

**Minutes of the meeting of the Finance, Planning and Resources Committee
held on Tuesday 28 February 2023, 3:30 PM — 6:00 PM GMT
1B16, Technopark**

Present

Michael Cutbill (Chair)
Shona Brown
Jerry Cope
Abdirahim Ibrahim
Nicki Martin (*left the meeting from items 4-8*)
David Phoenix

Apologies

Peter Fidler
James Stevenson

In attendance

Dominique Phipp (Secretary)
Michael Broadway
Matt Myles-Brown (SBSU, for item 10 only)
Tara Dean
Richard Flatman
Deborah Johnston
Nicole Louis
Mehmet Tarhan (for item 7 only)
Ralph Sanders
Paul Woods (for item 7 only)

Observer

Duncan Brown (via teleconference)

1. Welcome and apologies

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

2. Declarations of interest

The Chair noted that he is now a committee member of the Finance and Resources Committee of the Royal College of Physicians as of January 2023. The committee noted that there is no conflict between this position and his role as committee chair.

3. Minutes of the previous meeting

The committee approved the minutes of the meeting of 8 November 2022 and their publication without redactions.

The committee requested that the Strategic People & Organisational Development annual report, which would be brought to the next meeting on 25 April 2023, includes information on staff leavers and joiners.

4. **Matters arising**

The committee noted that all actions are either completed or in progress.

Nicki Martin left the meeting temporarily

5. **LSBU management accounts to 31 January 2023**

The Group CFO provided an update on LSBU's financial position and budget forecast for year end in 2022/23. Despite a shortfall of £2m in income, the forecast is to deliver to budget with a surplus of £3.3m. The committee noted that the shortfall in income is largely offset by lower than anticipated pension costs. The committee noted that the forecast surplus is subject to factors such as the staff annual pay award and outstanding cyber incident claim.

The committee discussed the likely causes of the rising number of student non-progression and withdrawals from their studies at LSBU in 2020/21 and 2021/22. It noted that during the covid-19 pandemic LSBU did not withdraw students for non-attendance as it would do in normal years, but following their return to campus a number of these students did not progress due to non-engagement.

The committee noted that the impact of the covid-19 pandemic is still ongoing and steps to mitigate its impact continue to be implemented.

The committee noted that contract negotiations for the SBC estate development project are progressing well, and June 2023 remains a realistic assumption for completion of the transaction. No assumptions on income from the SBC estate development project have been included in the cash flow forecasts.

The committee noted that further detail on 2023/24 budget forecast scenarios would be presented at the strategy day on 27 April 2023, including information on planned investments into student recruitment and retention.

6. **SBC forecast 2022/23**

The Group CFO provided a verbal update on the forecast financial position for SBC for year end in 2022/23. [REDACTED]

[REDACTED] The committee noted that the SBC Board expects management to deliver to budget.

The committee welcomed the update and the assurance that SBC would deliver its budget target.

7. Student recruitment and retention (with Paul Woods and Mehmet Tarhan)
7.1. Analysis of cycle 2022/23 results

Mehmet Tarhan, the Head of Market Planning and Insight, and Paul Woods, Group Director of Marketing and Communications, joined the meeting.

The Group Director of Marketing and Communications provided an update on student recruitment in 2022/23. The committee noted that the market share of most London Moderns, including LSBU, had declined. A programme of activity is planned to mitigate this decline in the next recruitment cycle.

The committee noted that LSBU recruited more international students, particularly in business subjects, than planned. International students now account for 25% of LSBU's student body (compared with 13% in 2021/22). This increase would deliver greater income but would also increase the operational risk by adding pressure on student support services and resources.

The committee discussed the change in the make-up of LSBU's student body in 2022/23. It noted that the number of international students recruited is capped at the number of sponsorship licenses allocated to LSBU by the regulatory body (UKVI).

The Group Director of Marketing and Communications summarised steps being taken to control the number of additional international students recruited in the S2 recruitment cycle, particularly to business subjects, and to encourage international students to apply to a wider variety of courses in future. The committee noted that a strategic and more selective approach to recruitment would be implemented with the aim of recruiting a more academically balanced mix of students and to build capacity to ensure LSBU can support its growing international student population in future. This would help improve retention in future cohorts.

The committee discussed whether the level of investment in recruitment is appropriate. It noted that other London Moderns' have larger recruitment and marketing budgets than LSBU on average. The committee noted that a proposal to the Executive would be made for additional in-year investment. It will follow a review of how best to target investment long-term and forecast LSBU's market share would be carried out.

