

Minutes of the meeting of the IEG Corporation held in the Boardroom at Peterborough College at 1700 hrs on 18 October 2022.

Present

David Pennell	Vincent Brittain	Marco Cereste	Dr Pam Vaughan
Tony Keeling	Mark Haydon	Rod Allerton	Faustina Yang
Fathima Keegan	Rachel Nicholls (CEO)		

In Attendance

Joanne Ulyatt (GD)	Alison Fox (EDBD)	Louise Perry (CFO)
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Apologies

Ian Jackson (Chair)	Prof Sir Les Ebdon	Qun Yang	Jonathan Teesdale
Anthony Warner	Steve Saffhill	Angie Morris	Martin Ballard

PART ONE

1/22 ELIGIBILITY, QUORUM, DECLARATION OF INTERESTS

- a. The apologies were accepted. Ian Jackson was unavoidably detained at another meeting; it was agreed that David Pennell would Chair the meeting.
- b. No notice had been received of any Member becoming ineligible to hold office, the meeting was quorate and interests were declared and identified at appropriate agenda items. Mary Kiernan and Dean Duffield had resigned from the Corporation Board; thanks to be conveyed to both for their work on the Board.
- c. There was no urgent business requested.

The information was received and noted.

2/22 STANDING ITEMS

- a. The Minutes of the last meeting (4 July 2022) were confirmed for signature. **(ACTION 1)**
- b. There were no matters arising from the minutes.
- c. Outstanding Actions. Actions from the last meeting had been implemented.

See referenced minute for full action.		Status
Action 1	66/21. DP to Chair meeting vice IJ.	Complete
Action 2	67/21. Last minutes (Part 1&2) confirmed for signature.	
Action 3	68/21. Cttee recommendation accepted, all items approved.	
Action 4	70/21. Timings for joint UCP meeting with UCP to be advised.	
Action 5	70/21. Meeting schedule 2022/23 approved.	
Action 6	70/21. Live meetings tbh if possible.	
Action 7	70/21. Schedule to be circulated to Members	
Action 8	72/21b. Explore imaginative approach to salary levels.	
Action 9	75/21. Transfer agreement approved.	
Action 10	75/21. Draft transfer document approved for use.	
Action 11	75/21. Transfer of APT to the IEG approved.	
Action 12	76/21. Sub-contracting rationale approved.	

The information was received and noted.

Actions had been identified. (See Register at end of document)

3/22 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 minute was included to inform considerations. Recommendations to the Corporation for approval were made at the following meetings:

- Audit Committee (AC), 20 September 2022
 - Finance & Resources Committee (FRC), 6 October 2022
 - Search Committee (SC), 6 October 2022
- a. Gillian Beasley, who is incredibly well versed in the local area, was unanimously approved as a member of the Corporation Board and the Audit Committee. GB was welcomed to the meeting.
 - b. Martin Ballard was approved as Chair of Audit Committee.
 - c. Five policies presented were **approved** by the Corporation Board; Risk Management, Anti-Bribery, Anti-Fraud, Modern Slavery and Fees Policy.
 - d. The Board Assurance Framework Report was noted. There was some discussion around the risk management process and gaps to target. To eradicate the gaps is often impossible so there just needs to be acceptable limits of tolerance. If the management actions cannot then get close to target then further actions to mitigate risks need to be considered. The risk appetite is already baked into the targets but there is perhaps some work to do to consider how risks are looked at in terms of monthly, quarterly or annual risks. It is felt that this is a presentational issue rather than a need for a further deep dive into work already completed. LP to further consider the presentational aspects. **(ACTION 2)**
 - e. It was noted that signage around the city is considerably better for ARUP than for PC. RN to follow up on this again with the Combined Authority and City Council. **(ACTION 3)**

The information was received and noted.

Actions had been identified. (See Register at end of document)

4/22 CHIEF EXECUTIVE OFFICER (CEO) REPORT

The CEO 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. An update on the Centre For Green Technology was provided as work continues to secure further funding. More detail on progression with bids will be shared at the next F&R Committee meeting.
- b. Governors queried how levels of funding for T-Levels compare relative to other qualifications delivered; funding is the same but potentially with some extra funding for development. On programme funding is classed as study programme funding so the funding per hour is about equal. There was some further discussion around delivery of industrial placements as this has been a challenge in the past but the Work Experience Team has been heavily invested in and the aim would be to deliver in certain areas that are deemed feasible to secure the placements, rather than pursuing delivery in all areas. T-Levels should then run alongside other qualifications, not replace them. It is important to have an offer but it is also really important that good IAG is available in this regard to get the right students on right courses. It will be approached prudently and carefully to ensure it can be delivered.
- c. Governors noted the wonderful letter included on page 60 which demonstrates the cultural shift achieved. Several letters of thanks have been received recently which is heartening.
- d. A further enhancement to inspection, providing a new sub-judgment to consider how well a college helps in meeting local skills needs, was outlined. This means there will now be an additional meeting between governors and Ofsted which will purely focus on skills and how the Group contributes to meeting skills needs in the local region. Additional notice is also given in order for the meetings to be planned in ahead of the visit.
- e. It was considered whether the C&Q Committee needs to take on a greater skills angle. A Skills and Partnerships Update is presented at F&R Committee but it is noted that this also falls within the curriculum remit and reports can be presented as necessary. AOR has updated Link Governor templates in order for data presented to be triangulated at Link Visits. All governors are required to adopt the new skills focus and to build skills consciousness into the Board as a whole.

The information was received and noted.

5/22 GOVERNOR DASHBOARDS 2021/22 Final Report

- a. The Group Key Performance Indicator (KPI) dashboard was considered. The final 2021/22 version was presented in the format agreed last year.

