

# IEG CORPORATION BOARD MEETING

December 12, 2024

5:00 PM - 7:00 PM

Boardroom, Peterborough College

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## ATTENDANCE

### PRESENT

Angela Morris	
David Cashmore	
David Pennell	(Chair)
Faustina Yang	
Gemma Roger	
Gillian Beasley	
Kris Varslavs da Silva	(Student Governor)
Les Ebdon	(Online)
Marco Cereste	(Online – Items 1-7 only)
Marley Sheridan	(Student Governor)
Martin Ballard	
Nicholas Crippa	
Pamela Jane Kilbey	
Rachel Nicholls	
Steve Saffhill	(Staff Governor)
Suneel Appan	
Tony Keeling	
Tony Warner	(Staff Governor)
Vincent Brittain	

### IN ATTENDANCE

Julia Bates	
Angela O Reilly	
Louise Perry	
Jane Spurgin	(for Governance Director)
Claire Sutherland	(External auditor – <a href="#">Online Item 8 only</a> )
Edward Thomas	
Sarah Young	
Oliver Traynor, Runway Training	(Observer)

### ABSENT

Joanne Ulyatt

## 1. WELCOME

Standing item

Speaker: Chair

Time: 17:00

- a. **Welcome and Apologies for absence** – No apologies for absence were received. The Chair welcomed the two new student governors and Oliver Traynor from Runway Training as an observer.
- b. **Confirmation of eligibility and declarations of interest:** No notice had been received of any Member becoming ineligible to hold office, the meeting was quorate and no interests were declared.

The Chair thanked the governors who are stepping down (Qun Yang and Faustina Yang) for their invaluable support not just at Board and Committee meetings, but also within the Community. Faustina advised that she has enjoyed working with everyone and feels so privileged to witness the success of staff and students – immensely proud at being part of it. She has particularly enjoyed the governor development days and learned a lot from the sessions – Faustina thanked the Board for the opportunity.

The Chair, on behalf of the Board, also thanked Angela O'Reilly (VP C&Q) who is finishing her time with IEG, going into retirement. He expressed that he could not thank Angela enough for all her amazing work, voicing what a monumental difference she has made to so many people's lives and how much both he and Board members have enjoyed working with her. Furthermore, members recognised that Angela has had a distinguished career and has always provided such a sensible voice at head teachers events. Angela thanked the Board and advised that it has been a huge pleasure and she has worked with some wonderful people who have stuck together and made sure that the end goal is the successful academic outcomes for students.

- c. **Requests for urgent business:** None

## 2. MINUTES OF LAST MEETING (03.10.2024)

Decision item

Speaker: Chair

Time: 17:02

- a. **Approve the Minutes of the last meeting (03.10.24)** for signature: The Minutes of the last meeting were confirmed for signature **(ACTION 1)**
- b. **Matters arising from the minutes:** None
- c. **Actions from the minutes:** Completed except for Action 4 which is due for completion before the Strategic AwayDay in February.
- d. **Ratification of Committee & UCP Council Chairs 2024/25:** The Board **ratified** the Chair appointments, as proposed by the IEG Corporation Committees and the UCP Council, for 2024/25.

## 3. COMMITTEE MEETINGS UPDATE AND ACTIONS FOR CORPORATION

Decision/Information item Speaker: Chair

Time: 17:05

The Board received the draft Committee Minutes from recent meetings and noted that all recommendations to the Board arising from Committees are included within the agenda – details below:

*a) Finance & Resources Committee (19.11.24) draft mins*

Angie Morris - Chair 2024/25	Agreed, for ratification	Item 2d
Terms of Reference - amended	Agreed, for ratification	Item 5c
Reviewed UCP 5-Year Plan draft	Supported	Item 8g

*b) Curriculum & Quality Committee (26.11.24) draft*

Pamela Kilby - Chair 2024/25	Agreed, for ratification	Item 2d
Terms of Reference - amended	Agreed, for ratification	Item 5c
QIP 2024/25 review process	Supported	Item 11

*d) IEG Audit Committee (27.11.24) draft mins*

Terms of Reference - amended	Agreed, for ratification	Item 5c
Reviewed draft IEG Audit Findings Report	Supported	Item 8a
Reviewed Draft Financial Statements for IEG, UCP and QRS	Supported	Item 8b-d
Reviewed the Annual Audit Committee Report 2023/24	Recommended for approval	Item 9a

