

# UCP COUNCIL/DEVELOPMENT DAY

December 5, 2024

1:30 PM - 6:00 PM

Room: UCP014

## ATTENDANCE

### PRESENT

Sameena Aziz (*Items 1 – 10*)

Matthew Bradbury (*Items 1 – 10*)

Dr Alison Davies

David Dixon

Prof. Sir Les Ebdon

(Chair)

Tony Keeling

Kirsty Marfleet

(HE Student Officer)

Peter Walker

Mark Woods

### IN ATTENDANCE FOR STRATEGIC DISCUSSION

Danni Abbott

(Academic Office Manager)

Cory Brook

(Deputy HE Student Officer)

Julia Bates

(IEG Chief Curriculum Officer)

Rachel Jolley

(HE Media & Journalism Curriculum Leader)

Liz Knight

(Academic Director)

Jemma Leggetter

(HE Student Finance & Customer Services Manager)

Katie McAllister

(APT Manager and HE Manager)

Louise Perry

(IEG Chief Finance Officer)

James Whybrow

(IEG Group Director Employer Engagement &

Apprenticeships)

(HE Manager Science & Technology – Resources)

Peter Wright

### IN ATTENDANCE FOR UCP COUNCIL MEETING

Julia Bates

Haydn Bereynyckyj

Emma Graham

Liz Knight

Jane Spurgin

### ABSENT

Rachel Nicholls

Louise Perry (*UCP Council Meeting*)

## 1. MEET, GREET AND LUNCH

Other                      Time: 13:30

## 2. CHAIR'S WELCOME

Standing item                      Speaker: Chair

Welcome from Professor Sir Les Ebdon who expressed his pleasure that attendees were meeting in person again. All attendees introduced themselves.

## 3. STRATEGY REVIEW & DEVELOPMENT ACTIVITY

Speaker: Academic Director (AD)

- Develop the UCP Strategy 2025-2030
- Define the academic character of the institution
- Determine milestones and KPIs

The AD set the scene for the strategy for the future – academic character to be determined; strategic drivers; alignment with IEG priorities yet distinctive; UCP's USP; further stakeholder views through consulting. Journey to achieve final version for Council approval in March 2025.

Members discussed the draft Plan and resulting ideas were captured for consideration to be included in the next draft of the UCP Strategy 2025-2030.

## 4. UCP COUNCIL MEETING - WELCOME

Standing item                      Speaker: Chair

- Apologies for absence: Apologies were received from Louise Perry and Rachel Nicholls.
- Eligibility, quorum and declarations of interest. No notice had been received of any Member becoming ineligible to hold office, the meeting was quorate and no new interests were declared.
- Requests for urgent business. Audit Committee ACAR to be emailed for approval (**ACTION 1**)
- Election of chair/vice chair – The Council agreed to the re-appointment Professor Sir Les Ebdon as Chair and Dr Alison Davies as Vice Chair for 2024/25.

## 5. MINUTES

Decision item                      Speaker: Chair

- Minutes of the last meeting (06.06.24):** The Council Minutes from 06.06.24 were approved for signature (**ACTION 2**).
- Matters arising from the minutes:**

- APT absorption - has gone well and management will report to next meeting in March (**ACTION 3**);
- MoU with ARU - need to set another date for the meeting (previous cancelled) to sign the MoU and this will be arranged for January 2025 (**ACTION 4**).

(c) **Actions arising from the minutes:**

- Aged debt analysis: 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 – not yet actioned (**ACTION 5**). Members were advised that approximately £9k has been recovered from older debts since year end and that, for 2024/25, no provision has yet been made, as the normal collection cycle is being followed and at year-end all existing debts were fully provided for (120 days or older).
- Members requested that deadlines for action points are included on the tracker (**ACTION 6**).

(d) **Minutes from Academic Board (04.10.24) and (29.11.24 – verbal update):**

Council members received the minutes from 04 Oct 2024 and a verbal update on key issues arising from the meeting held on 29.11.24.

