

**Minutes of the meeting of the Finance, Planning and Resources Committee  
held on Tuesday 4 July 2023, 3:30 PM — 6:00 PM BST  
1B27, Technopark**

**Present**

Michael Cutbill (Chair)  
Shona Brown  
Jerry Cope  
Peter Fidler  
Nicki Martin – for minutes 1-9  
David Phoenix  
Abdirahim Ibrahim – for all items, excluding minute 5

**Apologies**

None

**In attendance**

Alex Bush  
Matt Myles Brown (SBSU Deputy CEO) - for minute 5  
Tara Dean – for minutes 6-16  
Amy Eden (SBSU CEO) – for minute 5  
Richard Flatman  
Deborah Johnston – for minutes 1-9  
Nicole Louis  
Fiona Morey – for minute 11  
Dominique Phipp (Secretary)  
James Stevenson

**Observers**

Duncan Brown (via teleconference)  
Andreas Raffel  
Aaron Porter (HE Consultant)

**1. Welcome and apologies**

The Chair welcomed the members and attendees to the meeting, including Aaron Porter who was observing the meeting as part of the ongoing governance effectiveness review.

**2. Declarations of interest**

The committee noted that Abdirahim Ibrahim, Student Governor, had an interest in the student union elections 2022/23 report as he had been successfully re-elected during the process.

**3. Minutes of the previous meeting**

The committee approved the minutes of the meeting of 25 April 2023 and their publication as redacted.

#### 4. **Matters arising**

##### NSS results

The committee noted that publication of the NSS results has been delayed until 10 August 2023.

##### Retention and continuation strategy

The committee discussed the retention and continuation strategy, which had been shared as a supplementary item to the meeting agenda. It noted that there are a significant number of actions set out in the document. It requested an update at a future meeting on whether interventions are making a positive impact proportionate to the resources invested.

The COO reported that the student attendance and engagement software solution in development would directly contribute to retention initiatives.

##### Student accommodation investment update

The committee noted that, since the last meeting, the Group Executive had approved investment of almost £1m for urgent remedial works to unoccupiable student accommodation. It noted that there could be a potential revenue loss of [REDACTED] if these remedial works are not undertaken.

The COO reported that a tender process for this project is in progress. Prospective firms would not be able to complete the works this summer due to the short time frame, but the COO was confident that works could be completed by December 2023.

#### 5. **Students' Union update: budget, business plan, and election results**

*With Amy Eden, SBSU CEO, and Matt Myles-Brown, SBSU Deputy CEO Abdirahim Ibrahim left the room for discussion of this item.*

The committee received an update on the strategic activities of the SBSU in 2022/23, including increased student engagement with the students' union, increased NSS completion rates, improved course representation, contribution to 'Ready For Re-Sits' initiative, and support for 30 student-led societies.

The committee noted that the SBSU does not represent SBC students and there is not currently an effective group model for a students' union. The SBSU has carried out a mid-strategy review to identify more opportunities to support SBC students with their transition from SBC to LSBU. The SBSU CEO reported that, whilst the growing group role of the SBSU is novel, it could learn lessons to some extent from related experiences at other students' unions.

The committee noted that the SBSU continues to look at ways to enhance

students' learning through voluntary and paid work experience opportunities.

The committee discussed the low student representation and voter turnout in the 2022/23 elections.

The SBSU CEO reported that the SBSU would be changing its sabbatical officer roles to improve their relevance to the current student body. It would also be reviewing its governance structure with the aim of modernising its democratic model. The SBSU was hopeful that these changes would improve student participation in elections in 2023/24. More significant changes would require an amendment to the SBSU's articles and the SBSU may require external consultation on proposed changes.

The committee welcomed the SBSU's efforts, recognising that the extent to which they can improve voter participation is limited as students face many current challenges. The VC suggested that the SBSU works in partnership with university staff in schools to build interest in the elections.

