

Minutes of the meeting of the of the IEG Corporation Finance and Resources Committee (FRC) held at Stamford College (SC) at 1630 hrs on 9 November 2021.

Present	Rod Allerton	Dean Duffield	Ian Jackson	Janet Meenaghan (CEO)
	Rachel Nicholls (DCEO)	David Pennell (Chair)		
In Attendance	Rob Cottrell (GDIT&DI)(till 23/21)	Ralph Devereux (IGD)	Jacqui Fleming (GDEHS)(till 23/21)	Alison Fox (EDBD)
	Emma Graham (GDF)	Carol Hargreaves (GDHR)(till 19/21)	Louise Perry (CFO)	Sarah Young (SCVP(C&Q))

PART ONE

15/21 ELIGIBILITY, QUORUM, DECLARATION INTERESTS AND MEMBERS

No notice had been received of any Member becoming ineligible to hold office, the meeting was quorate and there had been no agenda related interests declared.

16/21 STANDING ITEMS

- a. The Minutes of the last meeting (13.09.21) (Part 1 & Part 2) were then confirmed for signature. **(Action 1)**. There were no matters arising from the minutes.
- b. Actions from the last meeting were considered, all had been completed or were proceeding.

See referenced minute for full action.		Status
Action 1	02/21. Last minutes (13.09.21) confirmed for signature.	Completed
Action 2	03/21. FRC responsibility for "Risk" (TORs) to be specified.	
Action 3	03/21. FRC TORs recommended to Corporation.	
Action 4	06/21. Gender pay gap data approved for submission.	
Action 5	09/21b(ii). APT position to be considered.	

- c. Urgent Business. There was no urgent business.

The information was received and noted.

Actions had been noted. (Register at 27/21)

17/21 HUMAN RESOURCES (HR)

- a. The initial section of the report examined HR activity, legal compliance, added value and best practice since the previous meeting. The narrative was supplemented by graphical and tabulated information, benchmarked against Association of Colleges (AoC) data where appropriate and scrutinised the Key Performance Indicators (KPI), now obtained from iTrent the now functional new HR/Payroll system. The KPI had been unavoidably unobtainable for some time and it was reassuring that they were back and they were discussed (previous results were in brackets after the current performance figure). Group staff absence, slightly above target and amber rated, was noted and discussed. Staff turnover at each college continued below target, however some vacancies (RAG rated red) and challenged, were hard to fill and measures at each College were explained. Actions re the November pay award were explained and would be more fully addressed in the next item. An annual summary of casework listed no disciplinary processes at Stamford College (SC); at PC there had been 6 disciplinary, 5 capability and an Employment Tribunal (06/21 refers). Post-Merger process continued. Work towards implementation of the Single Central Record was progressing well and the restructuring of curriculum management was expected to be completed by the end of the academic year.

- b. Covid Impact. Covid related staff absence had recently increased, one individual had been off since 20 September; the staff "Wellbeing Committee" had re-launched in response.
- c. The Group Director was thanked for the clear and full reports and also for the HR team's response to the considerable pressure that they were currently experiencing through staff shortages.

**The information was received and noted.
Actions had been noted. (Register at 27/21)**

18/21 PAY AWARD

Hard to fill vacancies had been highlighted in the previous item. There were 78 vacancies (8% of the workforce) particularly in Student Support (for high needs students) and cleaners, mostly part time and receiving the minimum pay rate of £8.91ph; a serious situation with clear H&S implications. Accordingly, the paper approved an interim minimum wage award to £9.29ph, noting the budget announcement of increase in national minimum wage (NMW) to £9.50 ph in April, had been completed and implemented under Chair's action, which was welcomed and recommended to the Corporation. **(Action 2)** The total cost of this was £90k, in a now available total of £133k (from the ring-fenced £223k) for the remainder of that staff. Options were then considered and discussed in detail:

- a. either reward those who earned close to NMW with a 5% increase or provide all those receiving <£25k pa with a flat £250 pa; or
- b. give all staff a non-consolidated bonus; or
- c. and, as in the prior financial year defer a decision until March 2022 when the financial situation will be clearer.

Staff pay was generally considered at this time in the annual cycle, but this was the second successive consideration of a delay until the following March, and the present turbulent environment may indicate that was an effective route since full funding detail would be available. The fairest system to share the total available (£133k) was then thoroughly discussed; considerations included the erosion of management differentials and that a more modest pay award was preferable to a reduction in staff numbers. It was agreed that provision for those at the lower ends of the scale was preferred; the option (at 16/21a) for the <£25k element was strongly favoured at present and the final decision was postponed until March 2022. **(Action 3)**

**The information was received and noted.
Actions had been noted. (Register at 27/21)**

The GDHR left the meeting.

19/21 HEALTH AND SAFETY (HAS)

The HAS Report, was presented, elements challenged and discussed. The total number of 34 on-site accidents including 3 requiring hospital treatment had not shown patterns and 2 near misses were described. Occupational Health was considered and the proportions of absence between stress/poor mental (36%) or physical (64%) health had prompted changes to reporting criteria; action to improve Staff and Student Wellbeing was noted and welcomed. Safeguarding concerns had prompted improvements to changing facilities in the catering department and that was noted. On-site Covid testing had been reduced and was being progressively replaced with individual home testing, however student feedback on the results was low and action was underway to minimise required reporting detail to improve the response rate. Stakeholders were reminded of the importance of reporting "near misses" in allowing corrective action to avoid an actual incident.

The information was received and noted

The GDEHS left the meeting.