- Members commented that the Academic Board meetings had been interesting with an impressive amount of student feedback.
- Information provided on the suspension of courses.
- Discussion about ethics process. Staff were proud of the challenge from journalism students but it is clear that some investigative processes are not appropriate at an undergraduate level, as detailed in our ethical protocols for research.
- Discussed and approved OU Institutional Performance Review - more about the students and not just the processes.
- The CCO and AD from the Council had been present however, other Council members welcomed as observers to improve skills and provide great link governor opportunities. Council members to be invited to observe – AD to send dates of Academic Board meetings and Members to indicate when they may wish to attend (**ACTION 7**).
- At the meeting last week members had relooked at some of the policies and processes for students with specific learning needs. It was noted that previously the OU had validated UCP on very narrow criteria but they had stepped back, allowing UCP more autonomy.
- Discussed bids UCP has successfully applied for;
- Possibility of inflationary price increase to be applied for 2025/26 and confirmation that the Council will be requested to approve the Fee Policy for 2026/27 at the March 2025 meeting (**ACTION 8**).

## 6. OFFICE FOR STUDENT UPDATE ON COUNCIL STRUCTURE

Information item

Speaker: Academic Director

Members noted that:

- Management has a meeting request in place with UCP to discuss the merger of the UCP Audit Committee and also the UCP Governance & Nominations Committee with the IEG Committees;
- The proposal was presented to the OfS nine months ago and management has been chasing for a response ever since. OfS has written to confirm that they are happy in principle but that it would be writing with their considerations, which are awaited;
- It is planned to have the merger in place by 5<sup>th</sup> March 2025 and OfS will continue to be pursued to enable that to happen (**ACTION 9**).

## 7. ACADEMIC DIRECTOR'S REPORT

Discussion item

Speaker: Academic Director

The Council received a detailed report from the Academic Director and noted the following key points:

a. Office for Students (OfS) and regulatory updates:

- The OfS has stated that the sector needs to take 'bold and transformative action' in light of declining student numbers across the country in order to sustain financial sustainability. This is in light of the overall decline of 5% in younger students; students opting for full degrees and choosing Russell Group providers.
- HTQs take up has been below target, a position reflected across the country;
- UCP is responding with innovative curriculum and course/programme design where one programme can be delivered flexibly (i.e. as a standard degree, a degree apprenticeship, modular study).

b. Inflationary fee increase for 2025/26

- The Secretary of State's recent announcement allows for an inflationary fee increase in 2025/26 and members gave careful consideration about whether to increase UCP fees.
- UCP Tuition Fee Policy says we may apply an inflationary fee increase for new and continuing students for 2025/26 which may help offset increasing costs in all areas.
- There is no way of knowing which competitors will be applying an inflationary fee increase
- The Finance Team had done some modelling, applying the inflationary fee increases, which was presented at the meeting - existing competitor fees and charges were also presented to support the discussion.
- The modelling presented a wide variety of fees across the different categories and, by applying a 3.08% increase, reflected a potential increase in income of £106k alongside a sensitivity analysis showing a risk of losing 13 students.

In considering its decision, members discussed that:

- a selective approach to fee increases on a course by course basis should be applied;
- for students attracting SfE finance, this is not an upfront fee and does not impact on the amount of payments to be made later – but it does affect the size of the debt, a concept which most FT students will easily grasp. Nearly every University will put their fees up to the maximum allowed, as they understand that;
- for mature students who have experience of debt (or for self-fee payers), it could be a disincentive and for UCP the impact may be different as it has more self-fee payers;
- the HE Student Officer advised that UCP is already so much cheaper than others and that an increase would not make any difference to the students she speaks to. In the grand scheme of things the increase would only be around £200 and perceived as fair in light of increased costs;
- the need to ensure that any increase is effectively communicated to continuing students;
- the UCP 5 Year Plan has no inflationary fee increase built in and therefore its application would help towards the cost savings needed;
- if UCP applies the inflationary fee increase and fees are later deemed too high against market rates, it has the opportunity to offer a bursary to reduce fees;
- a number of courses were identified where it was suggested that the inflationary increase should not be applied (ie. FD'S in Education and Early Years; Top UP Degree levels in Education & Counselling; Dip HE in Counselling; Dip HE in Adult Social Care & Management; Course);
- fees for 2026/27 will be set in March and at that point a detailed report and full analysis will be presented for decision (see ACTION 7).

