

Minutes of the meeting of the IEG Corporation Finance and Resources Committee (FRC) held at 1630 hrs on 21 November 2022.

Present	David Pennell (Chair)	Ian Jackson	Rod Allerton	Vincent Brittain
	Faustina Yang	Rachel Nicholls (CEO)		
In Attendance	Joanne Ulyatt (Governance Director)	Louise Perry (CFO)	Carol Hargreaves (GDHR)	Emma Graham (GDF)
	Alison Fox (EDBD)			
Apologies	Fathima Keegan	Jacqui Fleming (GDEHS)		

17/22 ELIGIBILITY, QUORUM, DECLARATION INTERESTS AND MEMBERS

- a. Apologies were as noted.
- b. No notice had been received of any Member becoming ineligible to hold office, the meeting was quorate, and no interests were declared.
- c. There were no requests for urgent business.

18/22 STANDING ITEMS

- a. The Minutes of the last meeting (06.10.22) were confirmed for signature. **(Action 6)**.
- b. There were no matters arising from the minutes.
- c. Actions from the last meeting were considered; all had been completed or were being progressed.

See referenced minute for full action.		Status
Action 1	2/22a Minutes of last meeting (14/06/22) were confirmed for signature	Complete
Action 2	7/22(a)a Meeting to be convened re Estate Master-planning	
Action 3	8/22(a)c APT enrolment target to be added to Group Finance Report	
Action 4	8/22(b)g Fees analysis and funded/non-funded ratio to be added to nursery update on Subsidiary & Commercial Ventures Report	
Action 5	14/22 Amended Fees Policy 2022/23 recommended to Corporation Board for approval	

**The information was received and noted;
Actions had been identified. (Register at end of document)**

19/22 HR UPDATE

- a. The report was provided which shows minimal movement since last meeting.
- b. The latest AoC report is not yet available so comparisons are almost meaningless currently until more up to date data is received. There is a DfE Workforce Data return due in December so some benchmarking data will be expected as a result.
- c. Some improvement in staff absence has been seen due to managers honing in on issues and cracking down on absences.
- d. Work undertaken around mental health was outlined, including the Mental Health and Wellbeing Committee which steers work in this area, the introduction of mental health champions who will be fully trained, and access to the Employee Assistance Programme that can be accessed by staff and

their families, providing online and face to face support. CPD week will include drop-in sessions. SY is the Executive Lead and IEG is also signed up to a Mental Health Charter and DfE Education Staff Wellbeing Charter.

- e. External agencies – hourly paid basis rather than high intro fees – leave after short periods because not what they expected, etc. Try before you buy basis. Does it affect calibre of candidate? We pay agency so we can't be sur what agency worker gets out of the deal.
- f. With regard to two staff receiving written warnings over sickness absence, this was confirmed as average; processes have been tightened and tidied up in terms of how sickness absence is dealt with and how early intervention takes place, It is hoped that this will lead to fewer formal issues because issues are dealt with more quickly informally from the outset. The main reasons for absence are recorded as Covid, followed by minor illness and then non-work related anxiety and stress. The cost of living crisis is affecting mental health; IEG have tried to address this as much as possible through the pay award and harmonisation. The Employee Assistance Programme also includes financial advice. Food hampers have been requested in Peterborough from the council as part of an initiative they are running and how to distribute them is now being planned. Stamford College continue to work with Second Helpings in Stamford.
- g. Governors noted that the number of policies for review has remained at 34 on the report for quite a few meetings and the number needs to start coming down; about 12 are currently in draft format and just need to be pushed over the line.
- h. Holiday pay was discussed in relation to the application of the Harpur v Brazel judgment; this is being applied as much as possible and will then be further reviewed at the end of the year. The ruling will impact in terms of invigilators in particular. IEG is keeping abreast of all developments and working through it as quickly as possible.

The information was received and noted.

The GDHR left the meeting.

20/22 HEALTH & SAFETY UPDATE

- a. No major incidents reported, but there is a good amount of accident reporting for time of year with courses just starting. 26 internal audits have been completed and fire alarm testing audits are all in place. A significant amount of individual risk assessments have been undertaken in relation to returns to work, pregnancy, etc.
- b. The differences in the handling of First Aid and data recording between the 2 sites was discussed at length which accounts for the difference in numbers of medical calls across the sites. At Peterborough College the Wellbeing Team looks after first aid so all visits to the Wellbeing Centre are recorded, whereas at SC first aiders are just called as necessary. The service is much more comprehensive at PC and so there are a high number of visits.
- c. The Inclusive Learning area is to be reviewed on Monday as the area is too small for the number of students. There will be a cost impact but this will be quantified and brought back to the Committee.
- d. The shortage of first aiders at Stamford and ways to incentivise the role was discussed. Although there is a need to recruit more, in high risk areas all staff are trained which gives reassurance. This gives a level of comfort that critical areas are well covered, and all of estates are trained and do emergency cover. First Aid provision will be comprehensively reviewed to identify gaps and align services across the sites and will be reviewed at the next meeting in March. **(Action 7)**
- e. Departmental Housekeeping Audits completed so far flagged only one red rated area due to missing documentation. This was rated harshly as red in order to ensure everything is kept in order.
- f. The H&S culture embedded in the organisation is improving since last year but is not where JF would like it to be yet. Staff turnover and merger set it back but it is moving in the right direction. No significant problems are arising, more just issues around reporting to improve on which needs greater buy in of staff. Near miss reporting is still a little disappointing.