2022/23 Template for Approval

- b. Proposals were made for an amended dashboard for the 2022/23 academic year, using some sample data, none of it real, just to gain feedback. A suitable set of prior year data is now available enabling the use of graphs to assess against current target and prior year trends. This provides an improved snapshot of activity and trends.
- c. Suggestions were accepted; last years actuals would be easier to read if it could be a solid line, and H&S section to incorporate a sustainability aspect if possible.

The information was received and noted.

6/22 FINANCE REPORT – P12

- a. Finance report for the year to 31 July 2022 was presented and questions invited.
- b. Staff costs as % of income are showing as green. It reads as green based on the financial impact of high vacancies as the RAG rating only considers the impact from a financial health rating point of view. High vacancies do however cause significant pressures elsewhere so this is carefully monitored.
- c. £3.6m through QRS for staffing is included in the staffing figures.

The information was received and noted.

7/22 ENROLMENT UPDATE

- a. Enrolments are looking really strong as IEG continues to late enrol. A final figure will not be known until January. The financial plan for next year is based on 4750 students so this is a strong position to be in at this stage and considerably better than last year. A lot of growth is difficult when majority of core funding is lagged so to accommodate circa 300 extra students when the funding does not come in until next year is about the right balance.
- b. HE numbers are at 748 plus another potential 60 to be added. More will be known in a month or two but it will be tight to achieve target. There is also some work to be done as the mix of FT and PT learners seems to have changed which could impact financially. Funding for HE is adjusted in year so any impact will hit this year. Staff continue to be poached constantly and aggressively. HE also have to hit trigger points throughout the year for funding but retention is usually very good. It is a more volatile financial environment this year than previous years.
- c. Once the UCP building belongs to IEG then some FE could be delivered in the building but the vast majority of delivery in the building must be HE. All documents for the building transfer are with Eversheds and this transaction will be complete by the next Board meeting in December.
- d. Adult enrolments and apprenticeship enrolments year to date are positive. It will likely take a couple of years to develop carry in back up.
- e. Overall, IEG is way over the ESFAs 25% maximum for subcontracted provision for AEB. It is proving a challenge to get it down to the allowable 25% but work is being done on a distance learning module to help reduce it. Exemptions can be sought through the ESFA. This difficulty is a consequence of devolution.

The information was received and noted.

8/22 ESFA AUDIT UPDATE

- a. The paper which had previously been to Audit Committee and Finance & Resources Committee was presented giving background detail on the ESFA audit. A sample taken from apprentices found some errors and as a result they completed a full check of 1253 apprentice records.
- b. This was not one error but a combination of things. The indicated error amount was circa £500k and a report would be provided so it could be scrutinised line by line. The figure is now expected to come down to around £400k of errors in terms of funding errors.
- c. There have been a lot of conversations. £330k relates to apprenticeships over 4 years, so considering the total amount of funding overall for those programmes and the lessons that have been learnt, to put it into context, it is not wholly bad. New processes have been put in place and it is now known what to do differently going forward. £170k of the errors found have now been adjusted for in year so the physical amount of money to be paid back should be around £220-230k. Most of the errors identified pre-dated the two RSM audits which did not pick up anything anomalous.
- d. Had an audit been undertaken in the year after apprenticeship rules were changed then the impact may not have been so great. Some of the guidance was not even written when some of these learners were enrolled.
- e. The final feedback is expected within the next 2 weeks and a draft report before the end of November. The Executive Team do plan to challenge the ESFA over some of the decisions and points of policy, for example they have indicated that they will still clawback £100k for

14 apprentices who have all achieved. In this instance, they could take back a proportion of the funding rather than all of it. The Territorial Lead at ESFA has intervened on IEG's behalf to get this moved forwards. There has been a good relationship and regular dialogue with her. It will be important on behalf of all colleges to discuss this experience at the Strategic Conversation with the ESFA and FEC in January. At least 2 people have left employment because of the stress caused. Apprenticeship funding arrangements are so complicated and new guidance in response to the fact that they have had these challenges with other colleges runs to 70 pages long. The amount of bureaucracy and risk involved is disincentivising the delivery of apprenticeships.

- f. Given where we are now and the hope of mitigating from the £500k provision to £220-230k, there is no requirement to add to the risk register.

The information was received and noted.

9/22 IEG SELF-ASSESSMENT QUESTIONNAIRE FOR EXTERNAL AUDIT

The paper was presented. It was confirmed that due process was followed in relation to termination payments; a full version is sent to the auditors but it is redacted here for confidentiality.

LP to confirm with auditors regarding inclusion of QRS who are not currently mentioned. **(ACTION 4)**

The information was received and noted.

Actions had been identified. (See Register at end of document)

10/22 SUB-CONTRACTED PROVISION REPORT

Sub-contracted values for the academic year were approved in July. Approval was sought for fees and charges to be uploaded to the IEG website and this was **approved** by the Corporation Board.

The information was received and noted.

11/22 GOVERNANCE UPDATE

The paper was presented providing an update on topical items. No questions were received.

The information was received and noted.

12/22 URGENT BUSINESS AND NEXT MEETING

There had been no urgent business agreed.

13/22 DATE OF NEXT MEETING

The next meeting would be at 1700 on Tuesday 13 December 2022 at Stamford College.

ACTION REGISTER

See referenced minute for full action.		Resp	By
Action 1	2/22a Minutes of last meeting (4 July 2022) confirmed for signature	GD	wie
Action 2	3/22d LP to consider the presentational aspects of the risk reporting in relation to gaps to target	LP	Wie
Action 3	3/22e RN to follow up regarding signage for PC around the city	RN	wie
Action 4	9/22 LP to confirm with auditors regarding inclusion of QRS who are not currently mentioned in the IEG Self-Assessment Questionnaire for External Audit	LP	wie