

**Minutes of the meeting of the Major Project and Investment Committee
held on Monday 27 November 2023, 4:00 PM — 6:00 PM GMT
1B16, Technopark**

Present

Rashda Rana (Chair)
Tim Fransen (via MS Teams)
Ola Obadara
Jeremy Parr
Dave Phoenix
Vinay Tanna

Apologies

Richard Flatman
Abdirahim Ibrahim
Kate Stanton-Daves (via MS Teams)

In attendance

Simon Cruickshank
Deborah Johnston
Nicole Louis
Dominique Phipp
Rychard Scrase-Field (via MS Teams)
James Stevenson
Andrea Addison (for minute 5)

Observers

Andreas Raffel

1. Welcome and apologies

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

The committee noted that this meeting was the last for Rashda Rana, the committee Chair, and of the committee itself. The committee would be closed in December 2023 and a new committee called the Finance & Investment committee would exist from January 2024 to carry on its work.

2. Declarations of interest

No interests were declared in any item on the agenda.

3. Minutes of the previous meetings

The committee approved the minutes of the meeting of 19 September 2023 with minor redactions and their publication as redacted.

4. **Matters arising**

All actions were noted as either in progress or completed.

5. **TSAAM programme investment proposal**

With Andrea Addison, TSAAM Programme Manager

The COO introduced the proposed business case. She highlighted the need to replace the complex, legacy student record system with a transformed system that offers accurate and real-time applicant, student, and curriculum data.

The Chair reminded the committee that the request to approve the project had been delegated to it by the Board of Governors.

The Committee noted that implementation of a new system would include annual OpEx costs of £[REDACTED] for system licenses. The new OpEx costs would not be offset by savings in other areas, but the new system would deliver cost and resource efficiencies.

The committee noted that embedding and delivery of this system would be delivered in-house by fixed term contractors and a team of other staff.

The committee noted that the Group Executive has agreed that the project is a priority and that it could be afforded by prioritising other estates projects. Future cash flow requirements for estates projects are being reviewed. Some parts of the project could be delivered in advance of others, but the project plan has been designed to be delivered in two parts and as soon as possible.

[REDACTED]

The committee noted that, if the project is approved, a UK market-relevant tried and tested system would be purchased following a competitive tender process instead of a bespoke option.

The committee discussed governance and resource for the project. It noted that unlike the LEAP project, which was delivered by an external firm, the TSAAM project would be overseen by an internal programme board with directors from each area of the business (stakeholders) who would be collectively responsible for its delivery. Additional resource had also been employed to carry out systems and process mapping of six workstreams. Mapping would include workshops with system stakeholders, illustrating gaps and areas to increase efficiency, and designing and scoping a leaner system.

The committee discussed the key risks to the project, which included the complexity of internal processes and sub-systems to change, the scale of change to manage, and availability of internal resource. It requested that a costed risk register is provided at the next meeting to offer comfort that the

proposed project contingency is sufficient. It noted that the transition period was planned to be one year, and that contingencies for delays would be included in the risk register.

The committee secretary reminded the committee that MPIC papers are available to the Board to view via Convene. The Board would be kept up to date via the Vice Chancellor's monthly report when needed and the committee secretary would also highlight this proposal in the next meeting summary for the Board.

The committee requested a summary of milestones and phasing of the project at the next meeting (e.g. a Gantt chart), plus clearer measures for the committee to monitor performance and assess success.

The committee requested updates at every meeting of the new Finance & Investment committee going forwards.

The committee was assured by the information provided and approved the funding request for the TSAAM programme as set out in the business case. It acknowledged that the costs presented are indicative at this stage. The indicative operating costs would be built into future financial planning scenarios.

Andrea Addison, TSAAM Programme Lead, left the meeting.