The committee discussed the level of complaints regarding the elections. It noted that there was a low number of complaints in 2022/23 compared to the previous year.

The committee noted that the SBSU provides 8-12 weeks of induction for new sabbatical officers to support them to understand the role of the SBSU in a UK context. Half of sabbatical roles are filled by international students at present.

The committee praised the efforts of the SBSU and the positive collaborative relationship that SBSU leadership and sabbatical officers had developed with the University. Student feedback about the SBSU demonstrates that its work is well-received and effective.

The committee thanked the SBSU and wished them a successful academic year in 2023/24.

*Amy Eden and Matt Myles-Brown left the room.*

## **6. LSBU and group wide KPI progress update for current year**

*Tara Dean, Provost, joined the meeting.*

The committee received an update on KPI performance. It noted that two KPIs had been changed since the last update to the Board in March 2023. The KPI for graduate level employment now exceeds the 2022/23 target, whilst the Complete University Guide ranking had also improved but remains behind target.

The committee discussed how students' completion of the Personal Development Plan (PDP) could be used as an indicator of student engagement and how PDP data would inform KPIs. It noted that 40-45% of students had completed their PDP so far and targets were being set for

schools and cohorts. PDP completion was already embedded in student enrolment and induction processes and was encouraged by personal tutors and course representatives. The committee noted that variability in completion rates was expected across cohorts and schools.

The committee welcomed the decision to measure employee engagement twice a year.

## 7. **Student recruitment update**

The COO provided a verbal update on student recruitment for 2023/24. She reported that the latest student recruitment forecast is on budget, but there are some significant risks that could individually or collectively impact the forecast. Key risks include unsuccessful recruitment at Clearing, a decline in institutional reputation, and lower than anticipated recruitment in the international market. The committee noted that if all risks materialised and compounded this would result [REDACTED]

The COO reported that [REDACTED] She added that the increasing the UCAS tariff level had not impacted applications but has resulted in LSBU rejecting more applicants.

The COO reminded the committee that quality control measures had been introduced for international student recruitment to reduce the number of non-genuine students recruited by LSBU. The committee noted the risk that genuine international students may not be able to afford the deposit for an application. [REDACTED]

The committee discussed delivery of pre-session courses. It noted that a high percentage of the latest cohort of international students studying a foundation year via the CEG partnership had failed their end of year exams, which would have enabled them to progress to a degree course at LSBU. The COO reported that the reason for the high failure rate would be investigated, but the most probable cause was poor student engagement. The budget forecast had been accordingly adjusted.

The COO confirmed that sufficient resource is in place for recruitment and Clearing and the Group CFO assured the committee that the budget forecast for recruitment is realistic.

## 8. **Management accounts to 31 May 2023**

*Deborah Johnston and Nicki Martin left the meeting.*

The Group CFO provided an update on LSBU's financial position and full year forecast for 2022/23. Since the last meeting, the income forecast had been downgraded to £2.5m due to the cumulative impact of several factors. The committee noted this change would leave LSBU about £0.8m short of its original £3.3m budgeted surplus but that appropriate action has been taken to

address the shortfall. Retention in schools had improved by £0.4m, resulting in a better than forecast position, and the remaining £0.4m shortfall would be met by reducing costs.

The Group CFO reported that the June management accounts indicate that the forecast budgeted surplus is back on track to the agreed surplus of £3.3m. Whilst forecasting to deliver this, he highlighted that there had been a £5m negative cashflow impact as a result of the £5m adverse variance in OpEx offset by non-cash favourable pension costs. However, the current cashflow forecast remains within the funds available from the revolving credit facilities.

The committee noted that SBC is still on target to deliver a better than budgeted deficit.

The committee discussed LSBU's cash flow position and the impact of restructuring costs.

## 9. **Draft budget 2023/24**

The committee discussed in detail the proposed draft University budget for 2023/24, which delivered [REDACTED]

The committee discussed the revised budgeted income of [REDACTED]. It noted that the income forecast was driven most significantly by an assumed increase in overseas income and additional growth in R&E activity.

