of IT provider should be two separate items for consideration. 	GL
16.	<p>FUNDING AGREEMENT 2020/21</p> <p>It was NOTED that the Funding Agreement 2020/21 had not been received to</p>	

	date and would be uploaded to GVO in due course.	TB/VG
17.	<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 Report: 01:19/20 Corporate Governance The Internal Audit Report: 01:19/20 Corporate Governance was NOTED.</p> <p>External Audit Strategy for the year ending 31 July 2020, including Engagement Letters for KMC and KME Limited The External Audit Strategy for the year ending 31 July 2020, including Engagement Letters for KMC and KME Limited was APPROVED.</p> <p>Terms of Reference and Work Programme 2020/21 The Committee Terms of Reference and Work Programme 2020/21 were APPROVED.</p> <p>Minutes of the meeting held on 16 June 2020 The Minutes of the meeting held on 16 June 2020 were NOTED, with the Chair of the Committee making the following points:</p> <ul style="list-style-type: none"> • The new Internal Auditors had started well and were managing to complete the majority of work remotely. • It was pleasing to note that the Report on Corporate Governance had 'Substantial Assurance'. • The big question asked by the External Auditors at year end would be on 'Going Concern', and further details were within their Strategy. 	
18.	<p>FINANCE & RESOURCES COMMITTEE</p> <p>It was NOTED that the following papers had received full scrutiny by the Finance & Resources Committee, with the recommendations, additional points, and further actions set out below:</p> <p>Pay Rise It was NOTED that the Committee considered that it could not recommend a pay rise within 2019/20 due to the financial challenges of the College. It was with heavy heart that the Corporation AGREED, as it would not be prudent in the current circumstances.</p> <p>Terms of Reference and Work Programme 2020/21 The Committee Terms of Reference and Work Programme 2020/21 were APPROVED.</p> <p>Minutes of the meeting held on 9 June 2020 The Minutes of the meeting held on 9 June 2020 were NOTED.</p>	
19.	<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>Terms of Reference and Work Programme 2020/21 The Committee Terms of Reference and Work Programme 2020/21 were APPROVED.</p> <p>Minutes of the meeting held on 17 June 2020 The Minutes of the meeting held on 17 June 2020 were NOTED, with the Deputy Principal (Learning & Performance) making the following points:</p> <ul style="list-style-type: none"> • 2019/20 had been a year of two halves • More students had withdrawn and processes were being improved • A lot of work had been undertaken due to Covid-19 and developing the next steps to ensure that the curriculum met the needs of the learners. • An additional column had been incorporated within the SAR and QIP relating to Covid-19 actions 	
20.	<p>SEARCH & GOVERNANCE COMMITTEE</p> <p>It was NOTED that the following papers had received full scrutiny by the Search & Governance Committee, with the recommendations, additional points, and further actions set out below:</p> <p>Membership Review The following re-appointments were APPROVED:</p> <ul style="list-style-type: none"> • Robert Lassefer as Vice Chair of the Corporation for a further two year term 01/08/20 – 31/07/22 and Chair of the F&R Committee for a further two year term 1/09/20 – 31/08/2022 • Annetta Minard for a further three year term 01/09/20 to 31/08/23 • Jim Tirrell for his final three year term 01/09/20 to 31/08/23 • Rebecca King, Co-opted Member of the Audit & Assurance Committee, for a further two year term 01/09/20 to 31/08/22 <p>The following appointment was APPROVED:</p> <ul style="list-style-type: none"> • Hanna Baxter as an Independent Governor for a one year term 1st August 2020 to 31 July 2021 • The appointment of John Bullen had been taken at the beginning of the meeting. <p>Committee Membership The schedule for Committee Membership 2020/21 was APPROVED.</p> <p>Terms of Reference and Work Programme 2020/21 The Committee Terms of Reference and Work Programme 2020/21 were APPROVED.</p> <p>Minutes of the meeting held on 9 June 2020 The Minutes of the meeting held on 9 June 2020 were NOTED.</p>	
21.	<p>HEALTH & SAFETY COMMITTEE</p> <p>The Minutes of the meeting held on 13 February 2020 were NOTED, and the Principal added that he was confident that health and safety within the College was thorough, but fore-warned the Corporation that the H&S Manager would be retiring in the next academic year.</p>	

22.	<p>2020/21 MEETINGS</p> <p>The schedule of meetings for 2020/21 was APPROVED, and the Chair advised that decisions on when the Corporation could physically meet would be made in the new academic year once the guidelines at that time were known.</p>	
23.	<p>RISK MANAGEMENT: ENTRIES FOR THE REGISTER</p> <p>Additional risks for entry on the Risk Register were CONSIDERED, and the following points NOTED:</p> <ul style="list-style-type: none"> • The Corporate Risk Register had been fundamentally amended by the Principal and presented to the Audit & Assurance Committee. All comments from that Committee and further meetings would be collated and presented to the next Risk Management Group. • Members questioned whether IT infrastructure was appropriately covered and the Principal agreed to re-visit. 	LR
24.	<p>CARRY FORWARD TO NEXT MEETING</p> <p>To was AGREED to carry forward the following items of business:</p> <ul style="list-style-type: none"> • Review of Confidential Minutes 2019/20 	
25.	<p>ANY OTHER BUSINESS</p> <p>The following items of further business were NOTED:</p> <ul style="list-style-type: none"> • The Chair formally thanked Andy Stillman for his support and contribution to the College, and wished him luck. • Linda Wyatt, who was absent from the meeting, was also thanked, and the Chair advised that the Search & Governance Committee would be investigating new members in due course. • The Chair thanked all Members for an extraordinary year and considered that the College and Corporation had responded with flexibility, and wished everyone a good break over the summer once the Extraordinary meeting on 28th July had been completed. 	
	<p><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></p>	
26.	<p>CONFIDENTIAL ITEM</p> <p>This item was minuted confidentially.</p>	
	<p><i>The meeting closed at 7.15pm with no further business.</i></p>	

Chair.....Dated.....