

**Minutes of the meeting of the Finance, Planning and Resources Committee
held on Tuesday 26 April 2022, 4:00 PM — 6:00 PM
1B16, Technopark**

Present

Michael Cutbill (*chair*)
Jerry Cope
Peter Fidler
Nicki Martin (*minute 1-5 only*)
Dave Phoenix
Shani Shamah
Max Smith

Apologies

Shona Brown
Nicole Louis

In attendance

Alex Bush
Tara Dean
Richard Flatman
Deborah Johnston
Marcelle Moncrieffe-Johnson
Dominique Phipp
James Stevenson
Ralph Sanders
Mehmet Tarhan (*minute 5 only, via teleconference*)

Observer

Duncan Brown (*via teleconference*)

1. Welcome and apologies

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

The committee extended its condolences for the passing of the Chief Business Officer's wife.

The committee noted that this meeting was the last committee meeting for the Chief People Officer and the SBSU President. The Chair thanked them both for their hard work on behalf of the committee and wished them well in their future endeavours. The Chair welcomed the Interim CPO, Alex Bush.

2. Declarations of interest

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

3. **Minutes of the previous meeting**

The committee agreed to correct two small factual errors to the minutes of the previous meeting, and to redact an additional statement which was not yet public knowledge.

The committee approved the minutes of the previous meeting held on 1 March 2022, subject to the agreed changes, and their publication as redacted.

4. **Matters arising**

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

Core items

5. **Student recruitment and retention update**

With Mehmet Tarhan

Recruitment

The committee noted the update on recruitment including demographic trends, risks and challenges, and plans to mitigate the risks for 2022/23.

The committee discussed the University's approach to tackle the multi-factorial challenges impacting its recruitment. It noted that a plan to improve and distinguish its open days and offer days in 2023 had been developed, internal enrolment and Clearing processes were being refined, and the accuracy of internal recruitment data and online marketing information was being improved.

The committee noted that the impact of the recession is changing prospective students' perception of higher education. It was anticipated that these changes would affect UK mature students the most, but it was not yet clear whether they would represent a 'new normal'. It was recommended that, while the majority of LSBU's enrolled students are mature and part-time, the marketing team should remain conscious of all prospective student groups' needs when refining its recruitment processes.

The committee noted that the scale of decline in LSBU's UK applicant numbers in 2020/21 was greater than in previous years. This decline occurred despite stable applicant numbers amongst 18-year-old school leavers and students from lower socio-economic backgrounds. The committee noted that the decline could be attributed in part to disruption in the marketing team. It was anticipated that strengthening of the University's marketing function in addition to repositioning of the University's internal processes to support improved student outcomes would mitigate this fall.

The committee noted that the impact of the covid-19 pandemic on recruitment was lessening and market pressures were starting to return to normal. It was anticipated that this would prevent higher tariff institutions from continuing to take a greater proportion of the recruitment market from the London moderns, as they had done during the pandemic.

Retention

The committee noted that YTD 1.9% more students had withdrawn from or interrupted their studies compared with the same period in 2020/21. This was attributed in large part to the impact of the covid-19 pandemic.

The committee noted that an exit survey is sent to students to ascertain their reasons for leaving their studies. Survey response rates are low but are in line with the sector. It was noted that the most common reason for students to leave their studies is non-submission of assignments which, if three failures occur, results in withdrawal by the University.

The committee noted that internal processes are being improved through Salesforce to more quickly identify students who are struggling, intervene to offer additional support, and to improve the support offered so that they can submit their assignments.

6. Management accounts to 28 February 2022

Nicki Martin left the meeting.

The committee discussed the management accounts to 28 February 2022, noting that YTD income is in line with budget and remains in line with previous years.

The committee noted the areas of risk and challenge, which included an underspend on staffing costs by £1.1m YTD, additional costs with Overseas Agents, challenging Enterprise income targets, and the deferred release of NHS staff for CPD.

[REDACTED]

The committee noted that a potential freeze on staff recruitment in LSBU would be discussed by the Group Executive.

The committee noted that an estimate of LBSU's pensions liability would not be available until June 2022, following the triennial valuation of the pension scheme.

The committee requested reasonably current management accounts in the future.

