

Minutes of the meeting (electronic) of the IEG Corporation held at 1700 hrs 25 April 2022.

<b>Present</b>	Martin Ballard	Vincent Brittain	Dean Duffield	Mark Haydon
	Ian Jackson (Chair)	Tony Keeling	Dr Mary Kiernan	Janet Meenaghan (CEO)
	Angie Morris	Rachel Nicholls (DCEO)	Ashley Parewa	Angie Morris
	David Pennell	Steve Saffhill	Jonathan Teesdale	Dr Pam Vaughan
	Anthony Warner	Paul Wingfield		
<b>In Attendance</b>	Ralph Devereux (IGD)	Angela O'Reilly (PCVP(C&Q))	Louise Perry (CFO)	Alison Fox (EDBD)(Attendee)
	Sarah Young (VPSSE)	Jo Ulyatt (GD)		
<b>Apologies</b>	Rod Allerton	Marco Cereste	Sir Les Ebdon	Fathima Keegan
	Faustina Yang			

## PART ONE

### 47/21 ELIGIBILITY, QUORUM, DECLARATION OF INTERESTS

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.

**The information was received and noted.**

### 48/21 STANDING ITEMS

a. The Minutes of the last meeting (8 February 2022) were confirmed for electronic signature.  
**(Action 1)**

b. Outstanding Actions. Actions from the last meeting had been implemented.

		Resp
	See referenced minute for full action.	
<b>Action 1</b>	29/21a. Last minutes (13.12.21) confirmed for signature.	<b>Complete</b>
<b>Action 2</b>	30.21a. Members' terms of office agreed.	
<b>Action 3</b>	30/21b. UCP 5-Year Plan noted to inform Item 8.	
<b>Action 4</b>	30/21c. FRC recommendations all approved.	
<b>Action 5</b>	32/21b. BTEC/TLevel tbc on awayday.	
<b>Action 6</b>	33/21. Changes to presentation format agreed,	
<b>Action 7</b>	34/21. Modern Slavery Statement approved.	
<b>Action 8</b>	36/21. RM training to be included at the awayday.	
<b>Action 9</b>	36/21. BAF detail to be prioritised.	
<b>Action 10</b>	37/21. UCP Risk to be discussed at awayday.	
<b>Action 11</b>	37/21. UCP 5 Year Plan approved for submission.	
<b>Action 12</b>	40/21. Appreciation to be passed to safeguarding Team.	

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

d. Urgent Business. There was no urgent business requested;

**The information was received and noted.**

**Actions had been identified. (See Register at 59/21 below)**

### 49/21 COMMITTEE MEETINGS

Minutes of Committee meetings held since the last Corporation, listed on Paper 3 were now generally posted to Board IQ; where Corporation action was required the full relevant minutes were included in the meeting papers to inform considerations.

- a. the Finance and Resources Committee (FRC) had met on 15 March 2022 and had recommended the revised Expenditure Authorisations for approval: and
- b. the University Centre Peterborough (UCP) Council had met on 23 March 2022 and had recommended the revised Financial Regulation (Attached at Item 7.1) for approval.

Both recommendations were accepted and the changes were approved. **(Action 2)**

**The information was received and noted.**

**Actions had been identified.** (See Register at 59/21 below)

#### **50/21 MEMBERS' ATTENDANCE**

RAG rated detail on all Corporation and Committee attendances had been attached for information, the annual expectation was 75% achievement. Particular and personal, generally Covid related, challenges had caused some unavoidable absence and was understood.

**The information was received and noted.**

#### **51/21 PRINCIPALS' REPORT**

The Principals' Report was considered. The full Reports and Appendices had been circulated well in advance of the meeting and had been noted, particular issues were:

- a. Item 5. The Chancellor's spring statement had included only a 2-3% increase in the 16-18 funding base rate but no increases in 19+ or HE funding, which represented a real reduction when considering the current inflation of 7%; a return to austerity. The Group funding allocation had now been received and although the Education and Skills Funding Agency (ESFA) 16-18 and Apprenticeship base rate had been increased by 2-3%, overall c£2m, and additional 40 study hours per student was required. The 19+ element had not been increased for 11 years, however the Cambridgeshire and Peterborough Combined Authority (CPCA) had increased their commitment, by c£300k because of sound Group performance; appreciation was recorded to the EDBD and all involved. **(Action 3)**
- b. The ESFA funding audit, originally planned for early October 2021 was still progressing, and, although some areas of concern had been resolved, there remained no indication of any expected clawback; provision for the total amount would be made in this year's accounts if that were possible. Apprenticeship provision, a complex area, was the audit focus, anecdotally prompted by the substantial increase in the number of new private providers.