*e) UCP Audit Committee (27.11.24) draft mins*

Draft UCP Internal Audit Plan 2024/25	Recommended to UCP Council for approval	N/A
UCP Draft Financial Statements 2023-24	Recommended to UCP Council for approval	N/A
Reviewed the UCP Annual Audit Committee Report 2023/24	Approved, subject to IAS amendments	Item 9b
UCP Internal Audit Annual Report 2023/24	Approved, subject to IAS amendments	Item 9b

*f) UCP Council (05.12.24) draft mins*

Prof Sir Les Ebdon - Chair 2024/25;		
Alison Davies - Vice Chair 2024/25	For information	N/A
Apply inflationary fee increase (3.08%) for 2025/26, with some identified course exceptions	Approved	N/A
UCP Draft Financial Statements 2023-24	Approved	N/A
UCP 5-Year Plan draft	Approved, subject to final amends, and recommended to the IEG Board	Item 8g

*Search Committee (12.12.24) verbal report*

David Pennell - Chair 2024/25	As per Standing Orders	Item 2d
Terms of Reference - amended	Agreed, for ratification	Item 5c
Decision on governor vacancies - approach	For information	
Instrument & Articles - amendments	Agreed, for Board approval	Item 5a
AoC Code of Good Governance	Recommend for adoption	Item 6

## 4. CEO REPORT

Information item

Speaker: CEO

Time: 17:15

The CEO presented her report providing an update on factors affecting the FE sector, including government policy, local developments and opportunities, and college-related information. It was advised that the aim of the report is to cover issues of importance to the Group not covered elsewhere within the Corporation agenda and to keep governors informed about national developments and their implications. The Board considered and discussed the following key issues:

*Political Impact - Central Government:*

- the Chancellor's first Budget included several specific announcements that will impact Further Education (FE) and colleges received a letter from the Minister for Skills, Jacqui Smith, outlining the details – the key announcements include:
  - £300m of additional revenue funding for FE;
  - £950m of skills capital funding for 2025-26, including £300m of new capital funding to support FE colleges in maintaining, improving, and ensuring the suitability of their estates;
  - a £1 billion increase to Special Educational Needs and Disabilities (SEND) and Alternative Provision funding for 0-25 year-olds, equivalent to 6% real growth;
  - £240m to trial new ways of getting people back into work as part of the upcoming 'Get Britain Working' white paper, targeted at the economically inactive and those most at risk of being NEET (not in education, employment, or training);

- investing £40 million to help deliver new foundation and shorter apprenticeships in key sectors as part of the initial steps towards a reformed Growth and Skills Levy.

Members discussed that there have been positive conversations held with ministers about additional funding and they have a full awareness of IEG's growing numbers and limited estate challenges. It is expected that announcements about additional capital funding for FE colleges will be made in March 2025 but details are not yet available.

In respect of the Level 3 BTEC Reforms it was further advised that there had been an announcement today that 70% of BTECs will not be defunded but what that means for the future of T Levels is not yet known. An analysis of the Level 3 qualification aims being offered for 2025/26 will be undertaken to assess that they remain fully funded.

#### MP engagement:

- the Secretary of State for Work and Pensions, Liz Kendall; Minister for Employment, Alison McGovern; MP for Peterborough, Andrew Pakes; and Mayor of Cambridgeshire and Peterborough Combined Authority, Dr Nik Johnson, all visited Peterborough College on 25th October to film and conduct media interviews prior to the launch of the 'Get Britain Working' White Paper;
- Alicia Kearns, MP for Stamford and Rutland, was welcomed to Stamford College. She is interested in the college landscape and in Stamford – a personable, well experienced politician.