The Council **approved** that the inflationary fee increase would be applied to all new and continuing students from 2025/26 with the exception of:

- Foundation degrees in Education and Early Years - (*in-service elements and one day per week study*)
- Top -up degree levels in Education and Counselling - (*in-service elements and one day per week study*)
- DipHE in Counselling and Dip HE in Adult Social Care Leadership and Management - (*self paying mature students*).

All students to be informed as soon as possible and the information to be published on UCP websites (**ACTION 10**)

c. Sexual Harassment and Misconduct

- UCP is aligning its policies to achieve best practice and to respond to new legislation.
- Students attend mandatory tutorials about how they can report incidents.
- Across the sector there is a perception of the widespread abuse of power (staff v student) but there is also student v student and staff v staff abuse to consider.
- Clear guidelines for staff on declarations of relationships/disciplinary.
- UCP does not use/nor ever has used Non Disclosure Agreements (NDAs).
- The OU has sent numerous documents and statements for signature to ensure we are abiding by the OfS conditions.

d. Lifelong Learning Entitlement

- Delayed until January 2027 – partly due to the formation of Skills England which will replace IfATE.
- AD has been invited to provide feedback on how beneficial it will be - good idea for there to be a pilot.

e. Student Outcomes

- UCP continuation rates are significantly above benchmark (benchmark of 80% for FT first degree and 75% for HN/ Foundation degrees). In respect of the FT first degree outcomes, members were advised that: the only subject below benchmark is Business and Management at 74.7%. In respect of ethnicity and gender continuation metrics these are: for Asian students 76.5 % and for Black students 75%; for Female students 85.2% and for Male students 80%; Disability reported 87.0% and no disability 82.3% and for time series Year 4, the continuation rate is 90.2%.
- UCP Progression into positive destinations data shows an increase overall from 63 % to 68.8% for first degree students since the last update. Other UG is 16.8 % above benchmark – the benchmark is 60% for first degree and 45% for HN/ Foundation degrees (Other UG). Within the first degree figures it was advised that: there is an improved trend by time series – Year 4 which is now 76.2 %; White at 72.3 %; Disability reported – 70.5 %; Education and training – 88.9% and Computing 79.8 %. The only areas under benchmark is Sociology and Social Policy at 57.9%.
- There is additional work to be done to explain to students the importance of completing surveys which inform positive destinations.

The Council welcomed the report reflecting excellent outcomes.

f. Student numbers and plans

- Student number target had not been achieved in September and further students are required to enrol to meet target.
- There are currently 12 FT applications in hand of which 7/8 are already confirmed.
- Some new students will come in from direct applications (Adult Social Care and Counselling will have new cohorts from January) – all the rest will be infill.

g. Curriculum Updates

- Introduction of the Degree Apprenticeship provision.
- Validation of the BEng Electrical and Mechanical top-up degrees with the OU providing a progression route for HN students.
- Introduction of the FT HND Pearson Esports provision with 3 pathways (production, athlete coaching and event management)
- Decision to teach-out the BSc Biological Sciences – only Level 6 provision will remain in 2025/26 as students complete their studies.
- Recent survey indicates that there is a demand for a Creative Writing programme. Management to assess if this is a course that UCP should be running.

h. Lincolnshire Institute of Technology (LIoT)

- A Joint Venture Agreement has been signed by IEG Corporation with the LiOT which will set UCP in good stead for a future IoT developments – may see some early benefits for students financially

i. Progression events and positive news stories

- Members received a number of good news stories and noted that there is a forthcoming excellent opportunity to align with the Malcolm Bradbury Trust (a registered charity seeking to advance and promote the literary arts through educational initiatives).