During general discussions around the Skills and Education Bill (Item 2) a question was raised over the "mandatory encounters" and this was explained; it had been an amendment to the Technical and Further Education Act 2019 and stipulated that schools must allow colleges and training providers access to every student in years 8-13 to discuss available non-academic routes: full compliance was not always met.

**The information was received and noted.**

**Actions had been identified.** (See Register at 59/21 below)

#### **52/21 DASHBOARD**

The Group Key Performance Indicator (KPI) dashboard was then considered and discussed. Indicators were noted as rated "Red" (Growth) or "Amber" (Finance, Quality Achieving Excellence & Valuing our People) These were discussed, challenged, and satisfactorily explained. At present the financial forecast was for a Group deficit and this would be considered by the FRC on the 6 May; Growth clearly related to the below expectation enrolment for the current year, mostly in Higher Education (HE) provision. On Quality, a number of new retention strategies had been implemented and managers were hopeful this would result in a better than indicated outturn. Valuing people had been affected by increased sickness absence related to changes in Covid guidance.

**The information was received and noted.**

#### **53/21 FINANCE REPORT**

- a. Management Accounts. The current financial report (Period 8) and associated appendices were considered and discussed; the document would be fully closely scrutinised by the FRC at their meeting planned for 5 May. The previously considered, disappointing enrolments and consequent negative budgetary assumptions for the coming year had been eased through the increased 16-18 and apprenticeship base rate (51/21a) and it was now expected that the financial health would not fall below "Good" for the year. The outcome of the ESFA funding audit had been previously discussed and the intention to repay the clawback in this year was again noted. The overall current position was:
  - (i) IEG of £324;
  - (ii) UCP of £375; and
  - (iii) APT of (£37k).

The full-year forecast was now a deficit c(£324) including reforecast of increased fuel costs and the (ESFA Audit) clawback provision but excluding the (£25k) cost of the pay award tbc later in the meeting. Members were again reminded that if the clawback exceeds the provision, it was likely that the deficit would increase. The underlying financial strength and cash position was sufficient to meet the challenges and all expenditure for the remainder of the year would be reviewed to mitigate the situation and to bring the full year forecast closer to the EBITDA target of 6%.

- b. Financial Health. Financial detail was forwarded to the ESFA in July and December each year, the latter including full pension detail, the data then informed the ESFA on their assessment of appropriate financial health, which had been confirmed in the attached set of data tables. The revised process, which had replaced the previous practice of a written notification was delivered through an on-line portal and was explained. The rating was confirmed as "outstanding" for 2020/21 and reassessed the former Peterborough Regional College (PRC) 2019/20 position as "outstanding" and when combined with New College Stamford (NCS) as "good"; this prompted by the repayment of a loan in the tun-up to the merger and the pre-lockdown effect on commercial income.

**The information was received and noted.**

#### **54/21 RISK MANAGEMENT (RM) REPORT**

The Report comprised 2 elements the Board Assurance Framework (BAF) at Appendix 1 and the detailed Register. There had been 6 changes since the last update, these were listed in the report and shown in blue type face throughout and were individually explained and considered, there had been little change save for Cyber Security and Financial:

- a. Covid related operational challenges continue with higher sickness levels;
- b. Governance, the recent IAS review and the external governance review requirements had been included in the action plan;
- c. Cyber Security, increased through unfriendly access attempts (>1000%) in February, since reduced but insufficiently to reduce the score;
- d. Subsidiaries and subcontracting, action to delay the impact of new funding rules for 2022/23;
- e. Finances, the risk had been refocused and reduced to reflect a wider base having moved away from the "in-year focus" to the longer-term financial stability, thus avoiding over-reaction to single volatile events; and
- f. Quality, the recent IAS outcome had been reflected in the third line of defence.

