

Minutes of the meeting (electronic) of the IEG Corporation held at 1700 hrs 19 April 2021.

Present	Rod Allerton	Martin Ballard	Vincent Brittain	Dean Duffield
	Sir Les Ebdon	Mark Haydon	Ian Jackson (Chair)	Alex Johns
	Tony Keeling	Dr Mary Kiernan	Lionel Muskwe	Angie Morris
	Janet Meenaghan (CEO)	David Pennell (VChair)	Rachel Nicholls (DCEO)	Steve Saffhill
	Anthony Warner	Paul Wingfield		
In Attendance	Rob Cottrell (GDI/TDI)	Ralph Devereux (DG)	Alison Fox (EDBD)	Louise Perry (CFO)
	Angela O'Reilly (PCVP(C&Q))	Sarah Young (SCVP(C&Q))		
Apologies	Marco Cereste	Michael Rabbett	Jonathan Teesdale	Angie Morris (Late Arrival)

PART ONE

57/20 ELIGIBILITY, QUORUM, DECLARATION OF INTERESTS

- a. The apologies were accepted. No notice had been received of any Member becoming ineligible to hold office, the meeting was quorate and there had been no interests declared.
- b. Simon Smith had taken a new post and moved away from the area and accordingly had resigned from the Corporation w/e; sincere thanks were recorded for his service. (**Action 1**)

The information was received and noted.

58/20 STANDING ITEMS

- a. The Minutes (Part 1) of the last meeting held on 9 February 2021 were confirmed for electronic signature. (**Action 2**)
- b. Outstanding Actions. Actions from the last meeting had been implemented.

See referenced minute for full action.		Status
Action 1	43/20a. T&T discontinuance tbd.	Complete
Action 2	43/20a. Last minutes (09.02.21) confirmed for signature.	
Action 3	44/20c. PF shared funding possibilities tbc by FRC.	
Action 4	44/20c. UCP matters tbc outside meeting.	
Action 5	46/20. Appreciation recorded re Covid response.	
Action 6	47/20b. EDI Annual Report approved.	
Action 7	47/20b. EDI Policy approved.	
Action 8	48/20c. UCP 5-year Financial Plan approved for submission.	
Action 9	48/20d. Sub-contract process and partners approved.	
Action 10	49/20. FOI Policy approved.	

- c. Committee Minutes. The draft and unconfirmed minutes of the last Committee and Subsidiary Companies were received and recommendations to the Corporation were noted to inform considerations, the:
 - (i) minutes of the Higher Education (HE) Academic Board meeting (09.02.21);
 - (ii) minutes of the IEG Audit Committee (AC) meeting (21.01.21), re 21/20, the statement re USB devices had now been overtaken by events and the minutes would be considered for amendment at the next Committee meeting; (**Action 3**)

- (iii) minutes of the University Centre Peterborough (UCP) AC meeting (04.03.21), re 14/20 Internal Audit Service (IAS) Plan 2020/21 recommended for approval, which was accepted and the Plan was approved; **(Action 4)**
 - (iv) IEG Curriculum and Quality (C&Q) Committee meeting (11.03.21);
 - (v) IEG Finance and Resources Committee (FRC) meeting (16.03.21), re
 - 45/20 Budget Principles and Capital Planning proposals recommended for approval;
 - “Letter of Support” for Anglia Professional Training (APT) recommended for approval.
- Both recommendations accepted and both approved. **(Action 5)**
- (vi) APT Board meeting (17.03.21);
 - (vii) UCP Council meeting (25.03.21), re 44&44/20 (Agenda Item 8);
 - (viii) Stamford College (SC) C&Q sub-committee (SC) meeting (15.04.21); and
 - (ix) Peterborough College (PC) SC meeting (15.04.21).

d. Matters arising: There were no matters arising from the minutes.

e. Urgent Business. It was agreed to consider an item of urgent business in Part 2.

The information was received and noted.

