

UCP COUNCIL

6 June 2024

16:30 - 18:00

Remote Online Meeting

ATTENDANCE

PRESENT

Les Ebdon (Chair)
Tony Keeling
David Dixon
Peter Walker
Alison Davies
Mark Woods
Matthew Bradbury
Liz Knight (UCP Academic Director)
Louise Perry (Chief Financial Officer IEG)
Molly Woodthorpe (Student Officer)
Rachel Nicholls (Chief Executive Officer IEG)
Rachel Pishhorn (Staff Governor)

IN ATTENDANCE

Joanne Ulyatt (Governance Director)
Daniel Lee (HE Manager)

ABSENT

Sameena Aziz

23. UCP COUNCIL MEETING - WELCOME

Standing item

Speaker: Chair

Time: 16:30

(a) Apologies for absence; Sameena Aziz was not present.

(b) Eligibility, quorum and declarations of interest; No notice had been received of any Member becoming ineligible to hold office, the meeting was quorate and there were no unregistered interests declared; the register was available for scrutiny.

(c) Requests for urgent business; None received.

24. MINUTES

Decision item

Speaker: Chair

Time: 16:35

- (a) Minutes of the last meeting (14.03.24);
- (b) Matters arising from the minutes;
- (c) Actions from the minutes;
- (d) UCP Audit Committee Minutes (23.05.24); and
- (e) HE Academic Board Minutes (01.03.24)

a. The Minutes of the last meeting held on 14 March 2024 were confirmed for electronic signature.

(ACTION 14)

b. There were no matters arising. New website has been launched and is just being tweaked. Looking at how to tie in enquiries with CRM system to chase those through. Redefined post within Marketing to assist UCP.

c. Actions from the last meeting were considered; all had been completed.

d. Minutes of the UCP Audit Committee held on 23 May 2024 were shared.

e. HE Academic Board had also met and minutes of the meeting held on 1 March 2024 were shared. The minutes of the most recent meeting held in May 2024 were not yet available but will be circulated and a brief summary of discussion points were noted. Continual watching brief on use of AI; the new version of Word has in-built Grammarly so have updated policy and providing guidance around the campus.

f. It was noted that the UCP Governance & Nominations Committee meeting scheduled for May 2024 had been postponed to 19 June 2024.

25. ACADEMIC DIRECTOR'S REPORT

Information item

Speaker: Academic Director

Time: 16:40

a. In light of the forthcoming election the sector is seeing guidance meetings with the OfS being cancelled so negotiating is becoming more difficult.

b. At the last meeting delays to the introduction of LLE funding for modular provision were reported and this delay has been confirmed until January 2026. There is a possibility that a new government could cause further delay. Consequently the 5- year plan had to be amended accordingly. UCP can still provide delivery if individuals or their companies wish to pay for it directly.

c. Another validation has been undertaken for a DipHE Adult Care Programme and the panel provided very good feedback. This is the first programme approved for delivery in a truly blended model.

- d. A successful approval event with Bishops Grosseteste means the Level 5/6 teaching programme can be delivered at both SC and PC and this will be the qualification of choice for all teaching qualifications, replacing DTLLS. Members asked whether the BGU qualifications are sector specific in the same way as DTLLS were; it follows a new framework which allows tailoring to vocational, academic or SEND provision to meet organisational needs and the needs of students. It provides a much greater focus on subject specialisms. This will likely trigger an Ofsted visit in relation to the provision, but the team will be ready and able to deliver good outcomes.
- e. As of 22 July APT will relocate to UCP meaning all L4 - 7 provision will be located at UCP, both daytime and evening, providing opportunities in terms of synergies. This will also enable opportunities for some to top up to degree level.
- f. The MOU with ARUP has been agreed with two minor changes relating to the student union and competition. Diaries are currently being coordinated to agree a date in September for signing of the document. There has been a positive shift towards collaboration since the discussions began.
- g. A successful internal progression event was hosted with 360 IEG students in attendance from SC and PC. A Discover Uni Day is coming up later in the month and UCP are working with employers to bring further endorsements in for HTQs. An overview of other school events was provided.
- h. UCP will be hosting the national Advance HE College annual conference on 8 July.
- i. UCP Graduation is to be held on Friday 13 September at Peterborough Cathedral; all UCP Council members are invited to attend and formal invitations will be sent by Marketing.
- j. A brief overview of the HE Staff Conference as part of the wider staff development week was given.
- k. A new HE Manager has been appointed to commence the role on 1 August following the resignation of an experienced member of staff. Workloads are being carefully managed until that point.
- l. Work is underway to review the Link Governor Scheme to work more productively together. Feedback on this can be sent to LK and JU over the summer period for consideration. It is hoped that this will include greater engagement at events and a good direction of travel to improve engagement and visibility of governors. The link scheme itself is considered valuable, providing a chance to meet with staff and make more proactive use of volunteer skills, and giving staff the opportunity to connect with governors and ask questions.