During general discussions it was stressed that the risks were strategic risks and short-term local reactions to associated events would not necessarily affect the residual profile. Also, the last 3 years had produced unpredictable situations that had prompted some unusual responses. High emphasis on cyber-security remained with expert advice and guidance available.

**The information was received and noted.**

#### **55/21 CAPITAL**

The report considered 3 current capital projects and the UCP building, each of which was considered individually:

- a. The Construction Centre (SC). The work, was almost complete at a total cost of £3368k (Budget £3283k); the last FRC meeting had approved the reallocation of the overall capital budget to cover the overspend (FRC 43/21 refers). The project had overrun by some weeks through steel delivery delays in the early stages and it had not been possible to catch up. The contractor had implemented an intensive work pattern and assurance was sought and received that the client provisions of the Construction and Management (CDM) Regulations were being complied with.
- b. PC Refurbishment. The £900k PC refurbishment bid to the DfE Capital Transformation Fund had been successful and together with the Group matched funding (£2.1m over 3 years) would fund selective renovation of the PC campus. To be eligible for inclusion in the works the improvements were required to have a 20–30-year life.
- c. UCP Building. The building would shortly transfer from Anglia Ruskin University (ARU) to IEG ownership and there was debate over the final accounting ownership. The advantages and disadvantages of it sitting with UCP or PC were currently under consideration and were detailed in the report; on balance, PC was currently being favoured.
- d. The Centre for Green Technology (CGT). The bid to the DfE Capital Transformation Fund (£4m) had not been successful and alternatives were now being vigorously explored. Currently the Towns Fund had agreed in principle to allocate £1.9m from the Department for Levelling Up, confirmation was expected in May/June this year. The outcome of the speculative £2m bid to the CPCA Gainshare Fund was not yet known and bids for up to £1m from the Peterborough Local Growth Fund (total available £5m) would close on 29 April; active support was being sought from the local MP and the CPCA. Strong support from Peterborough City Council and the CPCA was evident. The project was supported by such a wide range of agencies that it would surely in time achieve the necessary funding. It was proposed that the project should be moved to RIBA Stage 4, which would allow the planning process to move forward to completion and bring the project to “shovel ready”. The necessary funding (c£400k) was included in the 3-year financial plan and further detailed in the report. The proposal was unanimously approved. **(Action 4)**

**The information was received and noted.**

**Actions had been identified.** (See Register at 59/21 below)

#### **56/21 QUALITY IMPROVEMENT PLAN (QIP)**

The QIP was updated in December, February, April and June. The April updated detail was then considered and discussed informed by a Progress Tracker and the complete RAG rated document. Performance was closely monitored through each level of the College, cascading progressively through all concerned. The tracker showed positive progression with 15 Amber graded actions and immediate future plans were explained and noted. The document was well received by members who welcomed the detail and clear presentation.

**The information was received.**

#### **57/21 MENTAL HEALTH & WELLBEING**

The Mental Health and Wellbeing Strategy recognised the responsibility to create a proactively supportive environment for wellbeing and mental health; a whole-organisational approach to that aim for all staff and students in the Group and to optimise the health and happiness of the College community. The objectives were clearly detailed in the Report and were explained. The Strategy was supported by an implementation plan monitored by the Mental Health and Wellbeing Group and would be regularly reported to the Corporation. The full strategy was attached at Appendix 1 and the Implementation Plan at Appendix 2.

**The information was received.**

#### **58/21 URGENT BUSINESS AND NEXT MEETING**

- a. There had been no urgent business agreed.
- b. The next meeting would be at 1700 on 4 July 2022.

**59/21 ACTION REGISTER**

		<b>Resp</b>	<b>By</b>
	See referenced minute for full action.		
<b>Action 1</b>	48/21. Last minutes confirmed for signature.	<b>IDG</b>	<b>wie</b>
<b>Action 2</b>	49/21. Committee recommendations approved.	<b>CFO</b>	
<b>Action 3</b>	51/21. Appreciation recorded to EDBD and staff.	<b>CEO</b>	
<b>Action 4</b>	55/21d. Progression to RIBA Stage 4 approved.	<b>CFO</b>	

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Final Audit Report

2022-07-13

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