6. Business case for partnership with NJUIT in Nanjing, China

The DVC summarised the key features of the proposed partnership with NJUIT (Nanjing Vocational University of Industry Technology). The committee noted that the proposed project would create a joint school, a separate legal entity for recruitment and charging purposes owned by NJUIT but jointly managed by NJUIT and LSBU, similar to the existing partnership with ZIME in China.

The committee discussed the resources and cost for the partnership. The projected costs are for direct fees, and do not include indirect costs involved in LSBU staff monitoring the partnership. It noted that students recruited to under the partnership would be academically strong and therefore very likely to complete their courses so the level of risk to income once the partnership is established would be low. It noted that no costs had been sunk in terms of building and equipment overseas, therefore it would be possible for LSBU to close or transfer the partnership if it became impossible to do business in China at a later stage.

The committee discussed the benefits of the partnership for NJUIT. It noted that NJUIT is keen to have a greater number of technically skilled graduates, seeks to reposition themselves as an institution of technology, and improve links to the UK and vice versa.

The committee noted that the partnership would follow an established model

involving flying faculty, link tutors, and validations of courses. If approved, recruitment would start in October 2024.

The Group CFO noted that income from this partnership is not in LSBU's current 5-year forecasts, so would offer an upside to current income forecasts for 2024/25.

The committee approved the proposed partnership.

7. **IFM tender update and timeline**

The committee noted the project update. The COO noted that the process had been amended to remove the interviewing panel stage of the tender process in advance of award, as this was recommended by external advisors. There would be more engagement meetings post award instead.

The committee noted that the tender evaluation report would be issued in January and committee and Board meetings would be fixed for the LSBU and SBC Boards to consider approval of the project.

8. **SBC estates development update**

The committee noted the update on the SBC estates development project. The project had been delayed until Summer 2024 in part due to additional technical queries and other questions raised at the planning committee stage, plus an extension of the public consultation period. [REDACTED] and LSBU consider that some of their questions had already been answered.

The VC proposed an extension to the lockout agreement [REDACTED] until 31 January 2024, subject to progress being made on development of the contract and submission of all the planning documents to the next planning committee on 23 January 2024. The committee was supportive of this approach.

The committee noted that LSBU would need to go out to tender for the building of Blocks B and D. The Group Executive's preference would be to do this as a single stage tender process as this would be quicker and cost less. The committee noted that two informal expressions of interests had already been received, despite inflated construction and material costs in the UK at present.

The committee discussed the risks to the project in detail, in particular any risks that could cause delays to its delivery. It noted that the £[REDACTED] grant from the DfE would need to be spent by a certain date.

The committee noted that project costs already sunk included consultancy fees and groundwork, but management time spent planning for the project had not been quantified.

The committee requested a due diligence report on [REDACTED] at the next

meeting.

The committee also requested updates at every future meeting of the Finance & Investment committee on the project's progress and any further delays. It also asked for an update in January 2024 via email to keep the committee informed before the next meeting.

9. **Estates development update**

The committee noted the update on the estates development projects.

10. **Summary of partnerships risk assessment process**

The committee noted the report.

11. **Proposal to create a spin-out company**

The committee noted that creation of the proposed spin-out company, called Potential Energy Ltd, had been supported by the Board of Governors at its last meeting.

It was proposed that LSBU (via SBUEL) would own up to █████ of the company and █████ of its IP, subject to clarifying the accounting treatment to ensure that the investment is not required to be disclosed in LSBU's accounts.

The committee requested that, if the grant bid is won, a copy of the business plan for company would be brought to a future meeting.

The committee noted that there would be no conflict of interest between the dual roles of staff delivering the project and acting as directors of the company. The permission of the relevant Dean would be sought for staff to undertake work on behalf of the company.

12. **Any other business**

The committee and the attendees thanked Rashda Rana for her excellent Chairing of the committee and for her supportive and challenging advice on significant programmes overseen by this committee.

Date of next meeting

Not applicable – this would be the last meeting of the Major Projects and Investment Committee.

Confirmed as a true record

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..... (Chair)