The Council thanked the AD for the comprehensive report.

## 8. HIGHER LEVEL GRANT AWARDS - HTQ AND DEGREE APPRENTICESHIP BID

Information item

Speaker: Academic Director

Members received a project update on the Higher Level Grant Awards - Higher Technical Qualification (HTQ) and Degree Apprenticeship position and it was noted in particular that:

- HTQs were/are being introduced across two academic years 24/25 and 25/26 in Engineering, Digital Technologies, Sport Coaching, Early Years, Digital Marketing, Animal Conservation and Countryside Management and Adult Social Care.
- Delivered via Pearson and the Open University Foundation Degrees and DipHE.
- All HTQs need to be accredited by IFATE - lengthy process with some courses taking 18 months. Range of validations with the OU for approval.
- Due to national trends and uptake, the HTQ project has been extended.
- Extension for HTQ funding – 4 year window - reduces any risk for UCP considerably and engineering targets already achieved.
- Risk register includes the specific risk of clawback.
- Funding received and the benefit is being seen.
- Degree apprenticeships – Project Lead started on 25.11.24.

Members discussed the worst case scenario of clawback: 113 target but based on each of the strands individually. Currently at 60% in terms of target numbers in Sport and Digital Technology – potential 20% loss. However, there is an 80% threshold before any clawback is applied. Finance will quantify potential loss and provide information at the next meeting (**ACTION 11**).

Members requested that the Project Lead attend the Council meeting in June to provide a feedback report covering the implementation plan and performance (**ACTION 12**).

Members complimented the AD and her team for the innovative curriculum content.

## 9. UCP FINANCE REPORT P3 AND RECOMMENDATION OF ACCOUNTS

Decision item

Speaker: GD Finance

Council members received the UCP P3 Finance Report and noted the current position that:

### *P3 Report*

- the YTD deficit is £28k (against a budget surplus of £110k) with a projected position of a surplus of £14k (from a budget of £12k surplus);
- the forecasted reduction in income of £114k has been driven by a lower than expected September recruitment but offset by the release of grant funding. The current student headcount is 382 (344 FTE) compared to the budget of 460 (398 FTE). The final position will be determined by a successful January enrolment of 74 (31 FTE) compared to 36 / (16 FTE) budgeted;
- these reductions are offset in part with the remainder of the 2023/24 allocation of HTQ funding being recognised in year, and by a new grant award to develop degree apprenticeship to start in September 2025;
- staff costs are showing a slight saving YTD due to the apportionment of APT related resources. IEG has received a letter to confirm the upcoming NI increase is mitigated through grant funding, though there remains some risk as the methodology has not been confirmed;
- YTD non-pay costs are generally in line with expectations. When reviewing the full year forecast it is anticipated that a reduction in bursary costs of £95k is expected and a reduction in HTQ related outlay is also expected, due to externally generated delays in validation approvals (this is in part responsible for the lower enrolment numbers);

### *Full Year Forecast*

- it is early in the year to provide a firm outturn forecast - there are two key components that will make a material difference to the forecast:
  - o In September UCP were awarded £490K to develop higher level apprenticeships, this funding is not reflected in the report. This will be reflected in both income and expenditure, the plan remains under development;
  - o the January recruitment will be a key in ensuring income targets are met and exact numbers need to be known to make an accurate outturn forecast;
  - o with HE funding, any loss of income impacts in year.

### *Balance Sheet*

- reflects a healthy net asset position, bringing forward the final 2023/24 surplus into reserves. Cash remains healthy and should remain steady, particularly as further grant funding has been awarded in year;

### *Capital Expenditure*

- to date this has focused on completing the capital element of the HTQ grant, purchasing over £220k of equipment, taking the total investment to £464k. The largest investment has been in Immersive and Digital technologies having invested £212k this year.

