



Corporation Board Meeting 9

PART 1 MINUTES – NON-CONFIDENTIAL PUBLIC RECORD

**Board Minutes of meeting held 6 July 2023 at 17.30hrs
TEAMS Meeting**

Present

Mr K Norman	Chair of Corporation
Mr D Gleed	Chief Executive Officer/Executive Principal
Mr T Biring	External Governor
Mr J Gurney	External Governor – joined meeting at 19.20hrs
Ms S Henwood	External Governor
Dr R Longman	External Governor
Miss K O'Brien	External Governor
Dr S Hubble	External Governor
Mr D Martin	External Governor
Miss M Sahota	External Governor
Mr M Jenkins	External Governor
Mr N Smith	Staff Governor
Mrs N Moore	Staff Governor

In Attendance

Mr M Andrews	Deputy Executive Principal (Curriculum & Strategy)
Mr L Jenkins	Deputy Chief Executive
Ms R Hughes	Deputy Executive Principal -Teaching, Learning & Improvement
Mrs Y Hughes	Clerk & Governance Advisor to the Corporation

Minute no		Action By
820	Opening of Meeting and Apologies for Absence	
	<p>The Chair of Corporation opened the meeting at 17.30hrs by welcoming all present and stated that because it was a lengthy agenda that all papers would be taken as read but wanted to ensure that comprehensive discussions on items were maintained.</p> <p>Apologies</p> <p>Apologies received from Miss Niamh Langan, Miss Mandeep Sahota and Mr Louis Jones. It was noted for the recorded that the meeting was quorate.</p>	
821	Declarations of Interest	
	There were no further amendments or new declarations of interest declared other than those already registered.	
822	Corporation Board Minutes – Meeting held 18 May 2023	

	<p>The Corporation Board received the pre-circulated minutes of the meeting held on the 18 May 2023.</p> <p>Formally approved.</p> <p><i>The Board formally approved the Part 1 Corporation Board minutes of the meeting held on the 18 May 2023.</i></p> <p><i>The Board formally approved the Part 2 Confidential Minutes of the meeting held 18 May 2023.</i></p> <p><i>The Board formally approved the Part 3 Strictly Confidential Minutes of the meeting held 18 May 2023 and circulated under separate cover as a true and accurate record.</i></p>	
823	Actions Register	
	<i>There were no outstanding action points to be brought to the Boards attention.</i>	
824	Chief Executive Report – July 2023	
	<p>The Chief Executive presented his termly CEO Report which covered the following key points:</p> <ol style="list-style-type: none"> 1. 6th Review of the Strategic Plan Progress Document 2. Progress on Curriculum Reform Campaign - An update on the KFE Chief Executives' meeting with the FE Minister meeting and plans for his Autumn 2023 visit to Gillingham to explore this further. 3. KFE Governors Summit 2023 4. House of Lords visit to Hadlow College - Members of the Horticultural Advisory Committee visited Hadlow College in the first half of June. 5. AoC Funding, Accountability and Systems Strategic Group 6. DFE Annual Conversation <p>The CEO referred to the late addition to his report in respect of the letter received from the Shadow Secretary of State for Education in which Colleges were thanked to her regarding the Protect Student Choice campaign and opportunities for young people to study at Level 3. The CEO stated that the penultimate sentence in the letter stating '<i>I and colleagues across the Labour Party have urged the government to focus more clearly on ensuring the success and spread of T-levels and of opportunities for all our young people. Labour recognises the instability that is being caused by the Government's reckless treatment of our nation's vital further education sector. The next Labour government will ensure all students are able to complete their courses and will review the diversity of options at Level 3 before making further changes</i>' was an interesting one.</p> <p>Strategic Plan Review</p> <p>The Chair stated that the review of the Strategic Plan was very helpful and gave a good representation of the progress that had been made against the objectives.</p> <p>Governors noted that the College had now reached the end of the second of the three years covered by the Plan (Review 6 out of 9) and that just over half of the aims (16 out of 31) had now concluded.</p> <p>Accepted</p> <p><i>The Board received the Chief Executive Report for July 2023.</i></p>	