#### Curriculum & Assessment Review:

- the DfE has launched a Curriculum and Assessment Review, inviting feedback from education stakeholders on the effectiveness of the current curriculum and assessment system;
- feedback has been gathered on various areas including social justice and inclusion, English, maths, and 16-19 pathways;
- IEG submitted its own response to the review and contributed to the submissions from the Association of Colleges and the Tertiary Colleges Group;
- a 12-member panel, including two current college leaders – John Laramy from Exeter College and Lisa O'Loughlin from the Nelson and Colne College Group – will advise Professor Becky Francis on the review;
- further details are awaited on the findings and any subsequent proposals;

#### English & maths – condition of funding:

- The DfE has published updated guidance on the English and maths condition of funding for 2025/26. Key updates are:
  - 100 hours of English and 100 hours of maths over a year
  - Additional fourth hour of maths continues to be "best efforts"
  - Whole group, in-person teaching
  - Condition of Funding Tolerance will be 2.5% in 2025/26 (5% in 2024/25)
  - Zero tolerance is no longer a target while DfE examines the impact of the changes
  - Compliance will be measured against the records on the ILR
  - Curriculum and assessment review offers opportunity for change
- there is a risk that there is insufficient capacity to deliver these increased hours and management will prioritise a workforce review to ensure readiness for 2025/26.

#### Lincolnshire Devolution:

- councils in Greater Lincolnshire have approved a devolution deal;
- North Lincolnshire, North East Lincolnshire, and Lincolnshire County Councils will establish a County Combined Authority (CCA) to oversee the deal's implementation, led by an elected official (likely a mayor);
- Mayoral candidates have just been announced – there is significant backing for Reform who have selected Andrea Jenmings (ex Conservative MP) to run;
- there are two meetings on devolution scheduled in January with senior colleagues at Lincolnshire County Council and the administrative devolution team;

- Paul Bristow is running to be the new Mayor of the CPCA (combined authority);
- important that IEG positions itself to retain a share of the Adult Skills budget;

Recognizing the dynamic political landscape locally, members expressed a commitment to proactively engage in opportunities to advocate for IEG and its strategic goals for enhancing skills development within the community.

#### FE Commissioner Autumn Newsletter:

The FE Commissioner's newsletter was shared and members noted in particular the following points raised:

- the importance of effective Senior Post Holder (SPH) appraisals and Chair performance reviews;
- support for apprenticeships, including the appointment of a new FE advisor, Lisa Wilson;
- the importance of adhering to the Managing Public Money rules (IEG is compliant, as confirmed by our auditors);
- the availability of mental health and wellbeing support for FE sector leaders.
- a new provider dashboard developed by the DfE.

Members thanked the CEO for her comprehensive and informative report.

## 5. REVIEW OF STATUTORY GOVERNANCE DOCUMENTS

Decision item

Speaker: GD

Time: 17:25

The Board was advised that it is best practice to review statutory governance documents each year for continuing appropriateness and relevance and that this exercise has now been completed. All documents were last updated and approved in October 2023. It was requested to approve the following:

#### Instrument & Articles of Government

- amended at 2.1 (a) to amend 'minimum of 16' to 'minimum of 12 to maximum of 16' external members to better reflect the number of business governors required and to provide flexibility around governor recruitment
- amended at 3.1 (a) to amend 'twenty' to 'twenty-one' to correctly account for the maximum number of governors: 16 business governors; CEO; 2 staff governors; and 2 student governors
- minor amendments to standardise formatting.

#### Standing orders

- minor amendments only to standardise formatting.

The Search & Remuneration Committee had previously reviewed the details of the proposed amendments and recommended them for approval.

#### Committee Terms of Reference

##### *Finance & Resources Committee*

- Item 3(b) to update the attendee Executive membership posts to reflect the new Executive Team
- minor amendments for consistency in style/format

##### *Curriculum & Quality Committee*

- Item 4(b) to update the attendee Executive membership posts to reflect the new Executive Team.
- minor amendments for consistency in style/format

#### *Audit Committee*

- Item 7(b) to update the attendee Executive membership posts to reflect the new Executive Team
- minor amendments for consistency in style/format

#### *Search & Remuneration Committee*

- other than minor amendments for consistency in style/format, no amendments proposed

#### *Special Committee*

- other than minor amendments for consistency in style/format, no amendments proposed

The above committee terms of reference amendments had been approved by committees and each recommended to the Board for approval.

#### Code of Conduct

The Code of Conduct for Governors was updated in line with the Eversheds annual notations last October 2023 – no further amendments were proposed at this time.

The Board **approved** all the recommended amendments to the statutory governance documents as proposed. The revised documentation will be published on the IEG website (**ACTION 2**).

## 6. AOC CODE OF GOOD GOVERNANCE

Decision item

Speaker: GD

Time: 17:30

The Board noted that, following extensive consultation, the AoC Code of Good Governance (the Code) has been revised to align with the unique challenges and opportunities faced by Further Education institutions.

