

**Minutes of the meeting of the Finance, Planning and Resources Committee
held at 4.00 pm on Tuesday, 9 November 2021
in room 1B16 - Technopark, SE1 6LN**

Present

Michael Cutbill (Chair)
Jerry Cope
Peter Fidler (via teleconference)
David Phoenix

Apologies

Maureen Dalziel
Nicki Martin
Maxwell Smith

In attendance

Tara Dean
Richard Flatman
Kerry Johnson
Deborah Johnston (minute 7 only)
Nicole Louis
Marcelle Moncrieffe-Johnson
Ralph Sanders
James Stevenson

Observers

Duncan Brown (via teleconference)
Shani Shamah

1. Welcome and Apologies

The Chair welcomed members to the meeting. The above apologies were noted.

2. Declarations of Interest

No member declared an interest in any item on the agenda.

3. Minutes from the last meeting

The committee approved the minutes of the previous meeting, held on 21 September 2021, and their publication as redacted, subject to minor amendments.

4. **Matters arising**

NSS update

The Provost provided a verbal update on the NSS action plan, and preparations for the 2022 survey, due to be launched on 28 January 2022.

The committee noted that plans for the 2022 NSS survey included a mixture of central and school-based initiatives. Each school would have a target response rate. The Director of Education & Student Experience would oversee the top three-five actions per school.

The committee noted the importance of effective programme directors, IT and AV equipment, and the need for a consistent student experience across the schools. In addition, good practice would be shared with all course directors.

The committee noted that a written update on the action plan would come to the March 2022 meeting.

All other matters arising were noted as complete or in progress.

5. **Management accounts to 30 September 2021**

The committee discussed the management accounts to 30 September 2021, noting that at this stage the University was trending towards the budgeted 2021/22 surplus of £2m.

The committee noted that staff costs stood at £14.7m compared with a budget of £14.9m and that operating expenses were currently £8m better than the YTD budget position.

The committee discussed tuition fee income, noting the high level of repeat students. As at the date of the meeting, only £16m of tuition fee income had been billed, compared with £49m at the same point in 2020. This was due to multiple factors, including the systems outage and an extended enrolment period. Despite this, the committee noted that the outcome looked broadly in line with 2019/20, with a total forecast for semester one recruitment of £122.9m.

6. **Student recruitment and retention update**

The committee discussed the update on LSBU Group recruitment and re-enrolment. LSBU had ended the recruitment cycle 107% above target for Firm Accepts, partly due to a growth in non-EU overseas recruitment.

Enrolment was due to close on 12 November 2021.

The committee noted that the University was ahead of target for re-enrolment, with a projected income of £72.3m.

An end of cycle report will come to the next meeting of the committee.

7. Group-wide and LSBU KPIs

The committee discussed the update on the Group KPI framework. The Executive had recommended that the strategy period be extended by one year to 2025/26, and KPI targets re-phased accordingly, due to the impact of the coronavirus pandemic.

The committee discussed the rationalisation and re-prioritisation of the KPIs, noting the change from 54 to 34 KPIs (from 14 to 11 for the Group, and from 39 to 23 for LSBU). The committee noted that these changes had been made following the recent internal audit report on KPIs, which had provided moderate assurance on design.

The committee noted that KPIs which already existed in other reports (e.g. through the Access and Participation Plan) had been removed to avoid duplication.

The committee noted that leading indicators would be set for every KPI to enable the Executive and FPR to measure progress throughout the academic year.

The committee supported both the re-phasing and reduction of KPIs, and requested that the targets and progress be kept under close review, and recommended the report to the Board.

8. Draft annual report and accounts 2020/21

The committee discussed the draft annual report and accounts for year ending 31 July 2021.

The committee noted that the total Group income for 2020/21 was £198m, with a reported surplus of £3m.

The committee noted one potential adjustment relating to the estimate of pension benefits in the FRS102 pensions report. The CFO reported that the amount involved was not material and was considering the accounting treatment for the relevant sum of £800k.

The committee noted that the KPMG audit of the accounts would be considered by the Group Audit and Risk Committee at its meeting of 11 November 2021.

The committee noted that revisions to the accounts would be circulated to members ahead of the meeting of the Board of Governors on 25 November 2021.

9. **Strategic POD report**

The committee discussed the update on activities and developments from the People and Organisational Development teams.

The committee noted that industrial action had taken place at SBC during September and October 2021, in relation to the college's inability to afford a 5% pay award to staff. In addition, at the University UCU had balloted members for strike action nationally, relating to pensions, pay and conditions. LSBU had not met the threshold, although UCU may re-ballot.

The committee noted that the hybrid work pilot was ongoing, and a range of measures had been put in place to welcome staff back to campus. Recommendations for future ways of working would be made by summer 2022.

The LSBU 2025 project had now recruited a senior project team, which would start to make progress.

The committee welcomed the comprehensive report.

10. **Treasury management report**

The committee noted the treasury management report, showing bank balances at 30 September 2021 of £22.3m and outstanding loans of £31.9m.

The committee noted the updated cashflow forecast, which was discussed in detail under agenda item 11.

11. **Evidence of going concern**

The committee discussed in detail the draft assurance statement from FPR to the Group Audit and Risk Committee (GARC) that it had considered Group cashflow forecasts and related matters, and that the Board would be able to form a judgement that the accounts may be prepared and signed on a going concern basis for the next twelve months.

The Executive confirmed to the committee that they could not foresee a plausible downside scenario that would alter their opinion that the accounts could be prepared on a Going Concern basis.

The committee discussed the updated cashflow forecast, noting that the minimum cash availability was £21m, arising in August 2022. The committee requested that the cashflow forecast be extended to November 2022, to reflect the twelve month requirement.

The committee requested further amendments to the paper (including an extended cashflow forecast), which would then be reviewed by GARC at its meeting of 11 November 2021.

Date of next meeting
4.00 pm, on Tuesday, 1 March 2022

Confirmed as a true record

Michael Cutbill
..... (Chair)