

**Minutes of the meeting of the Finance, Planning and Resources Committee
held on Tuesday 1 March 2022, 4:00 PM - 6:00 PM GMT
1B16, Technopark**

Present

Michael Cutbill
Shona Brown (*via teleconference*)
Jerry Cope
Nicki Martin
David Phoenix
Shani Shamah (*via teleconference*)
Max Smith

Apologies

Peter Fidler

In attendance

Tara Dean
Amy Eden (*minute 10 only*)
Richard Flatman
Paul Ivey (*minute 7 only*)
Kerry Johnson
Nicole Louis
Ralph Sanders
James Stevenson
Mehmet Tarhan (*minute 6 only*)

Observer

Duncan Brown (*via teleconference*)

1. Welcome and apologies

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

The Chair welcomed Shona Brown, recently appointed as a new independent governor.

2. Declarations of interest

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

3. Minutes of the previous meeting

The committee approved the minutes of the previous meeting, held on 9 November 2021, and their publication as redacted.

4. **Matters arising**

The committee noted the matters arising, which were either complete or in progress.

Core items

5. **Management accounts to 31 January 2022**

The committee discussed the management accounts to 31 January 2022, noting that the University was trending towards the budgeted 2021/22 surplus of £2m. The committee noted the Executive's expectation that the University would be ahead of budget, driven largely by improvements in international fee income.

The committee noted that halls fee income had a timing difference due to an issue with the accounting system, which was one of the last systems to come back online following the IT incident.

[REDACTED]

[REDACTED] The budget would be discussed in detail at the 5 July meeting of the committee.

[REDACTED]

The committee noted that the deficit at SBC was manageable at a Group level, but with the potential to reduce the surplus. An update would come to the next meeting of FPR. SBC would focus on its current restructuring, cost containment and future income growth from the new technical college.

[REDACTED]

6. **Student recruitment and retention update**

With Mehmet Tarhan

The committee noted the presentation on the 2021/22 end of cycle review, which included an analysis of how LSBU recruitment compared with sector trends. Across the sector there was a 30% decrease in Clearing applications, though LSBU performed well during Clearing in 2021.

The committee noted the recommendation that the key priorities for the University should be an integrated approach to planning, improvement in internal processes and improved conversion rates.

The committee discussed the update on LSBU Group recruitment and re-enrolment. For semester two, LSBU had enrolled approximately [REDACTED] students with a forecast net income of £6.1m, compared with a net income target of £6.3m.

The committee noted that applications for September 2022 were below target, [REDACTED]. This could be attributed to a number of factors, including absences within the marketing team, and the current league table position. A recovery programme for 2022/23 recruitment, based on promising areas for marketing investment, was being scoped.

SBC recruitment had suffered from a range of factors, some of which were sector-wide. Performance to-date had been weaker than at the University and, unless corrected, would add to SBC's budget challenge.

The committee noted the actions taking place to address the fall in applications, including a timely UCAS campaign and work around the forthcoming open days. The need for strong staff commitment to help recruitment was raised and agreed. The committee noted that the Executive was working on a recruitment strategy for future years.

7. **Infrastructure strategic update**

With Paul Ivey

LSBU Group physical infrastructure

The committee noted the update on Group estates projects, in particular the LSBU Hub and London South Bank Technical College.

The committee noted that the proposed London Realty deal would provide working capital for estate and IT development.

The committee noted that, prior to the LSBU Hub development, approximately £5m per year was spent on estate maintenance, and that similar investment would be required in the future. This would be discussed by the Executive at a future capital expenditure planning meeting.

IT strategic infrastructure report

The committee noted the update on LSBU's IT infrastructure including networks and connectivity, end-user devices, software and security.

The committee noted that the network replacement project was underway and was on track, with the upgrades delivered to London Road and Electric House.

The committee noted that further investment was required to upgrade staff and student devices as well as audio-visual equipment in classrooms and lecture theatres. Approximately [REDACTED] of funding per year was required to replace IT and AV on a rolling refresh programme. The committee noted that funding would be considered as part of the annual capital plan, which would be brought to FPR for discussion at a future meeting.

A stand-alone IT maintenance investment plan (distinct from LEAP) was being finalised, including areas such as audio-visual and other teaching equipment.

Regular review items

8. Student progression update

The committee discussed the 2021/22 student progression and continuation update, which compared performance against the internal KPI target of 85% progression from year one to year two for full-time undergraduates. Continuation was compared against the OfS 'B3' thresholds of 80% for full-time undergraduates, and 60% for part-time undergraduates.

[REDACTED] For continuation, the majority of schools were above the B3 thresholds.

The committee noted that the stronger continuation results compared with progression stemmed from an excess of resits.

The committee noted the short and medium term actions in order to improve progression and continuation rates. Early monitoring of student engagement was required in order to identify those students unlikely to progress, and offer support.

9. NSS update

The committee discussed the update on actions to address LSBU's National Student Survey (NSS) results.

The committee noted that action was being taken to improve response rates for the 2022 NSS, including engagement with the Students' Union and timetabled sessions for completion of the survey.

The committee noted that 2022 NSS results would be announced during June or July 2022.

10. Students' Union update

With Amy Eden

The committee discussed the Students' Union 2020/21 audited accounts and Code of Practice return. It was noted that the total income for the year was £910,000, with a total expenditure of £921,000, which resulted in a £11,000 planned budget deficit. The deficit was lower than expected due to in-year savings on planned expenditure.

The committee noted that the Code of Practice return provided assurance that the Students' Union had complied with its obligations under the 1994 Education Act, including appropriate use of funds.

The committee noted the annual SU election was due to take place later in March. The CEO confirmed the conduct would be fair and proper and that anyone who was entitled to vote was able to.

The committee thanked the CEO for the quality of the report.

Items to note

11. Treasury management report

The committee noted the treasury management report, showing bank balances at 4 February 2022 of £21.8m and outstanding loans of £31.4m.

12. Fundraising annual report and compliance

The committee noted the annual fundraising report, which included an update on LSBU's compliance with the Charity Commission's CC20 regulations, the Code of Fundraising Practice, and GDPR.

The committee noted the Gift Acceptance Policy, which was last updated during September 2020.

13. Update on SBC financial model

The committee noted the update on the development of a financially sustainable model for SBC, as discussed under minute five.

Date of next meeting

16:00 on Tuesday 26 April 2022

Confirmed as a true record

Michael Cutbill

..... (Chair)