The Code, originally issued in 2015, has undergone a thorough review and is now centred around the six fundamental principles:

- determination of organisational aims and strategic oversight
- responsibility and accountability
- leadership and integrity
- collaboration and stakeholder engagement
- regulatory compliance
- board and organisational effectiveness.

Whilst the new code has been in the sector for a year and has been agreed by the DfE., it is now 'live' – the 'old' code was retired 31 July 2024 and will be fully withdrawn on 31 December 2024.

Having noted the recommendation of the Search & Remuneration Committee, the Board **adopted**:

- a. the Code for implementation in 2024/25 when a full assessment of performance will be undertaken using the Code template (**ACTION 3**)
- b. 'The Colleges' Senior Post Holder Remuneration Code' (part of the Code).

## 7. STUDENT GOVERNOR REPORT

Information item

Speaker: Student Governors

Time: 17:35

The new Student Governors presented their first report to the Board providing Governors with a summary of the planned Student Union (SU) activity for 2024/25 across the Group. It was noted that:

- both colleges have appointed Student Union roles;
- details of Student Union nominated representatives for each campus in 2024/25 were provided;
- the Welfare and Engagement teams across both campuses support and guide the Student Union with regular meetings where pertinent topics are raised, discussed and actioned where appropriate. They also support the tracking of expenditure against budget;
- SU activity also supports key themes linked to the IEG Student Engagement Calendar. The SU aim to get involved to promote, raise awareness and lead on initiatives linked to these themes during the year.

The Board was pleased to receive the report and explored the following, that:

- Stamford SU has 16 members and Peterborough SU has 13 members;
- there is positive interest from students and there are clear activity plans in place;
- students raise issues with SU members who position themselves to offer support and make sure they know what is going on across the colleges;
- Christmas is the main focus at Stamford – big push, recognising hard times in winter, and wanting to help those in need. After Xmas, planning a mental health garden – ideally in the big field to the right of the houses and hopefully involving the residents. The chosen space offers both seclusion from the college and easy accessibility, making it a familiar and comfortable environment. Once the space has been approved, the garden will be created;
- Peterborough is planning a number of fund raising and other events throughout the year (full details were provided – bake sale, litter picking etc) and has plans to arrange an end of year celebration for students.

Members asked whether there is a general issue with the expense of student bus fares that the Board needs to be aware of and was advised that affordability remains an issue. Managers advised that IEG has supported c. 1,900 students this year with travel costs, having increased the bursary support household income threshold, to include more applicants. Working together with the SU (student voice) and with governors to attract more financial support for transport from local councils would be welcomed. Currently IEG invests £1m in providing transport, financing 11 bus routes. Governors confirmed that they were happy to help in any way with future political engagement to assist on this issue.

Thinking about their legacy, the student governors will consider what can be achieved this year that will support students both now and in the future, and include the topic in the Student Conference to be held next week. It was explained that, while they have not yet established a formal joint working group, four SU members recently met for a meal to foster relationships and begin discussing future plans. Their intention is to learn from each other and ultimately benefit both colleges through shared experience.

Members thanked the student governors for their report.

*Marco Cereste left the meeting.*

## 8. FINANCE

Decision item

Speaker: CFO

Time: 17:40

The Board received the following financial reports, presented by the CFO and Claire Sutherland from RSM, IEG external auditors, for which approval was sought. In considering the details it was noted that:

a. IEG Audit finding report

- the external audit work is now completed, although it was noted that disappointingly the report was received very late;
- there are unqualified audit reports in all areas;
- the audit went as planned, with just £18k misstatements (good outcome);
- low impact risk included around student bad debt – governors wish to ensure they have a good understanding of details surrounding bad debt, particularly at UCP where the risk is slightly higher;