26. UCP KPIS DASHBOARD

Discussion item

Speaker: Academic Director

Time: 16:50

- a. Quality; - retention remains strong with 95% across some parts of the provision. ESPA has the lowest retention due to cohort size. Addict maintained strong retention for completing students and external examiner visits went well so no problems are anticipated as the end of the contract is reached.
- b. A lower response rate to satisfaction surveys was attributed to timing conflicts with other surveys. Efforts are underway to improve feedback collection and analysis, though some courses still performed exceptionally well. Some issues noted related to staffing volatility, assessment requirements and availability of resources. There has been a great deal of investment in resources this year to raise performance. National trends in student surveys also show some dips in satisfaction.
- c. Growth; some ALL-funded coding provision had to be suspended due to allocations which impacted student numbers overall. Applications detail was provided for September starts, noting that an increased number of late applications and pre-application enquiries are being observed. The modular delivery of HTQ and LLE has created two recruitment points. Targeted campaigns are focusing on attracting mature students and a new dedicated post seeks to turn enquiries into conversions. Counselling courses continue to be an area of growth with 4-5 intake groups planned for next year. Marketing continues for the January intake.

d. Governors asked if sufficient staffing is in place for the growth in Counselling; existing staff have been developed to meet the demands of the L6 course. There is sufficient staffing for four groups in September but it will go out to recruitment if five groups are enrolled.

e. HR; staff turnover has decreased significantly, outperforming competitors and the market in general. No H&S issues have been reported in relation to UCP.

f. Finance; the financial position is generally good year-to-date, despite a last-minute increase in TPS employer contributions which was more significant than expected at 5%, increasing on costs to 41%. The 7% pay award, while beneficial for staff and affordable as a Group, has tightened the financial position. Whilst a balanced position at year end is expected, it is quite tight. The affordability of the pay award when viewed through the lens of UCP as a subsidiary makes the position somewhat more precarious as the overall financial performance of UCP would not have afforded the award and, therefore, the impact of such a significant award becomes telling when looking at projections for 2024/25. It remains the correct thing to do as UCP staff are employed by IEG and therefore the same award was applied across the board.

g. The aged debt analysis shows a net movement of approximately £20-30K, including improvements from the previous year.

The amount received in from the SLC was much less than expected so bad debt provision is expected to increase, but this adjustment has not yet been made. Governors requested that for the next report additional detail is included to show the total provision, and that the net amount reconciles to the balance sheet. In relation to the surplus/breakeven position these are quite sizeable amounts so the Council would like to see a table that deducts the amounts written off and gives the balance carried forward, thus clearly showing movements/overall picture **(ACTION 15)** Governors asked how much is expected to be written off; around £30-40K write offs of circa £350K in total, much of which relates to entanglements with ARU. The team have been making surprising inroads and the provision is down by a further £40K since March, so it is moving. The very old debt is really difficult to collect but collections are much sharper on newer debts. It is also notoriously difficult to collect from the age group concerned due to lack of assets. The SLC has a very prescribed debt timetable. The debt collecting partner has proved effective, collecting £129K of the provision this year. The largest individual write off amounted to less than £5K. Going forward, if a current student owes money from a previous year then they are not admitted unless they are on a strong payment plan.

h. Governors noted that the pay award coincides with a considerable reduction in turnover which had been an issue that had concerned the Council for some time and on that basis it is considered money well spent. In past reports, partner income has distorted the staff costs figure since they provide the staff; this iteration provides a true picture for the first time so the operational efficiency can now be viewed more clearly.

27. FINANCE UPDATE

Decision item

Speaker: CFO

Time: 17:05

(a) UCP Finance Report & Performance Update

(b) UCP Budget Recommendations to IEG

(c) Annual Review of UCP Financial Regulations

a. No subcontracting is planned next year as the contract with Addict draws to a close. No students are expected to go beyond 31 July so there will be no subcontracts from 1 August. ESPA has not recruited to their HE programme but has set up more FE with IEG this year; it is not known whether this was for strategic reasons or a consequence of lack of demand.

b. Normally there is a marginal difference between the 5-year plan and what is presented at this meeting, but the position is a little different this year due to staff costs. At this point in time a budgetary gap exists due to increased staff costs and slightly decreased fees. Efforts are underway to

close this gap through cost savings or increased income generation in year to get the plan to balance. This version of the budget will go into a first draft to F&R next week and then a final draft at Board in July, so work will continue to try to ensure the return of a small surplus. A 3% pay award from January 2025 is built in across the Group but is not an obligation and remains contingent on recruitment performance in autumn.

c. Some external issues have caused lags in getting HTQs off the ground which has been a frustration.

d. The Council were asked to recommend the budget to the IEG Board on the basis that there is work still to be done to tighten it up before heading into next year. Governors questioned, based on resources pegged roughly where they are now with 462 students, if pushed hard how many more could UCP accommodate and what impact that would have on the budget, ie. what is optimal in terms of student numbers against cost; Capacity is not limited, it is more a question of optimisation of group sizes to ensure sufficient money is generated from each cohort. While the UCP building has finite capacity, IEG has a large estate and can be flexible to offer further capacity around the site to put more courses on for more groups if the numbers are there. There is also potential to reduce staff costs if the targeted number of students is not met as IEG can redeploy staff and recharge less to UCP, so it is not the end of the story if targets are not hit. Across the Group growth of approximately 50 staff is required to deliver on targeted growth numbers, and this can be switched on and off to accommodate the optimum position. There are lots of opportunities but growth is always preferable. As yet the APT benefit has not been added in so those synergies have not yet been realised.

