

Minutes of the meeting of the IEG Corporation Finance and Resources Committee (FRC) held at 1630 hrs on 13 June 2023 in the Boardroom at Peterborough College

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

48/22 ELIGIBILITY, QUORUM, DECLARATION INTERESTS AND MEMBERS

- a. No apologies were received from members. It was noted that Fathima Keegan had resigned from the Corporation Board and the F&R Committee on 27 April 2023.
- 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.

49/22 STANDING ITEMS

- a. The Minutes of the last meeting (14.03.23) were confirmed for signature. **(Action 21)**.
- b. There were no matters arising.
- c. Actions from the last meeting were considered; all had been completed or were being progressed.

See referenced minute for full action.		Status
Action 10	31/22j Agenda item at next Committee meeting re Nursery Update to include marketing and growth plan	Deferred to next meeting
Action 11	38/22a Minutes of the last meeting (07.02.23) confirmed for signature	Complete
Action 12	39/22b VPSSE to provide annual report to governors on effectiveness and utilisation of wellbeing initiatives	On agenda for July Board
Action 13	39/22c GDHR to add detail to vacancy reporting in terms of how long the role has been vacant (3, 6, 9 months, etc)	Complete
Action 14	41/22h UCP Dashboard to be brought to F&R Committee quarterly	
Action 15	41/22i LK to link with FY outside of the meeting to discuss community engagement	
Action 16	42/22g UCP I&E variance column to be corrected	
Action 17	43/22b Paper to be circulated to Corporation Board for decision outside of meeting regarding recommendation to approve Option 6 relating to NMW/RLW	
Action 18	43/22c Vacancies by band to be built into the HR Report to understand if implementing the RLW improves recruitment/retention at those levels	
Action 19	45/22b Definition of 'unethical' and list of countries/sectors not to be invested in to be added to policy along with detail on whether green options were to be favoured over others	
Action 20	45/22c Agenda item re investment to be scheduled for next meeting	

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

50/22 APPRENTICESHIP & AEB UPDATE

Partnership & Skills Update

- a. Details around decrease in apprenticeship numbers was shared.
- b. SDF projects have been completed and LSIF projects are now in development collaboratively. Confirmed allocations for Multiply funding and an increased allocation for AEB is confirmed.
- c. Skills boot camps have not been hugely successful across the country. IEG have learned lessons and adjusted plans accordingly plus implemented longer timescales to try to address some of the difficulties.

Subcontracting Approvals 2023/24 & Subcontracting Policy

- d. Subcontracting values provisionally agreed with partners for next year were presented, with the amounts reducing substantially in line with funding guidance. This reduces delivery risk as IEG has more control over its direct delivery and although it appears to be a substantial amount of money, the amount retained is not huge. The Committee **approved** the proposed subcontract values for 2023/24.
- e. The Subcontracting Policy is unchanged but requires approval to meet funding regulations. The Committee **approved** the Subcontracting Policy.

The information was received and noted.

51/22 HR UPDATE

a) HR Report

- a. Regular report provided with vacancy information expanded as requested. Staff absence reduced slightly and now on a downward trajectory. Current vacancies were displayed, splitting out to show numbers of live advertisements, how many at shortlisted/interviews arranged, how many appointed but waiting for references and DBS, and how many are on hold. Increase in number of applications has been seen. There are ongoing issues around skills assessors in trades so seeking to improve pay and benefits. Posts that have been vacant for over 9 months are still needed but are unfortunately difficult to retain.
- b. Recently added MRA to Computer Science lecturing roles for more niche expertise and specific skills that are needed.
- c. Casework; up to date with performance management in terms of disciplinarys and capability, and no new grievances recorded since last meeting. Dealing quickly with probation issues.
- d. Keeping on top of sickness absence and taking action as and when needed.
- e. Holding regular meetings with iTrent. Clearly implementation did not go well and there are elements which they have not delivered. Full review of system and functionality checking onsite at an optimisation visit scheduled for 29 June, after which an added value piece can be considered. Full functionality by autumn is expected. Phase 3 has cost IEG due to poor implementation so the COO plans to seek to recoup some costs by way of compensation.
- f. HR People Strategy is in early draft and will be moved forward now the COO is in post, identifying current direction of travel and then focusing on the employee journey, succession planning and the benefits platform. Some planning days have been scheduled over the summer. PDRs will also form part of it this piece.
- g. Since the report was written IEG has received the licence through from the Home Office for one year; these sponsorship numbers will help to fill some difficult to fill roles from overseas applicants.

b) IEG Gender Pay Gap Report

- a. The report was presented; QRS staff are not included as it is a separate company. Flexible and hybrid working, the nursery onsite and all male and female staff being paid exactly the same in areas such as cleaning and catering was noted. The Gender Pay Gap Report was **approved** for publication.

c) Staff Satisfaction Survey

- a. Analysis of the survey was reviewed. Response rate was unfortunately quite low but initial scrutiny of the results is positive with improvements across many areas. Next year there will be a drive to increase participation in the survey.
- b. Staff absence dropped

The information was received and noted.