Actions had been identified. (See Register at 69/20 below)

59/20 PRINCIPALS' REPORTS

- a. Report. The Principals' Report had been formatted in three elements; issues not covered elsewhere in the papers relating to the Group and those affecting each College. The full Reports and Appendices had been circulated well in advance of the meeting and had been noted, particular issues were:
 - (i) The Further Education Commissioner (FEC). The FEC, Richard Atkins, would be succeeded in October by Shelagh Legrave, currently the Chief Executive Officer (CEO) at the Chichester College Group. The FEC administration was informed of individual colleges' financial probity by reference to 6 published benchmarks, the updated versions were included in the FEC letter (annexed), these were required financial indicators and some parameters had been reduced, which indicated the pressures, particularly financial, on the sector. IEG was amongst a small number of GFEs that met/exceeded previous and current benchmarks.
 - (i) Social Market Foundation (SMF). The increasing intrusion of universities into established FE College provision had been identified, by the SMF, as unfair competition because of the financial advantages enjoyed by those establishments.
 - (ii) Funding Allocations. The EFSA had confirmed the Group funding allocations for 2021/22 at around this year's numbers with no allowance for inflation. The threshold for Adult Education Budget (AEB) clawback had finally been announced at 90%, which would adversely impact many colleges who had, for lockdown associated reasons, failed to achieve that number; IEG however was on target to meet the requirement.
 - (iii) Ofsted Visit. Ofsted had recently completed a monitoring visit into sub-contracting safeguarding and wellbeing arrangements at both campuses, prompted by a recent “insufficient progress” outcome at Peterborough Skills Academy, in which IEG had a 20% share. This item would be further considered in Part 2 of this meeting. (Urgent Business)

b. PC.

- (i) Local Liaison. Measures to raise the College profile continued, partly through liaison with “anchor establishments” such as the “Peterborough Citizens” which had recently considered the outcome of a citywide “Listening Campaign”; 4 priorities, listed in the paper had been identified, and these had been refined through workshops into clear, achievable aims. The group had also engaged with

the Mayoral candidates and an online assembly, chaired by the DCEO would be held on 26 April, members were invited to attend and joining details would be circulated nearer the time. (**Action 6**) There were then general discussions on liaison with the “City Leadership Forum”, “Opportunity Peterborough” and particularly the “UK Community Renewal Fund” (UKCRF) when plans to progress a project bid, to a tight but achievable timescale, were explained.

- (ii) Anglia Ruskin University (ARU) Peterborough. There had been several recent meetings with the Principal of ARU Peterborough and associated stakeholder events; however, it had become clear that the currently planned ARU offer, to start in September 2022, directly overlapped UCP plans although the ARU Principal had not been aware of the extent of the duplication. This had been discussed and the mutual benefit from avoidance of duplication and consequent unavoidable conflicts, had been made clear. The issue was discussed: the current reasonable approach of the ARU locally was welcomed and progression of IEG FE students into UCP was again identified as a logical recruitment opportunity. Nevertheless, the Risk Register (RR) had been prudently amended to reflect the possibility of conflicts. A series of HE strategy meetings, including the UCP Chair was planned to consider the issue and form a response.
- c. SC. The Bordeville extension had now been completed and re-opened. The Construction Centre project had received planning permission in February and the Greater Lincolnshire Local Enterprise Agency (GLLEP) had issued the necessary 80% matched funding agreement. A new outline bid for an “Excellence in Healthcare” Centre at the Drift Road campus had been made to GLLEP; the cost of c£6m would be 50% match funded, 45% from the FE Capital Transformation Fund, and 5% from IEG reserves. All Lincolnshire colleges had been invited to participate in a county wide and council led bid to the UK Community Renewal Fund (UKCRF) for funding aimed at “digital learning”. The timescale was tight and South Kesteven District was the lowest of 3 priority areas.

The information was received and noted.

Actions had been identified. (See Register at 69/20 below)

60/20 DASHBOARD

The Group KPI dashboard was then considered and discussed. Most indicators were rated “Amber”. The sole “Red” indicator reflected (Covid related) challenges associated with 16-18 Apprentice enrolment. HR was still not experiencing any significant change between regularly scrutinised proportions of mental and physical health and staff turnover remained low. In response to a query it was explained that learner progress comments related in the main to lower level courses and practical elements.

The information was received and noted.

61/20 COVID-19

The Covid position had been considered in detail by the FRC at their last meeting. The current position was then interactively explained and discussed. Students had now returned to studies (08.03.21) and all had gone well; the former timetable and system controls such as “bubbles” and staggered lunch breaks had been reintroduced. Lateral flow testing (LFT) had been completed at two operational sites at each College, full staff and student detail was included in the accompanying paper; collectively c8000 LFT had been completed and c4100 home tests had been distributed. Guidance had been published for more reliable Polymerase Chain Reaction (PCR) tests for those who had a positive LFD outcome. Clinically Extremely Vulnerable (CEV) individuals were no longer required to “shield” but understandably there was a small number of extremely nervous individuals who were apprehensive about returning to college, individual risk assessments were being updated and health and safety (HAS) colleagues and managers were collaboratively providing support. Full detail of communication and information disseminated relating to testing including helpful advice and guidance relating to home testing had been included in the FRC information. All of this reflected tremendously on all staff and the smoothness of the arrangements was a credit to all involved; particular thanks were recorded to the Group Director of Estates and Health and Safety (GDEHS) for her professional and determined approach to the challenges. Appreciation was also expressed for the impressive, comprehensive and well-presented information. During general considerations it was noted that smoking areas, where masks were clearly not required, could occasionally become congested with challenges to social distancing; managers were aware and had taken appropriate action.