The UCP Council recommend the UCP budget recommendations to the IEG Corporation Board subject to the ongoing further work discussed.

e. The UCP Financial Regulations had already been reviewed in March for the current year to address some inconsistencies, therefore a light touch review was presented; the only consideration is the threshold for recognising capitalisation which also aligns to the draft IEG Financial Regulations which will go to the F&R Committee in light of a proposed policy change which revises thresholds up. Both numbers have been left in for reference until F&R consider the policy. Governors asked how this would affect IT equipment; the inventory to record every single item owned will still be retained, but this would allow a slimming down of the fixed asset register to make it more manageable. It would not impact on the ability to purchase.

The UCP Council approved the revised UCP Financial Regulations 2024/25.

28. OFS & PROPOSED COMMITTEE STRUCTURES

Decision item

Speaker: AD/GD

Time: 17:20

a. The report was provided. Governors agreed it was a sensible proposal to reduce duplication and allow greater UCP representation at the Group level, noting also the importance of not damaging OfS registration conditions in any way.

b. As Chair of IEG Audit, TK offered to meet with AD to further discuss and understand the practicalities of what that will mean going forward and how to preserve the knowledge and landscape of UCP Audit Committees.

c. Potential conflicts of interest have been considered as part of the approach and the register of interests would, as always, be considered prior to commencing each meeting. Governors support the streamlining and simplification this would bring. No conflicts around intercompany movements and audit assurance are anticipated.

The UCP Council approved ongoing discussions with the OfS.

29. HTQ SKILLS INJECTION FUND & OVERVIEW

Discussion item

Speaker: Academic Director

Time: 17:30

- a. An overview of HTQs was provided, including modes of delivery and amendments to the budget plan for next year due to HTQs. Governors were given a sense of what is required and the challenges posed by iFate requirements which are causing sector-wide concern. The numbers must be achieved across a 2-year period.
- b. Challenges and benefits were discussed.
- c. Immersive rooms allow effective links between sites which will prove very beneficial for delivery.
- d. HTQs will be delivered in a different way; rather than 3 or 4 modules at a time, students will be immersed into one module at a time with additional contextualising.

30. STUDENT OFFICER REPORT

Speaker: Student Officer

Time: 17:40

- a. Student feedback received has been very positive, particularly in relation to recent changes within the UCP building.
- b. Students were content with actions implemented following survey feedback.
- c. The Student Engagement Awards system was outlined and can be used on CVs and in applications for further study.
- d. A new Student Officer had been elected at a quorate meeting, and a new deputy was appointed by a student panel with representation from all faculties to ensure fair process.
- e. The Council thanked MW for her contributions and wished her well on her upcoming graduation and post graduate studies.

31. RISK REPORT & BOARD ASSURANCE FRAMEWORK

Discussion item

Speaker: CFO/AD

Time: 17:50

- a. The BAF reflects the BAF used across the Group. No changes had been made to the residual risk scores at this time of year as would be expected. A number of updates to action plans had been made since the last review since they are very actively managed.
- b. The Risk Register had been updated to accommodate the request made at the last meeting to remove references to merger in Risk 251, and Risk 261 had been updated to reflect no sub-contracting provision next year.
- c. Governors noted that Risk 26 was the only one with a red rated residual score; though this was covered partly in the finance paper they requested an explanation of what would be required to bring it down at least to amber as there are a number of mitigations in place, leading them to question whether the team were being hard on themselves or if it is indeed a realistic assessment in terms of the score. These are challenging times for HE in FE and there is real concern surrounding recruitment across the sector this year. UCP has not quite met enrolment targets, and therefore also the financial targets, for each of the past 2 years so until that is achieved there is a strong rationale for it to remain red.

32. URGENT BUSINESS (RE. ITEM 23C)

Standing item

Speaker: Chair

Time: 18:00

- a. The Chair noted his thanks to colleagues for engaging in recent 1:1 discussions; these will be used to assist in the drafting of the UCP governance self-assessment. Due to the delay in completing the 1:1s earlier in the academic year due to ill health, the Governance Director took the opportunity to review the UCP self-assessment against the CUC Code and was satisfied that this remained up to date.
- b. It was reiterated that changes to improve the Link Governor arrangements would be welcomed; this had already been discussed earlier in the meeting and is in hand as part of a wider IEG piece, along with more face to face meetings which the team will seek to accommodate within the meeting schedule for next year.
- c. Finally, the UCP Council look forward to receiving news of student results since that is what it is all about.

33. DATE OF NEXT MEETING: TBC

Scheduling

Date of next meeting to be confirmed and invites sent out accordingly as soon as the Meeting Schedule 2024/25 has been approved.

There being no other business, the meeting closed at 18:10.