b. Annual Financial Statements (AFS) 2023/24 IEG

- every year the accounts become more comprehensive with new sections;
- with the exception of Higher Education students, student numbers had grown;
- the Group's operating performance was £0.865M with an £583k operational surplus and a non-cash adjustment position of £304k;
- the Group invested £9.932M in capital expenditure, predominantly related to the construction of the Centre for Green Technology at Peterborough College, refurbishment of a number of areas of college buildings, IT and curriculum equipment replacement. This expenditure has resulted in significant changes to the balance sheet;
- APT bank account – when the account was closed, the money within NatWest was surrendered to HM Treasury. For the purposes of the statements this has been reclassified that asset from cash to debtors – the Crown claimed money and IEG is trying to recovering it. Full details on progress to resolution will be brought to the Finance & Resources Committee in March 2025 (**ACTION 4**);
- the fourth academic year of IEG was a success, following the 2023 'Good' Ofsted rating and sustaining the elevated levels of attainment first observed in 2022/23;
- retention and pass rates for full time further education students were maintained in the year, with overall achievement rates static at 88.2%, this is 4% above the national average;
- financial health and financial management are rated as 'Outstanding';
- details of performance against reserves policy were included;
- gender pay gap reporting included - it remains reasonably static with higher numbers of female teachers v male managers;
- the Finance & Resources Committee will receive more detailed information on inclusivity at its next meeting (**ACTION 5**);
- risks identified were relatively standard – some internal control recommendations with management responses included;

c. AFS (UCP) 2023/24

- reflected a positive overall performance against KPIs;
- UCP made a surplus of £115k for the year, and reflects £310k net assets which are netted out in the Income and Expenditure account;
- there are no material misstatements;
- UCP has been fully compliant in its governance and internal controls procedures;

d. AFS (QRS) 2023/24

- reflected a positive overall performance;



- QRS made a gross surplus of £387k for the year, netted to zero by administrative expenses;
- there are no material misstatements.

The Board was pleased to receive the strong set of accounts, welcomed the unqualified audit opinion and noted that IEG, UCP and QRS continue to be a 'going concern';

e. Letters of Representation (IEG, UCP & QRS)

- the three letters of representation from IEG, UCP and QRS to the auditors were received, confirming that all information disclosed to form an audit opinion on the accounts was complete, appropriate and accurate.

Subject to final amendments, the above three draft financial statements had been previously considered and approved by the IEG Audit Committee, the AFS (UCP) 2023/24 by the UCP Audit Committee and the UCP Council, and the AFS(QRS) 2023/24 by the QRS Board.

The Board **approved** the final financial statements for signature and submission to the appropriate government departments (**ACTION 6**).

The Board also **approved** the Letters of Representation for signature (**ACTION 7**) and thanked the CFO and her team for their hard work in achieving this positive result.

f. Finance Report P3 2024/25

- the YTD position was presented indicating a pleasing position for the start of the year – early in the year to consider forecasting;
- the Group has a year to date operating surplus position of £833K, made up from IEG surplus £862k and UCP deficit (£28k);
- the full forecast for the Group remains set, at this point, to deliver a surplus of £618k. However there is some uncertainty around this figure at this point in the year and this will be kept under close review over the next 9 months;
- HE income is down, reflecting a bigger recruitment point in January – impact will be assessed at that point. Jan/Feb/Mar are going to be critical months in terms of course take up - new qualifications are always hard to get going This risk has been, and will continue to be, explored in depth at the Finance & Resources Committee;
- apprenticeships income could go up or down - £130k has been removed from forecast at this point;
- T level funding (in year) – it is planned to reforecast based on announced growth funding;
- 68% staff pay as % of income is considered 'Green' based on year end forecast. It was noted that this figure reduces towards the end of the financial year as staff leave/are reappointed for the start of the next academic year;
- performance for catering continues to improve;
- it is planned to accommodate all interested learners for the Stamford Gas Centre in the (soon to be operational) new (14) gas bays at Stamford - best use will be made of the new area;
- information on 16-19 growth funding will be announced in February;
- debtor profiles – the 120-day bad debt figure looks relatively high but it is planned to benchmark this figure with other colleges to assess whether this profile is in line in the sector or not (**ACTION 8**). The Board was reassured that there is a robust student debt recovery process in place but recognised the difficulties associated with collection;
- some UCP debt may be with Student Finance England and there is much work underway into the collection of historical fees with former JV partners. The UCP student debt position at year end 2023 was £482k and less this year at £393k. F&R Committee to consider and review at next meeting (**ACTION 9**);

The Board **noted** the financial position as at P3 and, specifically, the £618k full year forecast which they referenced later in the meeting when considering the potential capital investment proposals.