The committee noted that the progress of the SBC restructuring plan was being monitored monthly by an SBC board working group. SBC's financial plans would be reviewed by its Board of Trustees during the SBC Board Strategy Day on 27 April 2022. If SBC proposed a deficit budget this would require consideration by the committee on 5 July prior to final approval by the SBC and LSBU Boards later that month.

The committee noted that the group budget scenarios for 2022/23 would be discussed at the LSBU Board Strategy Day on 28 April 2022. The final LSBU budget would be prepared for approval by the Board of Governors in July.

7. Corporate strategy: introduction of annual business plan and KPIs

The committee noted the approach to develop and implement the annual business plan, which would help to ensure that all KPIs, Major Initiatives and Local Roadmaps are aligned with the Group Corporate Strategy and facilitate its delivery.

The committee noted that the annual business plan links together all deliverables, KPIs and strategic pillars via a central 'golden thread' so that performance can easily be monitored and accountability for major initiatives can be easily identified.

The committee noted that forecasting for almost all KPIs up to 2025/26 has now been completed and the remainder of the annual business plan, in particular the plans for Health and Social Care, are almost complete also. The final draft for the annual business plan for 2022/23 would be discussed in detail at the 4 October 2022 meeting of the committee.

The committee noted that LSBU has not progressed towards its target to achieve 5% surplus by 2025/26 and its lack of headroom therefore remains a financial risk. It noted that the Group Corporate Strategy work should support achievement of the target.

The committee noted that all course directors and senior academic staff are aware of their accountability for achieving compliance with the OfS's B3 metrics and are addressing any pockets of underperformance against the metrics in their schools. The committee noted that the B3 metrics would be discussed in more detail during the LSBU Board Strategy Day on 28 April 2022.

8. POD strategic update

The committee noted the POD strategic update, which summarised the key developments to the POD team's work over the past six months and its future priorities.

The committee discussed the number of staff vacancies which, while slightly above average for the sector, is broadly in line with the national trend. It noted that early indications suggest that staff are primarily leaving LSBU for other

career opportunities or because they are unhappy in their current role.

The committee noted that there is no target headcount for Hourly Paid Lectures, but a measured approach to reduce the number of HPLs is planned. The committee noted that a review of HPLs should be completed by July 2022 and that in the interim HPLs would continue to be used to bolster teaching support in areas where salaried staff recruitment has been challenging.

The committee noted that a consistent framework for use of PhD and PGR students to support teaching and learning would also be developed. The framework would be used to encourage these working arrangements, which provide valuable progression and income opportunities for PhD and PGR students.

The committee noted that a national UCU ballot was launched on 26 April 2022 to consider whether its ballots should be national or remain local, the outcome of which could present new challenges for universities.

The committee noted that an external agency would be used to recruit three new Deans. Given the importance and seniority of these positions, a full tender exercise was undertaken to find an appropriate external agency who could carry out the detailed due diligence required for the recruitment process.

The committee noted that the annual Academic Promotions process was being reviewed to ensure it is on par with best practice in the sector. In addition, a review of metrics and evidence used in staff recruitment processes would be undertaken.

9. **NSS update**

The committee noted a verbal update on the National Student Survey, which closes on Saturday 30th April.

The committee noted that the NSS has an 80.1% response rate so far (data accurate as of Monday 25th April). 73% of LSBU courses have a response rate of at least 80% or higher, which is much higher than 2020/21 when a 60-70% response rate per course was considered good. It was noted that trends show that a higher response rate often indicates better survey outcomes.

The committee noted that staff are aware of pockets of dissatisfaction amongst students, for example amongst nursing students, but anticipate a better NSS score than last year thanks to academic and PSG colleagues' and the SBSU's hard work.

Items to note

10. Treasury management report

The committee noted the group cash position and forecast.

The committee asked whether large procurement contract costs are aligned with annual cash flow. The Group CFO would review the contract renewal process with the procurement team.

11. Gender and ethnicity pay gaps

The committee noted the growing gender and ethnicity pay gaps and the actions in progress to address the issue.

The committee noted that gender and ethnicity pay gaps have grown since last year, but are still comfortably within sector norms and are comparable to pre-pandemic rates.

The committee noted that the ethnicity pay gap data is a voluntary disclosure, unlike gender pay gap reporting which is a regulatory requirement and would be published on LSBU's website.

Date of next meeting

16:00 on Tuesday, 5th July 2022

Confirmed as a true record

Michael Outbill

..... (Chair)