The information was received and noted.

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

21/22 FINANCE UPDATE

a) Group Finance Report 2021/22 P2

- a. The finance report was presented, indicating a generally steady start to the year. There have been a couple of updates to the report from last year; on the first KPI page it now includes staff numbers as well as in the HR Report because the HR Report does not go to Board; a project page has also

been added because there are a large number to track this year; and, a new Capital Plan page was proposed.

- b. Student numbers were outlined which are higher than last year but not quite hitting the financial target for next year, however anything over 4600 gives growth and a good direction of travel, so as long as the numbers are maintained this is pleasing. Apprenticeships starts are also strong. HE recruitment has been lower than anticipated but the outturn is not yet clear due to a new roll-on roll-off course starting in January which could plug the gap to some extent. HE in FE is a difficult market at the moment. With the increase in apprenticeships, the finances can be managed going forward this year. The greater concern this year relates to cost increases rather than income as income remains reasonably stable.
- c. Food costs are a major concern due to a 22% increase in costs. Despite a better turnover than anticipated, there is no certainty that a surplus position will be reached due to rising costs. In terms of margins, the main meal cost has to be held at £3.30 to align with Free School Meals, so whilst other prices can be increased, the main meal cannot. Profits are therefore typically made on peripheral items such as crisps, drinks, confectionary and sandwiches. With a focus on sustainable and plant-based options, governors queried whether these options have been checked for their carbon footprint because if the footprint is greater than other alternatives then that is not acceptable and locally sourced products should be being considered. There is a piece of work to do to understand price points and what is selling well; the EPOS system that is now in place provides more intelligence on this than has ever been available before.
- d. Cost savings that can be realised now that APT has been brought back in-house were noted.
- e. Closure of the APT site in Wisbech which was leased is all complete with no dilapidations.
- f. £100k is being spent on websites to ensure that all sub-brands tie together with the main IEG website.
- g. There is a projected deficit to year end for UCP but there is some work to do regarding figures for educational supplies and premises costs, and some possible duplication of management charges, so it might just about break even this year. The financial guarantee by IEG remains in place. Governors feel out of the picture in terms of the business plan and its ability to react; the UCP Business Plan should be ready for the next F&R Committee meeting. This should also include an indication of some marker points throughout the year that the F&R Committee can expect to have updates on progress against plan. **(Action 8)**
- h. The transfer of the UCP building is complete and it is now owned by IEG. It was valued in the summer term at circa £6-7m. Discussions with auditors are ongoing as to whether it needs to be valued again.

The information was received and noted.

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

23/22 GDPR & FOI

An overview of the requests received and responses provided in the 2021/22 academic year was provided as per the paper. No questions were received.

The information was received and noted.

24/22 Partnership & Skills Report

- a. Actual enrolment numbers for apprenticeships were provided, showing a 14% increase on last year. The ongoing concern is that more demand could be met if the staff could be recruited. There are waiting lists for some areas including Construction and Engineering.
- b. An overview of the innovative ways IEG are working to meet local skills needs was provided.
- c. IEG is the only college that has bid for Skills Bootcamps, exhibiting the ability to be responsive, proactive and agile to meet the local needs.
- d. Capital equipment which was funded by the Strategic Development Fund has been ordered.

The information was received and noted.

12/22 ESFA AUDIT UPDATE

- a. An update was given on the position with the ESFA Audit which has been ongoing since September 2021. A final feedback meeting is scheduled for Thursday morning for half a day and the Executive

Team will then push back with ESFA regarding points of policy and being overzealous in regards to amounts clawed back.

- b. Interpretation of the rules, and vagaries in the guidance and processes, along with the operation of different systems in place at the two sites led to errors totalling circa £400k over 4 years of funding which equates to approximately 2.5% as a percentage of total apprenticeship income. Provision was already made for this in the 2021/22 accounts.
- c. The Executive Team are content that new checks and balances will avoid being in this position again. Additional staff, along with recognition of the errors raised and the new processes in place should ensure improved compliance. Reports (DSATs) are received for checking every month which will be rigorously undertaken to prevent this from happening again.

The information was received and noted.

25/22 URGENT BUSINESS

There had been no urgent business agreed.

26/22 NEXT MEETING

The next meeting would be at 1630 on Tuesday 7 February 2023 at Peterborough College.

ACTION REGISTER

See referenced minute for full action.		Resp	Date
Action 6	18/22a Minutes of last meeting (06/10/22) were confirmed for signature	GD	wie
Action 7	20/22d First Aid provision to be reviewed to identify gaps and align services across sites; to be reviewed at next F&R meeting	GDEHS/CFO	07/02/23
Action 8	21/22g UCP Business Plan and some marker points at which F&R can expect to be updated on progress against plan to be brought to next meeting.	AD/CFO	07/02/23

The meeting closed at 18:00