g. UCP 5 Year Plan

- Each year UCP is required to make a submission to the OfS by 31st December which is effectively the UCP budget – a compliance requirement;
- the Plan requires a forecast of staff and student numbers which, in a changing political climate, is hard to forecast;
- while the plan is undertaken with a strong degree of rigour, it is likely to change between now and the formation of the three-year financial plan in Spring 2025 in light of January recruitment;
- the plan shows a minimal surplus is achieved in 2024/25, with cost savings required, while new provision is being developed and rolled out. The new provision relates to higher level apprentice development funding and HTQ development grant - both used to fund the staff time spent developing new qualifications;
- the draft UCP 5 Year Plan had been previously considered and approved by the UCP Audit Committee and, in turn, the UCP Council.

The Board **approved** the UCP 5 Year Plan for final submission to the OfS by 31<sup>st</sup> December 2024, subject to minor adjustments as required (**ACTION 10**).

## 9. AUDIT COMMITTEE ANNUAL REPORTS

Decision item

Speaker: CFO

Time: 18:00

The Board received the IEG Audit Committee Annual Report and the UCP Audit Committee Annual Report, drafts of each having been reviewed previously by the respective Audit Committees, which were presented for approval. It noted that the reports describe the work of the audit committees over the year whose remit is to oversee and assess the internal audit work, risk work and all the other reports received around control and governance, including fraud and irregularity, GDPR and whistleblowing. It was further noted that:

a. IEG Audit Committee Annual Report

- the Audit Committee's opinion statement advises that it:
  - considers that the Internal Audit Report indicates satisfaction within the system and all points raised are addressed in the relevant minutes;
  - takes comfort from the corrective action that has been instituted and is assured that realistic dates for implementation have been set;
  - is content with the production and comments surrounding the External Auditor's work with the Annual Financial Statements; to be reviewed following receipt of the management letter and outcome of regularity audit; and
  - the committee is satisfied that adequate processes as detailed in paragraph 3 are in place and additionally, that VFM, which is regularly considered, is being satisfactorily achieved;
- the unqualified audit opinion for the regularity audit is reflected;
- whilst there had been challenges with the late arrival of some internal audit reports, the vast majority of recommendations have been tackled;
- the internal auditors have been tasked to present a timetable of audit work and reports spread across the year for 2024/25;
- members were encouraged to look at the Cyber Security measures that are in place to protect the Group from threat;

b. UCP Audit Committee Annual Report

- the report is slightly different to the IEG Report, although it covers the same work, as the opinion is driven by OfS regulations;
- the unqualified audit opinion for the regularity audit is reflected;
- the UCP Audit Committee's opinion statement advises that it:
  - considers that the Internal Audit Report indicates satisfaction within the system and all points raised are addressed in the relevant minutes;
  - takes comfort from the corrective action that has been instituted and is assured that realistic dates for implementation have been set;
  - is content with the production and comments surrounding the External Auditor's work with the AFS; to be reviewed following receipt of the management letter and outcome of regularity audit;
  - is satisfied that adequate processes as detailed in paragraph 3 are in place and additionally, that VFM, which is regularly considered, is being satisfactorily achieved; and
  - is of the opinion that UCP has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets".

Having thanked the Audit Committees and staff for all their hard work on behalf of the Board and the Group, members **approved** both Audit Committee Annual Reports for signature and submission to external government bodies, as required (**ACTION 11**).

## 10. GOVERNOR DASHBOARD 2024/25

Discussion item

Speaker: CEO/CFO

Time: 18:10

The Governor dashboard for 2024/25 (as at P3) was presented for scrutiny. The Board discussed the following aspects, in particular, that:

- the dashboard presented a largely positive picture for the year to date with the following 5 areas RAG rated green (Full Time Study 16-19; Adult Skills Fund; Financial Sustainability; Sustainability; and Internal Audit Tracker) and three areas RAG rated amber (Higher Education; Apprenticeships; and Valuing Our People);
- internal student progression from FE to HE is lower than target, However it was noted that plans are in place to better promote UCP to IEG FE students with progression targets sitting with the FE curriculum teams (FE students spending time in UCP; Discovery Days including a UCP pop up space; parent events at UCP – explaining Student Finance England etc). Students need to know what is available to enable them to make an informed choice and this has previously not systematically been the case;
- it was suggested that the student governors establish links with the HE student governors to actively promote UCP and HE generally within the student body (**ACTION 12**);
- Sustainability metrics to be reviewed to assess best/most informative for the Board (**ACTION 13**);
- Apprenticeships – the data cleanse exercise has created an updated forecast in terms of funding but the Board was reminded that the achievement rate is 9% improved and that the necessary strict data cleansing exercise, implemented by the new Group Director of Apprenticeships & Employer Engagement, will ensure that future apprentices both remain in funding for the duration of their training and have realistic end dates set for their programmes;
- the accident rate is up by 20% on last year due, it is believed, to the increase in student numbers. The statistics will be regularly checked to assess whether this is a continuing spike.