Members made the following enquiries/observations of/to management:

- P3 report – check that the numbers in the first paragraph match the numbers in the second paragraph – agreed;
- P3 report - when presenting debtors make clear what is covered by a prior year and current year provision to reconcile between aged debtors and balance sheet;



- What is the level of risk of inadequate funding to cover the NI contribution increase - IEG will receive some funding but is unable at this stage to quantify what that sum will look like as information is limited. However, it was noted that IEG employs UCP staff, therefore NI will be covered as UCP staff are employed by IEG.
- Debtors Analysis (p145): a provision of £386k has been allocated across the debtor portfolio. A separate debtors report is produced for IEG. - a combined approach is being developed for UCP to enhance visibility, recognising that debt recovery is a more significant issue for UCP than for IEG. The Finance team has increased its focus on debt recovery, leading to improved results and stronger internal controls. £198k remains outstanding with ACT, with payment plans currently in progress. The potential for introducing incentives for upfront payments should be considered. The next report will be presented in March (**ACTION 13**).

The Council **noted** the current position and that providing an accurate full year forecast at this stage is difficult until the impact of January 2025 student recruitment can be fully assessed.

## 10. UCP 5 YEAR PLAN (DRAFT)

Decision item

Speaker: GD Finance

Council members received a report providing it with the opportunity to review the draft 5-year plan for the University Centre Peterborough (UCP), which has to be submitted to the OfS by the end of December 2024. Members noted that:

- the plan is always developed under challenging circumstances, being so early in the year, as the finalisation of the 2023/24 financial position and ongoing data validations for the current year are still underway;
- it is always a balancing act – providing OfS with information to advocate for increased expenditure whilst reflecting institutional financial security;
- the draft 5 Year Plan has been reviewed by the IEG Finance and Resources Committee and is presented for the UCP Council to review/comment upon to inform the final version which will be presented to the IEG Board for final approval on 12.12.24;
- included is an Income and Expenditure account (Appendix 1), a Balance Sheet position (Appendix 2), a summary of the enrolment model used (Appendix 3) and material outstanding matters to finalise the plan (Appendix 4).
- in summary, a minimal surplus is achieved, with cost savings, while new provision is being developed and rolled out;
- Higher level apprentice development funding and HTQ development – much is utilised in staff time spent developing new qualifications;
- there is a tight budget and cost savings are not yet fully identified;
- Finance are still working on the sensitivity analysis/contingency plan – impact of falling student numbers - which will be included in the final version of the Plan. Finance will be further reviewing the sensitivity analysis, based on the January recruitment;

Members requested that Finance review the table of student numbers (Appendix 3) to provide more visibility on how the numbers have been generated (95% of planned enrolments) and to double check the accuracy of the figures (i.e. continuing students). (**ACTION 14**).

Members requested a realistic modelling which is different to the UCP 5 Year Plan and were advised that a 3 Year Plan will be produced for the next meeting of the Council (**ACTION 15**).

The confidentiality status of the draft Plan was queried (as commercially sensitive) – to be discussed between UCP Council Chair and management and agreed retrospectively outside of the meeting.



The Council thanked management for the work done and **recommended** the draft UCP 5-Year Plan , subject to final amendments, to the IEG Board for approval.

