

**Minutes of the meeting of the Finance and Investment Committee
held on Wednesday 8 May 2024, 4:00 PM — 6:00 PM BST
1B16, Technopark**

Present

Vinay Tanna (*Chair, Independent Governor*)
Tim Fransen (*Staff Governor*) (via MS Teams)
Abdirahim Ibrahim (*Student Governor*)
Jeremy Parr (*Independent Governor*) (via MS Teams)
David Phoenix (*LSBU Vice-Chancellor and Group CEO*) (for items 1-6 only)
Jennifer Thomson (*Independent Governor*)

Apologies

Ola Obadara (*Independent Governor*)

In attendance

Stuart Bannerman (*Associate Pro Vice Chancellor International*) (for items 1-5 only)
Simon Cruickshank (*Group Chief Financial Officer*)
Samuel Curtis (*Group Company Secretary*)
Ola Dejo-Ojomo (*Governance Officer*)
Graeme Dunn (*Interim Director of Financial Planning*)
Deborah Johnston (*Deputy Vice-Chancellor, Academic Framework*)
Nicole Louis (*Chief Operating Officer*)
Andreas Raffel (*Chair of the Board of Governors*) (via MS Teams)
Rychard Scrase-Field (*Group Director of Estates Development & Campus Services*)
(for item 6 only)

1. Welcome and apologies

The Chair welcomed the members and attendees to the meeting.

2. Declarations of interest

No interests were declared on any item on the agenda.

3. Minutes of the previous Finance and Investment Committee meeting

The Committee approved the minutes of the meeting of 7 March 2024 and their publication with minor redactions.

4. Matters arising from Finance and Investment Committee

Spin out company

The Committee noted that the company had been set up using available funds from LSBU, following an unsuccessful application for a grant.

Regular committee updates on financial risk mitigation options

The Committee noted that officers would continue to keep it apprised of any significant updates.

Committee work plan

Officers advised the Committee that the fundraising team no longer existed at LSBU, therefore the scheduled annual report on fundraising strategy and gift acceptance policy updates would no longer be considered by the Committee.

5. LSBU Global / partnership updates

The Committee considered a report outlining LSBU Global's strategic contribution and financial impact to the LSBU Group and key directions of travel.

In order to clarify LSBU Global's overall contribution to the LSBU Group, the Group CFO agreed to provide a brief summary of the forecast financial impact focusing on LSBU Global's gross income and overall contribution to LSBU on a three-year forecast basis.

The Committee noted that LSBU Global had transitioned from a traditional face to face transnational education (TNE) model to a more digital approach which includes international apprenticeships. LSBU Global also continues to expand its UK network, noting other partnerships similar to Leeds College of Building are being considered.

The Committee noted that LSBU Global is developing its cloud curriculum space which, when complete, would considerably reduce costs and improve flexibility. This would also facilitate transferring content from one teaching environment to another. The Committee noted that all of this contributes to improved data which would highlight areas for improvement which in turn would lead to an improved student experience and impact on retention.

Responding to queries in the meeting, officers advised [REDACTED]. Officers also advised that plans for growth are being balanced with risk, especially in the digital space.

6. Estates development update

The Committee considered a report outlining progress to date on the Estates development projects.

The Committee noted the following updates:

- The S106 from LB Lambeth was expected to be received within the next week.

[REDACTED]

[REDACTED]

The Committee agreed that an LSBU chairs' meeting on 23 May 2024 would consider:

- Detailed scenario planning including the wider LSBU financial position
- Contingency planning
- An update on [REDACTED] position

7. LSBU management accounts

The Committee considered the management accounts for March 2024 and the current forecast [REDACTED] for LSBU, and a [REDACTED] for South Bank Colleges (SBC).

[REDACTED]

The Committee noted that the overall view for LSBU has not changed since the previous report to the Committee in March 2024; however, areas of more

material downturn had been identified in the April accounts. Academic engagement from overseas students was better than expected, resulting in an increase in fees received; however, the risk of non-payment from overseas students persists, especially as this cohort constitutes most of the self-funded students.

The Committee noted that as consideration is being given to withdraw students who persistently fail to engage, the risk of non-payment may reflect as downturn in payment in income.

The Group CFO advised that whilst debt collection firms are occasionally used, this is not typical for students still studying at the university. Payment plans are also available, and sanctions are removed and not reapplied whilst students engage with the process. The COO also confirmed that student services are normally the first point of contact for students with issues with outstanding debts before being directed to the finance team, and there is evidence of this being effective. Notwithstanding, consideration would be given to raising students' awareness of who to approach when having issues with paying their fees.

The Committee noted that the bad debt provision may be increased by accounting adjustments in future periods to reflect the debtor position for the year.

Further to observations from the meeting, officers agreed to review and confirm the definition of staff costs and review the use of credit / bracketed figures for income and expenditure in the management accounts, including in the full year forecast and budget.

8. **Treasury management report**

The Committee noted the report and the following matters arising:

- [REDACTED]
- It is proposed that a future meeting of the Committee will consider how to manage the [REDACTED] endowment, which currently generates [REDACTED] annually. Part of the consideration would include how to improve its ESG value.

9. **TSAAMs programme updates**

The Committee considered an update on the progress of the TSAAMs programme. The Committee noted the programme is working within budget, and that the agreed phased implementation for curriculum management solution is from of December 2025 as opposed to September 2025 as previously reported. The change in date is driven by operational preference.

The Committee also noted the following:

- The procurement exercise is expected to take place in June 2024.
- The risks outlined in the risk register are not unique to a project of this nature, and it was expected that those identified would be closed down incrementally.
- In relation the curriculum management element of the programme, the plan is for data to be cleansed, validated and migrated from the current repositories in a phased approach from October 2024

Responding to a query from the Committee regarding the security of the data migration, the COO advised that LSBU has invested in a platinum level cyber security product applicable across the digital estate. Additionally, the programme update is a cloud-based solution with gold standard security. These both serve to increase the confidence in the security of the data.

10. **Any other business**

The Committee noted this was the Chief Operating Officer's final meeting, thanked her for her service to the Group, and wished her all the best for the future.

Date of next meeting
4:00 pm on Tuesday, 18 June 2024

Confirmed as a true record

Vinay Tanna

(Chair)

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