The GDHR left the meeting.

52/22 HEALTH & SAFETY UPDATE

a) Health & Safety Report

A comprehensive report was presented and questions invited; governors were impressed with the comprehensive reporting.

b) Health & Safety Policy

The Health & Safety Policy was presented and **recommended** to the Corporation Board for approval. **(Action 22)**

c) IEG Environmental Policy

The Policy was presented and reviewed by governors.

The information was received and noted.

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

53/22 FINANCE REPORT & CAPITAL UPDATE

a) 3 Year Financial Plan

- a. Key points were summarised. This was a challenging plan to draft because projected student numbers in September are significantly higher than previous years which has led to a need to include circa 20 new posts and include some in-year growth funding in the income; 2 things which are key components of the financial plan. If the numbers do not ultimately translate then growth income will not be required.
- b. The effect of reclassification in terms of financial health judgements was shared; changes see the removal of the gearing metric which will make it harder to achieve Good. Instead of being a strong Good, IEG will be at the lower end so it will be critical next year to monitor the cash holding. The principal budget assumptions are otherwise more or less in line with the report in March.
- c. Potential clawback regarding T Levels was noted; IEG is being funded for 75 students and is expecting to meet that requirement so no clawback provision has been put in.
- d. The new posts which are dependent on growth and a pay award of 5% factored in can both be flexed as necessary. There is also an assumption that vacancies will decrease.
- e. The Committee confirmed they are happy with the assumptions implemented and **recommend** the final plan to the Corporation Board for approval. **(Action 23)**

b) Group Finance Report P10

A report was presented which continues to be broadly in line with expectation.

c) Subsidiary & Commercial Ventures Report P10

- a. The report was presented with a main focus on the catering function which was identified early on in the year as problematic; lots of mitigations are in place. Stamford Gas and Stamford Fitness are operating well. MOT suffered a bit of a dip early in the year but changed marketing strategy which is starting to clawback some of earlier losses.
- b. Nursey strategy to be brought to the next meeting in the Autumn term.
- c. UCP performing as expected. Brought to attention that this is a management accounting position due to the 'Other income' field; with the exception of £40k which relates to a grant which is the only element shown in the YTD and will be retained in UCP, the remainder is the Advanced Learner Loan income that will be shown as IEG in the financial statements, with the associated registration and staff costs removed too. This includes both the Coding and a large counselling cohort that is all funded.
- d. APT remains on the watch list.
- e. Policies were presented for annual approval with most proposed updates due to ONS reclassification. The Committee **recommend** the Fees Policy and the Financial Regulations Policy to the IEG Board for approval. **(Action 24)**
- f. The definition of ethical had been added to the Treasury Management Policy along with specific points used to judge; the Committee confirmed they were happy with the update and **approved** the Treasury Management Policy.

The information was received and noted.

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

54/22 DEBT WRITE OFF REQUESTS

- a. Any debt write off transactions over £5k must be approved by the Committee. Approval was sought to write off one debt as detailed in the paper.
- b. The Committee **approved** the proposed debt write off.

The information was received and noted.

55/22 3 YEAR BUSINESS PLAN - CATERING

- a. A business plan for Catering was presented to provide a more in depth understanding of the drivers and the direction of travel with outlets over the next 3 years.
- b. Challenges faced were highlighted, including staff costs and food price increases. Expecting 5% increase in transactions month on month. There are cost savings to be made and sustainability aspect to be promoted, such as disposable cups for both hot and cold drinks. Reusable containers for food also proposed to bring down net costs. Different offer across the 2 sites because of different competitors offsite were noted.
- c. The MI from the tills system allows greater analysis. Usage of FSM was discussed at length; take up of the service has increased but further messaging is required to promote.
- d. SWOT analysis was discussed as well as the need to set some KPIs to track against in a regular report to the Committee each meeting.
- e. Targeting a surplus is not achievable; more realistic to aim for a breakeven position.

The information was received and noted.

Items 56 and 57 removed to Confidential Minutes.

58/22 URGENT BUSINESS

There had been no urgent business agreed.

59/22 NEXT MEETING

The date of the next meeting is TBC.

ACTION REGISTER

See referenced minute for full action.		Resp	Date
Action 10	31/22j Agenda item at next Committee meeting re Nursery Update to include marketing and growth plan	GD/CFO	Next meeting
Action 21	49/22a Minutes of the last meeting (14.03.23) confirmed for signature	GD	wie
Action 22	52/22b The Health & Safety Policy was recommended to the Corporation Board for approval.	GD/COO	04/07/23
Action 23	53/22e The 3 year financial plan was recommended to the Corporation Board for approval.	GD/CFO	04/07/23
Action 24	53/22c(e) The Fees Policy and Financial Regulations Policy were recommended to the Corporation Board for approval.	GD/CFO	04/07/23

The meeting closed at 18:28.