825	Monthly Management Accounts April 2023 – Deputy Chief Executive Part 2 – Confidential Business – Commercially Sensitive	
826	NKC Budget and 3 Year Financial Forecast for 2023/24	
	<p>The Deputy Chief Executive presented the draft Budget and 3 Year Financial Forecast and went through the proposed budget and specifically referred the Board to the Income & Expenditure schedule within the document.</p> <p>The report provided the commentary to the forecast for the current year, 2022/23 alongside the plans for the following two years to 2024/25. The Budget had been set on prudent assumptions and known guidance for income and expenditure at the time of writing.</p> <p>The overall forecast outturn (before exceptional items) for 2022/23 of £50k this was £2,231k better than planned from the expected impact of the energy subsidies, and lower staff costs due to the level of vacancies the college and the sector is encountering currently. For 2023/24 the budget outturn (before exceptional items) was £543m deficit including a one-off expected provision and for 2024/25 is £2,154k deficit (before exceptional items).</p> <p>Covenants were met in the period covered, but the two anticipated deficits in 2023/24 and 2024/25 if continued into 2025/26 would trigger a breach, as the college was not allowed to make deficits in three consecutive years.</p> <p>The Deputy Chief Executive went through the key assumptions in detail which covered the following:</p> <ul style="list-style-type: none"> • Income • Pay costs. • Non-Pay Costs • Depreciation and Interest Payable <p>The Board were advised that the ESFA Financial Health Status for 2023/23 despite setting a deficit budget remained as 'Good'. However, it was again emphasised that if a third deficit budget were set for 2024/25 then the College Financial Health Status would drop.</p> <p>The Chair commented on the deficit budget and the windfall from the Thameside Release but explained that this would effectively not an increase in the bottom line but was merely an accounting point which must be kept in mind.</p> <p>The Deputy Chief Executive stated that as part of the 2 years plan the College had received the ESFA funding which had been included and these projects would need to be completed. He had also allocated a budget from reserves to undertake critical maintenance and investment into estates and he hoped that by the Autumn term the surveys would come through at which point they would have a clearer idea of the costs and what would need to be spent out of reserves. It was further added that T Levels and the unknown landscape ahead also needed to be kept in mind as it would be highly likely that further expenditures would need to be paid from the reserves.</p> <p>The Board went through the proposed Budget and 3 Financial Plan as presented taking note of the executive summary and supporting information.</p> <p>Approved</p>	

	<i>The Board formally approved the proposed Budget for 2023/24 and the 3 Year Financial Forecast as presented.</i>	
827	Tenders & Contracts – Deputy Chief Executive Part 2 – Confidential Business – Commercially Sensitive	
828	Dartford and Gravesend Estates Officers Contract Extension 2023/2025 Part 2 – Confidential Business – Commercially Sensitive	
829	Financial Regulations – Annual Review	
	<p>The Deputy Chief Executive presented the revised Financial Regulations outlining the proposed amendments as highlighted through track changes in the document.</p> <p>Governors requested that all Board committee terms of reference be included within the revised document.</p> <p><i>Formally approved.</i></p> <p><i>The Board formally approved the proposed amendments to the Financial Regulations.</i></p>	
829	Treasury Management Policy - Review	
	<p>The Deputy Chief Executive presented the paper in which it was proposed that further amendments be made to the current Treasury Management Policy approved in February to enable the College to take advantage of interest rates which had continued to rise. The differential between the rates offered was significant and the policy had been updated to increase the counterparty to £10m from £5m. This would enable the College to obtain much better safe returns.</p> <p>The Chair referred to the discussions held by the Board in February when the policy was last amended, and bank rates were not as lucrative and supported the proposal as it was sensible to invest the College funds where the highest return could be achieved.</p> <p><i>Formally approved.</i></p> <p><i>The Board formally approved the proposed amendments to the Treasury Management Policy as recommended.</i></p>	
830	Deputy Executive Principal Teaching, Learning & Improvement Report including the Termly Safeguarding Report Part 2 – Confidential – Sensitive information included	
831	Search, Governance & Remuneration Committee Meeting Minutes 15 June 2023	
	<p>Ms Henwood presented the minutes of the Search, Governance & Remuneration Committee meeting held on the 15th of June 2023 in which the following business had been considered:</p> <ul style="list-style-type: none"> • Search, Governance & Remuneration Committee Terms of Reference - update • Corporation Board Membership & Committee Membership • Board Membership Skills List • Chair of Corporation Feedback on Governor 1:1 Appraisals - Succession Planning 	