The information was received and noted.

62/20 CYBER ATTACK

There had been a serious and aggressive cyber-security intrusion earlier in the month and the aftermath continued. The severe intrusion had affected Peterborough College (PC) and the University Centre Peterborough (UCP), all systems had been encrypted, accordingly it seemed that little had been irrecoverably lost, but much data was currently unavailable and locked. IT staff were working to recover the situation and the incident had prompted acceleration of the translation of all Group data to a joint domain. A comprehensive report accompanied the verbal debrief and was welcomed. Curriculum associated data had been the most severely affected and was not generally available, the Libraries, UCP in particular, had been almost recovered. The IT staff had reinstated "Wi-Fi" with a new facility and had rebuilt many PCs, accordingly online working was available, using Google Classroom and elements of the blended learning regime. The pressure had been, and continued to be relentless, and the hard work and professionalism of all involved, which was allowing work to continue, together with the practical experience gained during lockdown had proved invaluable; sincere Corporation thanks were recorded to all. (**Action 7**) During general discussion it was noted that the decision to move to "cloud" based resources had been exceptional and had mitigated some even more serious outcomes. The position was recovering and data would be available in the not too distant future.

The information was received and noted.

63/20 FINANCE REPORT

The comprehensive report for Period 6 had been considered in depth and commended by the FRC and the updated Period 7 report was explained. Group financial KPI numbers included subsidiary companies (UCP, QRS and APT). Trends were starting to emerge but the length level and complexity of the lockdown continued to restrict accurate prediction. The lockdown had positively impacted on the overall finances by reducing staff and student associated expenditure, an effect set to continue; the numbers would however adversely affect the staff cost/income metric and that target would probably not be met for the year. The major variances were in commercial/trading income and income reduction was likely to continue although the effect on the surplus may be mitigated through the limited furlough take-up and reduced direct costs. The cash position remained strong but large capital payments would fall due in the next couple of months. Detail on clawback criteria for the AEB had been considered at 59/20a. The financial data was then scrutinised and discussed, detail was graphically presented, supported by individual explanations and had been RAG rated. Commercial Income remained "red rated" staff costs and cash holding had been "amber" rated together with the adjusted current ratio. The "green rated" cash position at 61 cash days and c£8.7+m balance was welcomed. The I&E summary detail by Group and individual Colleges was noted; there was nothing particular to bring to members' attention. The Capital Plan included 4 elements, the Borderville project had been completed and was now operational and others were progressing as expected; Members welcomed that the time-limit requirements for the DfE grants had been met. The Balance Sheet was noted. The SFO was thanked for the clear presentation and format of the information, which continued as excellent and was received.

The information was received and noted.

Actions had been identified. (See Register at 69/20 below)

64/20 UCP

- a. Articles. Changes in UCP status required amendment to the Articles, which had been scrutinised in depth by the Council and recommended to the Corporation for approval. The result had been agreed with Eversheds and the final draft version had been submitted, or will be in the near future, to the Charity Commission (CC) for comment and approval. Members noted that the CC may require further amendment and accordingly were asked to conditionally approve the attached version, pending CC consent and that was unanimously agreed. (**Action 8**); should further amendments be necessary the Members were also asked to delegate the UCP Council Chair to incorporate the amendments and sign the final version; that was also unanimously agreed. (**Action 9**)
- b. Whistleblowing Policy. It was necessary for UCP to have a dedicated and published Public Interest Disclosure (PID) (Whistleblowing) Policy to demonstrate that UCP was a safe, open and transparent workplace. There was some general consideration on whether verbal declarations under the Policy were acceptable and it was agreed that they were. The Policy was essentially the IEG approved document with slight amendments which had been

scrutinised by the UCP Council and recommended to the IEG for immediate approval; that was agreed. (**Action 10**)

The information was received and noted.