The committee noted that forecast staffing costs had increased by [REDACTED] driven by the 5% year-on-year pay award. The budget assumes that the reduced LPFA pension charge would roll forward into 2023/24.

The committee noted that the OfS recurrent grant funding for 2023/24 had not yet been published.

The Group CFO highlighted a [REDACTED]. Mitigations are in place to reduce the likelihood of this occurring, and cashflows and covenants had been modelled with the assumption that the [REDACTED]

The committee discussed the budget proposal for the research environment in 2023/24. It noted that the 2022/23 QR allocation does not currently cover costs, but it is proposed that the QR should fully fund the 2023/24 research environment. The Vice Chancellor assured the committee that a range of PGR students would be appointed from September 2023 and that research remains a key part reputational and financial growth.

The committee discussed the risks to the budget, including progression and development of research and enterprise. The committee noted that this budget tries to balance cost savings with investment in areas of growth, which

has required a review of strategy and forecast for the future shape of schools. It noted that reducing costs further and faster could have a negative impact on growth.

The committee noted that the student hardship fund would be reduced for 2023/24.

The committee discussed the timeline for approval of the budget. It agreed to approve the budget, subject to a further review in November 2023. It noted that if the forecast indicated a year end deficit, Board approval would depend on a review of the Group's approach to budgeting over the medium term. The Group CFO would provide a 5-year OfS forecast to the Board at its November 2023 meeting.

The committee acknowledged that there is a significant amount of risk in the budget, which the Group CFO would summarise for the LSBU Board of Governors meeting on 20 July 2023. The committee approved the budget.

#### 10. **SBC annual performance and value review presentation**

*With Fiona Morey, PVC (C&FE)*

The PVC (C&FE) provided a presentation on SBC's annual performance and value within the LSBU Group. She highlighted the cross-political party interest in SBC and the LSBU's group model.

The committee acknowledged that there has been significant input by the Executive into restructuring and supporting SBC since LSBU acquired Lambeth College in 2019. SBC's financial position and learner recruitment had improved greatly, so the Executive would now be able to focus on enhancing its role within the LSBU Group.

*Fiona Morey left the meeting.*

#### 11. **EDI annual report 2022/23 and pay gaps update**

The committee discussed the EDI Annual Report 2022/23 and pay gap reports. It noted that the disability pay gap report is a new and voluntary report developed following a request by internal staff networks. LSBU's median disability pay gap is lower than the HE sector average.

The committee noted that an equal pay internal audit would be undertaken in 2023/24, last undertaken at LSBU in 2016.

The committee noted that the gender pay gap was improving and the medium gender bonus gap had been eradicated. Future reporting would focus more on how the staff profile needs to change further to eradicate the gender pay gap.

The committee noted that there is a significant input of resource to produce pay gap reporting and EDI activities. It questioned if these are delivering

substantive positive impact. The CPO explained that activities would be more focused in 2023/24 and there would be a greater emphasis on evidencing impact.

The Chair welcomed the survey response rate of 75% agreement by staff to the statement "I can be myself" when working at LSBU.

12. **Graduate outcomes data and employability initiatives update**

The committee noted the report.

13. **Student retention update - S2 exam resits**

This item was withdrawn from the agenda.

14. **Student bullying, harassment and sexual misconduct assurance update**

The committee noted the report.

The COO assured the committee that robust reporting and support mechanisms are in place for students. Whilst the number of complaints is low, there is no information to indicate that lower numbers are indicative of a lack of reporting. It was suggested that the SBSU could carry out an independent review to identify whether there are incidents going underreported and for what reason.

15. **Agreed capital spending plan**

The committee noted the report.

16. **Treasury management report**

The committee noted the report.

**Date of next meeting**

4:00pm on Tuesday, 3 October 2023

**Confirmed as a true record**

..... (Chair)