The committee noted the suggestion that improving intra-Group pathways and creating opportunities for student ambassadors to meet and inspire FE students could support domestic student recruitment. The committee recognised the importance of student advocacy and noted that students are more likely to be influenced by their peers than anyone else.

7.2. Update on cycle 2023/24

The Head of Market Planning and Insight provided an update on the 2023/24 recruitment cycle. The committee noted that application numbers were strong in engineering and built environment and architecture programmes and that international application volumes continue to increase. There was a decline in applications to arts and health courses which was in line with the sector.

The Executive continues to monitor performance against target closely.

8. Year 1 to Year 2 UG progression update

[REDACTED]

The committee noted that, whilst the progression target and data presented is for LSBU's own internal metric, the deterioration would result in a modest decline in performance in the OfS' ongoing condition of registration B3 metric in future but would not fall below the B3 threshold of 80% progression.

The committee noted that the schools most affected are Engineering and Nursing and Midwifery and students are typically withdrawing from their studies after June of the academic year. Changes to academic governance, recruitment practices, and the approach to student engagement have been made to mitigate localised challenges in the schools of ENG and N&M and the rising number of international students withdrawing from the studies.

Nicki Martin re-joined the meeting

The committee discussed the probable causes of this decline. It noted that international students are given two attempts at resitting each failed assessment, whilst domestic students are given three attempts with the final resit occurring during a repeat of the full academic year. [REDACTED]

[REDACTED] The committee noted the resource and income implications of this approach.

The committee discussed how academic governance has been changed in response to the decline in student progression. It noted that more rigorous review of assessment failures and resit data would happen in-year by Deans and Associate Deans so that changes to support students can be implemented in-year.

The committee noted that student engagement post-pandemic is a sector-wide issue affecting HE, FE, and school level education. It discussed the process of intervention for students not attending or not engaging sufficiently with their studies. The DVC summarised the actions being implemented to improve engagement and Y1 induction.

The committee requested that the retention interventions are circulated to committee members for information. The committee requested regular updates on the programme of mitigating actions.

9. **NSS action plan update**

The Committee discussed the update on the NSS action plan which was based on the findings of the 2022 survey.

The committee noted that students' biggest issue in 2022 had been IT. Management was confident that the situation has improved.

The committee noted that currently the response rate is higher compared with the previous year.

In summary, management was confident that there would be an improvement in 2023 NSS results.

10. **Students' Union**

- **Finance update and Code of Practice**
- **Strategy update 2022/23**

Matt Myles-Brown, Deputy CEO of the SU, joined the meeting.

The SU Deputy CEO introduced the reports, which set out how the SU is meeting its obligations to the University under the Education Act 1994.

The committee noted that the COO and the Director of Financial Planning, Reporting & Registry attend the SU's trustee board meetings.

The committee noted the key pressures facing the SU, which included staffing and recruitment, and diversifying its income streams through sponsorship and partnerships. An external consultant is being engaged to support with review of the SU's income streams.

The SU would welcome opportunities to further support and collaborate with the University on initiatives relating to preventing sexual harassment, student safety, and retention and engagement.

Matt Myles-Brown left the meeting.

11. **Sexual harassment guidance compliance update**

The COO summarised the steps being taken to promote a safe campus environment for students and to comply with the OfS' Statement of Expectations and sexual harassment guidance.

The committee discussed the volume of referrals to student services for harassment, bullying, and sexual misconduct matters. It questioned whether

data is indicative of students' lacking awareness of available support or an unwillingness to self-refer to the University. The committee noted that the average number of incidents is in line with sector benchmarks but acknowledged that some students are more likely to self-refer than others.

The committee noted that referrals related to students who have self-referred or who have been referred to seek support for an incident that has happened to them at some point in their lifetime. It acknowledged that capturing the views of students who feel unsafe in general in London is a separate challenge. For students who feel unsafe at any time, the new MyLSBU app-based platform would enable automatic triggers and responses from the wellbeing team when students alert via the app that they do not feel safe.

The committee noted that the NSS does not include a question on sexual harassment, but this could be added as an institution-specific question if wanted.

The committee noted that the OfS does not currently require any submission from universities for this area and instead collects data on sexual harassment via institutions' voluntary participation in a survey. It could be made part of the conditions of registration in future.

The committee requested that the conclusions of the report are shared with the whole Board.

12. **Treasury management report**

The committee noted the treasury management report.

The committee noted that the cashflow forecast would be discussed further at the LSBU strategy day on 27 April 2023.

Date of next meeting

4:00pm on Tuesday, 25 April 2023

Confirmed as a true record

..... (Chair)