Actions had been identified. (See Register at 69/20 below)

65/20 ESTATES STRATEGY

The Group had received capital funding of £1.52m during 2020/21 which had enabled significant improvement in parts of both college fabric. It was now necessary to look beyond and in particular to the FE Capital Transformation Fund (FECTF), which provided an opportunity to bid for investment in capital projects to upgrade the estate, to be successful, colleges must demonstrate how the plans align with the government's thinking in the recent White Paper. To be eligible colleges are required to have an estates strategy linking project plans for the estate to the college's wider business strategy; that plan was attached in draft and Members were asked to consider it for approval. That would enable entry into the 2-stage application process, which comprised a preliminary stage for the DfE to assess how "condition need" would be addressed; if successful then the bid would progress to Stage 2, a far more robust process which would analyse robustness, deliverability and value for money. The deadline for bids was 22 March 2021, necessitating urgent action and accordingly the draft strategy had been considered by the FRC, which had recommended the document for Corporation approval; in order to meet the deadline, the Corporation Chair had approved the Strategy under his emergency powers. Acceptance of the FRC recommendation would endorse that decision. The Full Strategy Document attached to the accompanying paper would inform these considerations; full consideration was included to IEG "green" ambitions. The revised government thinking had prompted the Group to move from a reactive response to a proactive forward looking and integrated estate development ideally aspiring to completion in the next 5 years; setbacks in funding successes were likely however, and realistically to achieve each element progressively, could extend that to 10 years. The Estates Strategy was unanimously approved and the Chair's emergency action fully endorsed. (**Action 11**)

The information was received and noted.

Actions had been identified. (See Register at 69/20 below)

66/20 RISK REGISTER (RR)

The primary/strategic risks had been reviewed by the Executive during the Easter break influenced by the successful 8 March re-opening and progress towards more normal operations. Accordingly, elements of the RR had been updated, these listed in the Report were individually considered and endorsed.

- a. New Risk. Depletion of income through competition from ARU Peterborough (59/20b refers);
- b. Changed Risks:
 - (i) failure to establish a positive Group ethos had diminished evidenced by results and the recent staff satisfaction survey, reduced to level 4;
 - (ii) failure of the Corporation to provide effective strategic direction and Group performance monitoring evidenced by progress and increased scrutiny (ie PC/SC C&Q sub-committees), reduced to level 4;
 - (iii) Covid associated disruption was also diminishing evidenced by actuality, reduced to level 5;
 - (iv) IT Cyber security had improved directly as improvements installed in response to the recent intrusion and the residual score has reduced from 24 (Red) to 18 (Amber); and
 - (v) failure to deliver a financial surplus now reduced through positive information re AEB, lockdown economies and additional funding, scoring unchanged but risk had receded.

The information was noted and received.

67/20 MEETING SCHEDULE

Work on next year's annual meeting schedule continued and the present version was attached for information. IEG approval of the UCP annual accounts was required before submission to the Office for Students (OfS); it was agreed to hold a single item electronic Corporation meeting

for that purpose. Members also noted and approved continuance of the C&Q SC for a further 12 months. **(Action 12)** Members would be kept informed on progress of the schedule. **(Action 13)**

The information was received and noted.
Actions had been identified. (See Register at 69/20 below)

68/20 URGENT BUSINESS AND NEXT MEETING

a. There had been no urgent business agreed.

b. The next meeting would be at 1700 on 5 July 2021.

69/20 ACTION REGISTER

See referenced minute for full action.		Resp	By
Action 1	57/20b. Tx recorded to SS for service as Governor.	Chair	wie
Action 2	58/20a Last minutes confirmed for signature.	Clerk	
Action 3	58/20c(ii) AC minutes to be scrutinised at next meeting.		21.04.21
Action 4	58/20c(iii) UCP IAS Plan approved.	CFO	
Action 5	58/20c(v). Budget principles & APT letter approved.		
Action 6	59/20b(i). Detail of mayoral assembly to be circulated.	DCEO	
Action 7	62/20. Corp thanks for response to cyber-attack.		
Action 8	64/20a. UCP Articles conditionally approved.	LE	
Action 9	64/20a. UCP Chair delegated to sign document.		
Action 10	64/20b. UCP PID Policy approved.		
Action 11	65/20. Estates Strategy & Chair's action approved.	CFO	
Action 12	67/20. CQSC approved for 2021/22.	Chair	
Action 13	67/20. Updated meeting schedule tbc.	Clerk	

Ralph Devereux (IGD) for Ian Jackson

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Final Audit Report

2021-07-07

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