	<ul style="list-style-type: none"> Recruitment update - Peridot Partners - Verbal External Governance Review - Receive and approve shortlisted Submissions. SPH Remuneration Code Statement 2021/22 <p>Received</p> <p><i>The Board received the minutes as presented.</i></p>	
832	Search, Governance & Remuneration Committee Terms of Reference Annual Review	
	<p>Approved</p> <p><i>The Board formally approved the updated and revised Search, Governance & Remuneration Committee Terms of Reference as per the requirements set out in the I&A's and the Corporation Board Standing Orders. The terms of reference had also been updated to include the new ONS requirements .</i></p>	
833	Corporation Board Membership & Committee Membership – July 2023	
	<p>The Board received the update on current membership and formally agreed to appoint Mr Martin Jenkins to the Audit Committee with immediate effect.</p> <p>Approved</p> <p><i>Mr Martin Jenkins appointed to the Audit Committee effective as of 6th July 2023.</i></p>	
834	External Governance Review – Formal recommendation	
	<p>The Board were advised that the Search, Governance & Remuneration Committee had at their meeting on the 6th of June 2023 reviewed the submitted proposals to conduct the NKC External Governance Review and now formally recommend the appointment of Stone King as the service provider to conduct the external governance review during the Autumn Term.</p> <p>Dr Longman commented on the proposed schedule to be undertaken and commented that Ofsted could potentially take place in the Autumn term and that this needed to be factored into governors schedule. It was noted that the proposed date for members of the board and SLT to meet with representatives from Stone King would be the 18th of October 2023. Further details would be conveyed to governors in due course.</p> <p>Governors were further informed that the Stone King representatives would be attending a number of committee and board meetings as observers as part of their review process.</p> <p>Formally approved.</p> <p><i>The Board formally approved the appointment of Stone King to undertake the required External Governance Review as recommended within the supporting documentation.</i></p>	
835	SPH Remuneration Statement to the Board	
	<p>Approved</p> <p><i>The Board formally approved SPH Remuneration Statement for the 2021/22 period as recommended by the Search, Governance & Remuneration</i></p>	

	<i>Committee. The statement has been drafted in accordance with the recommended AoC guidelines.</i>	
836	Audit Committee Minutes of the meeting held 15th June 2023	
	<p>Dr Hubble presented the Audit Committee minutes of the meeting held on the 15th of June 2023 in the absence of the Chair.</p> <p>The following business was considered by the Audit Committee at that meeting:</p> <p>Confidential Session - Internal Audit Services & Financial Statement Auditors</p> <p>Internal Audit Services - Scrutton Bland - Internal Audit Reports</p> <ul style="list-style-type: none"> • Higher Needs Learner Support Internal Audit Report • Curriculum Planning & Student Destinations Report • Cyber Security Health Check Report • HR Recruitment Final Report • Risk & Assurance Progress Report <p>Financial Statements Auditors - Buzzacott</p> <p>Outstanding Audit Recommendations - update</p> <p>Risk Register update</p> <p>Post 16 Audit Code of Practice - for information</p> <p>The Board received the minutes as presented.</p>	
837	Buzzacott – FSA – Strategic Plan 2022/23	
	<p>The Deputy Chief Executive presented the proposed FSA Strategic Plan for 2022/23 as recommended by the Audit Committee. The Board were advised that there was no new engagement letter as this remained unchanged from 2021, and normally refreshed every 3 years, so due in 2024.</p> <p>Buzzacott had presented their strategic plan at the Audit Committee meeting providing additional information on the strategic plan which included changes to ESFA requirements in 2022/23, plus additional work over ISA 315 Identifying and Assessing the Risks of Material Misstatement through Understanding of the Entity and its Environment.</p> <p>Governors were advised that fees had increased in a range from 10 – 20% this year against the different works within the main audit rising by almost 18%. This is reflective of fee increases received by other colleges.</p> <p>Approved</p> <p>The Board formally approved the proposed FSA Strategic Plan for 2022/23 as recommended by the Audit Committee</p>	
838	Risk Register - update	

	<p>The Board received the latest updated Risk Register and noted that the Risk Register would next be presented in the new format in the Autumn term.</p> <p>Accepted</p> <p>The Board accepted the updated Risk Register.</p>	
839	Quality & Standards Committee Meeting minutes 22 June 2023	
	<p>Mr Martin presented the Quality & Standards Committee minutes of the meeting held on the 22 June 2023 in which the committee considered the following business:</p> <ul style="list-style-type: none"> • Division Curriculum Updates and associated QIP updates - Vice Principals and Deputy Exec Principal • External Review of Quality of Provision • Presentation - English and Mathematics provision — Assistant Principal • High Needs Students – Vice Principal • Headlines from Student Survey 3 - Dep Executive Principal - T,L&I <p>Mr Martin informed the Board that the Presentation on English and Maths had been extremely useful and had been included within the minutes for information purposes.</p> <p>The Board received the minutes as presented.</p>	
840	Estates Strategy & Capital Projects Committee Minutes of meeting held 28 June 2023 Part 2 Confidential Minutes – Commercially Sensitive	
843	Any other Business	
	The Chair formally thanked all governors and SLT for their support over the past academic year and wished everyone a restful summer.	
	19.20hrs Mr Gurney joined the meeting	
844	Staff Governors were excused from the meeting at 19.26hrs.	
845	Confidential Part 3 Business – Staff Governors/Students excused for the Part 3 Business item	
846	Date and time of the next meeting	
	<p>The next meeting of the Corporation Board Thursday 28 September 2023 at 5.30pm via Teams.</p> <p>The meeting closed at 19.36hrs.</p> <p>MINUTES AGREED AS BEING A TRUE AND ACCURATE RECORD</p>	