## 11. UCP DRAFT FINANCIAL STATEMENTS 2023-24

Discussion item

Speaker: GD Finance

Members received the draft UCP Financial Statements 2023/24 for review and were invited to comment. It was noted that:

- the version presented is from 09.10.24 and, in the latest version (28.10.24), the front section and the KPI table have been updated;
- I&E reflects a positive position;
- the external audit is going to plan – there are a few regulatory items that the auditors are doing their final testing on;
- the IEG Audit Committee had received the external auditor's presentation of the financial statements and it was reassuring to hear that the Chair of IEG Audit Committee was happy to recommend them;
- Finance had actioned the items identified by IEG Audit Committee and the statements have since been updated;
- changes in equity statement – to change the description from profit to surplus;
- Statement of Corporate Governance - change 2023 to 2024 (penultimate paragraph Pg 9);
- Management charge went down to 40% - members questioned whether that was sustainable: It was explained that there is a different apportionment of costs – sustainable TPS contributions (will continue) – that nets off in the IEG Group accounts. The auditors have looked carefully at this approach;
- IEG is no longer legally able to offer a 'guarantee' (£500k) since the reclassification of the organisation and OfS has confirmed that it is no longer required;
- trade debtors are 100% provided for, reducing the trade debtor balance. Members queried this financial treatment, the policy position that had lead to it and the auditor's view of it. Details to be provided (**ACTION 16**);
- HTQ grant – members queried whether potential clawback should be recognised as a contingent liability – management responded: not at this point as clawback is based on recruitment at at 2028 and it is too early to make a judgement at this stage;

The Council:

- **noted** that there is a meeting tomorrow with between Finance and the external auditors and that they will be attending the IEG Board meeting to present their report;
- **approved** the UCP draft financial statements 2023/24, subject to the adjustments presented by the external auditors, the final version to be presented to the IEG Board on 12.12.24.

## 12. UCP KPIs AND DASHBOARD

Information item

Speaker: Academic Director

The Council received the UCP KPIs and Governance Dashboard (Dec 2024) and noted in particular that:

- financial predictions reflect the current known financial position;
- student number growth has been red flagged, pending January recruitment evidence;
- learner achievement is looking strong as is student retention;

- student survey information 24/25 has yet to be analysed (survey closes on 09.12.24) and stats included at next meeting;
- Valuing people – largely it can be seen that staff absence is improving; turnover is a similar position; recruitment to academic roles is steady.

Members welcomed the largely positive position but requested that, in future versions, more detail and content is included in the HR performance statistics (as per the IEG Governance Dashboard) (**ACTION 17**).

## 13. RISK REPORT

Discussion item

Speaker: Academic Director

Council members received the risk report providing the current UCP key risk 'Board Assurance Framework' and a summary of changes to the Contingency risk register, reviewed in full by the UCP Audit Committee on 27.11.24. It noted that:

### *Board Assurance Framework (BAF)*

- all three risks on the BAF have been revised as at 1<sup>st</sup> Nov 2024;
- there are no changes to residual risk scores and actions plans have been updated to reflect current year activities.
- the greatest impact on the strategic risks this year is that there is a much larger recruitment planned for January 2025 than is normal, as the HTQs are introduced. This recruitment point will underpin the financial and enrolment performance in the 2024/25 financial year.

### *Changes to the Contingency Risk Register*

- The data management risk has now become a primary risk due to delayed returns, student data and the timely marketing of courses. If the risk remains high it will be included on the Board Assurance Framework in the next iteration.
- Audit Committee members supported the removal of two risks: one around a charge for student accommodation (relating to a disputed invoice from 2019/20) and the second to remove the risk associated with the Addict teachout, as this has been completed and all students have achieved their qualifications.
- 3 contingency risk scores were reduced relating to student outcomes, experience and quality. Excellent National Student Survey results and UCP's performance against the OfS benchmarks support the reason for this reduction

Members were reassured that UCP cyber security (a top risk) is included within the Group's cyber security risk management activities and review included in the internal audit plan 2024/25.

Members **noted** the information within the updated UCP Risk Report.

## 14. DATE OF NEXT MEETING: 20 MARCH 2025

Scheduling

Speaker: Chair

It was agreed that the next meeting, to be held on 20th March 2025, will be an 'in person' meeting, with the opportunity to attend remotely - hybrid model (**ACTION 18**).

Meeting closed at 18:35