20/21 FINANCE

Group Finance Report. The comprehensive document comprised a narrative informed by graphical and tabulated detail, which was explained and considered. The Group current position, which was not unexpected for this early point in the year was a deficit of (£262k) with:

- a. the IEG contribution at £1262k;

- b. University Centre Peterborough (UCP) (£485k); and
- c. Anglia Professional Training (£12k)

The financial data was then scrutinised and discussed in particular with reference to UCP, where disappointing enrolment numbers had generated below budget expectation by £1.4m; detail which would impact on “in-year” funding. Possible causes of the low numbers were discussed and led into considerations for the future, which would be considered at the forthcoming Governance Development Day, **(Action 4)** these included but not limited to:

- d. the effect of Anglia Ruskin University Peterborough (ARUP);
- e. acceptance of the present UCP building from ARU;
- f. the IEG financial guarantee for UCP;
- g. the need to increase numbers of IEG students progressing to UCP; and
- h. ensure the optimum curriculum offer.

The situation had prompted a full reforecasting and the revised Group surplus, was £534k; measures taken to arrive at this were explained and noted. Full supporting data on KPI was presented graphically, supported by textual explanations and RAG rated. These were noted; amber and red rated elements were challenged and satisfactorily explained. The Capital Programme was discussed in general terms and, there was a possibility of some additional grant funding (c£2/3m) for the Centre for Green Technology (CGT) project, which would now progress to RIBA Stage 4. The dramatic increases in construction material and delivery times motivated early decisions on moving forward and would prompt cost savings and value engineering of projects. The CFO was thanked for the clear presentation and format of the information, which was recommended to the Corporation. **(Action 5)**

**The information was received and noted.
Actions had been noted. (Register at 27/21)**

21/21 SUBSIDIARIES

(Rachel Nichols, Ian Jackson and Dean Duffield are Directors of Anglia Professional Training (APT))

The financial performance of each of the subsidiaries (IEG departments) and commercial activities had been individually listed in the accompanying papers and were explained and discussed, those elements that were performing less well at this early stage of the year were expected to recover. A temporary replacement Managing Director (MD) for APT had been appointed and would start in the very near future and the growing recovery in the Catering function was welcome. It was suggested and agreed that:

- a. a yield figure would be included in the individual reports; **(Action 6)**; and
- b. a single A4 page listing key information for each subsidiary would be appended to future reports. **(Action 7)**

**The information was received and noted.
Actions had been noted. (Register at 27/21),**

22/21 GENERAL DATA PROTECTION REGULATION (GDPR)

The Annual GDPR report would provide the Corporation with assurance that data protection was managed legally and was compliant to necessary practice across the Group. It included a review of the practical application of the guidelines, recommendations and best practices referred to in the base documents. The Regulation underpinned all data processing practice and process. The GDIT&DI was the Group arbiter. The report had been circulated well in advance of the meeting and there was nothing particular to bring to the attention of Members. The Report was recommended to the Corporation. **(Action 8)**

**The information was received and noted.
Actions had been noted. (Register at 27/21)**

The GD IT&DI left the meeting.

23/21 CAPITAL

The 3-year Capital Plan (Appendix 1) had expected an average of £3.5m pa subject to retention of 60 cash days; in 2021/22 a potential gross £6.9m investment would require £2.9m IEG contribution. Appendices 2&3 showed the capital spend by site and BAU progress respectively. The financial position, fully explained and discussed at 20/21, would require careful monitoring and control going forwards; as the year progressed that may ease, but at present, a reduced cash inflow to capital should be anticipated downward to £650k. Each of the live projects was then individually examined and discussed, it was agreed that the greatest focus should be on matched funding projects and projects would be committed as soon as possible to keep the fixed price (see 20/21). Present information gathering initiatives included work on environmentally friendly, climate action plans working with CMAT to reduce the IEG site emissions. Relating to that subject the Committee recorded support for establishment of electric Car charging points. **(Action 9)**

**The information was noted and received.
Actions had been noted. (Register at 27/21)**

24/21 PARTNERSHIP AND SKILLS

A full update on Business Development, including consideration of:

- a. apprenticeships, which had been significantly affected by Covid but were now recovering with 235 starts (+66% on 20/21);
- b. IEG wide adult learning and community learning (at SC only) performances would be considered later in the year when the outcome of the current strong and diverse marketing activity had emerged;
- c. subcontracting with 11 partners for a total of £644k Apprenticeships, £712k FE, £1895k HR & £1213k adult learning;
- d. the European Social Fund (ESF) £35k contract with Hull College had been extended until 2023; and
- e. Cambridgeshire and Peterborough Combined Authority (CPCA) had funded training of Heavy Goods Drivers (HGV) for local employers in the current nationwide shortage.

**The information was received and noted.
Actions had been noted. (Register at 27/21)**

25/21 URGENT BUSINESS

There had been no urgent business agreed.

26/21 NEXT MEETING

The next meeting would be at 1630 on 24 January 2021.

27/21 ACTION REGISTER

See referenced minute for full action.		Resp	Date
Action 1	16/21a. Last minutes (13.09.21) confirmed for signature.	IGD	wie
Action 2	18/21. Chair's action recommended to Corporation.	Chair	08.12.21
Action 3	18/21. Pay award decision deferred until March 2022.	Chair	16.03.21
Action 4	20/21. UCP to be discussed at away day.	Chair	13.01.22
Action 5	20/21. Report recommended to Corporation	Chair	08.12.21
Action 6	21/21a. Subsidiary yields to be included in reports.	CFO	woe
Action 7	21/21b. Key information for each activity to be reported.	CFO	wie
Action 8	22/21. GDPR Annual Report recommended to Corporation.	Chair	13.01.22
Action 9	23/21. Support expressed for electric car chargers.	CFO	wie

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Final Audit Report

2022-02-04

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