The Board **received** the dashboard and thanked management for the useful report.

## 11. SAR & QIP APPROVAL

Decision item

Speaker: VP C&Q

Time: 18:20

The Board received a report presenting the IEG 2023-24 Self-Assessment Report (SAR) and draft Quality Improvement Plan (QIP) for 2024-25, and was asked to approve the moderated SAR Grades. It was noted that:

a. SAR Moderation

- on 18.11.24 a moderation panel (including 3 governors, the CEO, an external representative from City College Norwich and chaired by the CCO) convened to review the SAR and assign key judgement grades.
- following robust discussion, the panel recommended changes to the SAR, particularly concerning the grades for:
  - Apprenticeships
  - Quality of Education
  - Leadership and Management and
  - Overall Effectiveness
- the changes were based on further analysis of:
  - student academic outcomes and enrolment percentages within specific curriculum areas; and
  - further review of distance travelled by Apprenticeship provision.
- the moderation process (firmly rated as positive by governors who attended the panel) and subsequent quality work resulted in several grade adjustments (indicated in green in the table below):

		Ofsted Grade Mar 2023	Proposed Grades for Moderation 2024	IEG Moderated Grade Dec 2024
<b>Key Judgements</b>	Overall Effectiveness	2	2	1
	Quality of Education	2	2	1
	Behaviour & Attitudes	2	2	1
	Personal Development	2	2	2
	Leadership & Management	2	2	1
	Safeguarding	Effective	Effective	Effective
<b>Types of Provision</b>	Education Programmes for Young People	2	1	1
	Adult Learning Programmes	1	1	1
	Apprenticeships	3	3	2
	Provision for Learners with High Needs	1	1	1

The Board was delighted to receive and **approve** the moderated SAR Grades 2023/24.

b. Quality Improvement Plan

It was noted and discussed that:

- the Draft Quality Improvement Plan (QIP) presented to the Board strategically addresses the areas for improvement identified in the Self-Assessment Report. Each priority within the QIP aims to achieve a clear impact, such as increasing student satisfaction with feedback by 10% measured by end-of-term surveys);
- this will be achieved through the delivery of a robust action plan with measurable indicators, target completion dates, and allocated resources. Managers are collaborating to finalise these actions, with completion expected by the end of December 2024;
- to ensure accountability, IEG will use a RAG rating system to track progress and provide updates at every Curriculum & Quality Committee and Board meeting. The QIP will be formally reviewed at the Assistant Principals Meeting monthly to allow for adjustments based on progress and emerging themes.

The Board received and **approved** the Quality Improvement Plan 2024/25.

## 12. RISK MANAGEMENT REPORT – REVIEW OF STRATEGIC RISKS

Discussion item

Speaker: CFO

Time: 18:30

The Board received a report summarising the November review of the risk environment for 2024/25, as presented to the Audit Committee on 27<sup>th</sup> November 2024 who considered the detail. It was discussed that:

a. Board Assurance Framework/Strategic Risks Heatmap.

- the strategic risks covered experienced no changes to the residual risk scores, although there have been a number of updates to the action plans to manage these risk areas during 2024/25;
- the way apprenticeships are being managed and monitored has led to a significant change to the apprenticeship risk action plan;
- the higher education residual risk remains high, as there is a significant enrolment point in January 2025 - this is higher than usual as new qualifications are introduced mid-year. The financial risk is expected to reduce as the forecast becomes more certain during the year;

b. Contingency Risks

- these risks were presented in full to the members of Audit Committee, after being subjected to an equally robust internal review. Below is a summary of the key changes made to this register:
  - one risk has been removed relating to the required reduction in the level of sub-contracting as that has now been achieved;
  - one new risk has been added to deal with the implementation of new software. The roll out of technological solutions is accelerating in the organisation, and the risks around adoption by staff of new systems is recognised.

c. Risks with an increased residual risk score

- Group wide (GW3), based on the volume and value of project funding (revenue) being received;
- Partnerships (P4) due to the significant scaling up of the supported delivery model contract;
- Safeguarding (S3) because of some key staff vacancies in this area;

d. Risks with a decreased residual risk score

- Estates (ES2) as a result of grant funded capital projects coming to a close without any material issues.

The Board welcomed the report and noted the risk information provided.

### 13. PETERBOROUGH MASTERPLAN UPDATE

Decision item

Speaker: COO

Time: 18:35

The Board received a comprehensive report providing:

- an update on progress of the Peterborough College masterplan;
- details of the process followed to develop the estate;
- the persistent and challenging need to expand and develop the site (student growth challenges);
- the local political landscape and opportunities to attract capital funding
- investment options to maximise opportunity; and
- the costs to develop Phase 2 of the plan through to planning permission in order to provide the best possible platform for IEG to secure funding for the redevelopment of Peterborough College.

Members noted and discussed in depth the following, that:

- in order to place IEG in the best possible position to secure funding in 2025 for new buildings, it needs to ensure that it has a project that has secured planning permission, has reached RIBA Stage 4 and can be mobilised to site with relative ease;
- Two options proposed for consideration:
  - Option 1: a four-storey block with a gross internal floor space of a 5850M2 to be developed to RIBA stage 3 and secure planning permission by July 2025. This involves undertaking detailed design development and appointing key professional services to ensure accurate costs and plans that can form part of a planning application and be ready to mobilise to site on announcement of capital funding for the FE sector. This option has a total cost for the proposed block of £37m. Development costs to reach planning stage: £490k – recommended option. To develop the design through to planning and reach RIBA stage 3 by July 2025 the cost to IEG would be £490k (Management preferred option).
  - Option 2: the same approach as Option 1 but instead puts forward a slightly smaller new build option with three storeys and a gross internal floor area of 4000M2. This option addresses part of the capacity issues and reduces condition liability but would require further phases of the masterplan to be constructed to meet the student demand over the next 5 years and mitigate the ongoing capacity issues. This option has a total cost for the proposed block of £27M. To develop the design through to planning and reach RIBA stage 3 by July 2025 the cost to IEG would be £422k.
- even in the event that capital funding is not secured in October 2025 (likely timing of government announcements), the work undertaken and paid for would not be wasted as the surveys undertaken would all be available to support the build developments
- the sooner the project is embarked upon, the lower the operating costs will be in 5/6 years time;
- early engagement with the construction market, which is under considerable pressure, will help protect build plans from inevitably rising costs;
- ideally the new build should be innovative and self sustaining in 8/10 years time – the design should be reconsidered.

The Board discussed its ambition and its appetite for risk in committing expenditure without a guarantee of capital funding at this stage and positively **agreed** to the following proactive approach:

- mindful that the DfE is more likely to agree capital funding for 'shovel ready' projects and that IEG has already proven itself capable of managing a complex build within time and funding parameters with its CGT build, Option 1 is to be taken forward within an agreed budget of £500k to undertake the development work, those costs to be spent in 2024/25 (**ACTION 14**) ;
- the build design to be reconsidered, applying an innovative approach to achieve sustainability;
- that whilst the current full year forecast is £680k, it was recognised that there are factors that may adversely impact that forecast position and the Board is prepared to accept a potential deficit end of year position in that event. Executive to model the spend and produce a cash flow forecast (**ACTION 15**);
- to use the CGT launch to present the masterplan for the site to garner support, promoting our confidence in and ambition for the learners of Peterborough.

The Board **congratulated** the COO and his team on the work undertaken to develop the Peterborough estate.

## 14. URGENT BUSINESS: (RE ITEM 1C)

Standing item

Speaker: Chair

Time: 18:45

None

## 15. DATES OF NEXT MEETINGS

Information item

Speaker: Chair

Time: 18:45

- Strategy Away Day - Wed/Thu 12/13 Feb 2025
- Board Meeting - Tue 25th Mar 2025 (SC)

*Staff and student governors and non-Senior Postholders left the meeting at this point for the Confidential Items section of the meeting.*