

**Minutes of the meeting of the Finance, Planning and Resources Committee
held on Tuesday 7 November 2023, 4:00 PM — 6:00 PM GMT**

Present

Michael Cutbill (Chair)
Shona Brown
Peter Fidler
Devonte James
Dave Phoenix

Apologies

None

In attendance

Alex Bush
Simon Cruickshank (via MS Teams)
Tara Dean
Richard Flatman
Deborah Johnston (via MS Teams)
Nicole Louis (from agenda item 7)
Dominique Phipp (Secretary)
Ralph Sanders
James Stevenson

Observer

Duncan Brown (via MS Teams)

1. Welcome and apologies

The Chair welcomed the meeting attendees.

The committee noted that this meeting would be the last meeting for Michael Cutbill, the committee Chair, and of the committee itself. The committee would be closed in December 2023 and two new committees would exist from January 2024 to carry on its work.

The committee noted that an additional Board of Governors meeting on Thursday 9 November would consider the [REDACTED] (minute items 6 and 7) in detail. The committee would not be able to provide assurance to the GARC and the Board on the accounts for the year ended 31 July 2023 until [REDACTED] is resolved but would be able to comment on the narrative statements in the accounts which were not likely to change.

2. Declarations of interest

No interests were declared in any item on the agenda.

3. **Minutes of the previous meeting**

The committee approved the minutes of the meeting of 3 October 2023 with minor amendments, and their publication as redacted.

4. **Matters arising**

Explore whether there are a greater number of sexual misconduct concerns amongst students than are being reported to LSBU - The SU President provided an update on the action. He noted that the question had been discussed by the SBSU and Director of Student Services and assessment is ongoing.

5. **Management accounts to 30 September 2023**

The committee discussed the management accounts. Although YTD OpEx spend was less than the 2023/24 budget, it noted that YTD OpEx is £1m more than YTD OpEx spend in 2022/23. This variance was due to a large credit relating to payments to overseas agents in 2022/23.

The committee discussed the forecast for S2 2023/24 student recruitment income, which would normally have a self-imposed cap. The cap would be relaxed to enable greater recruitment if schools have capacity and sufficient CAS are available. The COO noted that there would be close monitoring of S2 enrolment by the Group Executive.

The committee noted that some savings have been made due to unfilled staff vacancies and a planned reduction in recruitment of Hourly Paid Lecturers (HPLs) in every school. A voluntary severance scheme was also available to eligible staff who would like to use it but take-up had so far been low.

6

[Redacted content]

[REDACTED]

The committee noted the importance of improving retention of students, and the Group Executive is exploring ways to improve support for international students.

[REDACTED]

7. [REDACTED]

Nicole Louis, the COO joined the meeting.

[REDACTED]

[REDACTED]

The incoming Group CFO outlined the cash forecast for 2023/24 and summarised the mitigations planned to address the risk of a shortfall in S1 recruitment income and a low cash position in April 2024.

The committee noted that there should not be such a low cash position in January 2024 similar to the cash position in January 2023, as the University is significantly ahead of budget forecasts for S1 2023/24 as a result of accelerated recovery of outstanding student fees from students in 2022/23.

The committee thanked the current and incoming Group CFOs.

8. **Student enrolment and re-enrolment outturn update**

The COO summarised progress of the student enrolment and re-enrolment process and forecast income for S1 2023/24 [REDACTED]. She highlighted that a significant number of students are re-enrolling for another year of study to redo modules which they have failed to complete in 2022/23.

The committee noted that a further [REDACTED] students, [REDACTED] of which are full-time undergraduate students, had been re-enrolled following issue of the report.

The committee noted that the Group Executive has a high level of confidence in the income forecasts for S1 2023/24 enrolment and re-enrolment.

The committee noted that there is not a clear correlation between enrolment of international students and their attendance at an LSBU open day. Recruitment events are held overseas via LSBU's recruitment agency partners.

9. **Student retention update**

The DVC summarised trends shown by progression rates (Y1-Y2 student movement), which are used as a leading indicator to forecast student continuation rates. She noted that LSBU's overall progression rate for 2023/24 is not expected to improve and is likely to be similar to last year's rate (64% in 2022/23). This would mean that LSBU's overall continuation rate would remain above the OfS threshold of 80% when calculated as a 4-year average. A number of courses with poor continuation rates had been closed in 2021/22 and are no longer being recruited to following the implementation of the improved curriculum and portfolio of courses. These courses would therefore not be part of LSBU's 4-year average in the future, so the average continuation rate should improve.

The committee discussed the underlying causes of the static progression rate in detail. It noted that domestic student progression rates had stabilised following the covid-19 pandemic, which could in part be attributed to the interventions implemented to support student retention in 2022/23. Retention interventions had included changes to course design, a programme of support for resit exams, and supporting academic staff to have greater oversight of academic failure rates for every course. Further measures to support retention would be embedded in 2023/24, including a later term start date for S1 2023/24 to ensure students are onboarded fully before teaching begins.

The committee noted that there is extensive work underway in every school to support students to succeed in their assessments so that they do not need to complete resits. The DVC noted that, follow students' return to campus after the covid-19 pandemic, schools who had more quickly returned to the same assessment load and methods of assessment that they had applied before the pandemic had seen higher academic failure rates than others. Methods to reduce the burden of assessment or to change the form of assessment on all courses have therefore been explored to ensure that the

format and number of assessments are appropriate for the number of credits for each module. The outcomes of this review are in line with sector best practice.

The committee noted that the SBSU's polling of a group of around 350 students who are not engaging with the University found that these students are broadly content with their current level of engagement, including their use of the VLE and attending campus for classes. To support students who are not engaging with their studies, a framework is in development to set out the minimum expectations these students need to achieve completion of their courses.

The committee thanked the DVC.

10. **Strategic People & Organisation Development annual report**

The CPO summarised strategic developments in the P&OD division. She highlighted LSBU's achievement of a Bronze Race Equality Charter Award and a 20% increase in the completion rate of staff Personal Development Reviews (PDR) following introduction of the new PDR system. A significant focus of P&OD colleagues is now on identifying and embedding better and more efficient ways of working across the LSBU Group.

[REDACTED]

The committee noted that the effectiveness and alignment of capabilities across all schools and PSG areas at LSBU is being reviewed in line with the corporate strategy to ensure the organisation is fit for the future.

The committee thanked the CPO.

10. **Draft consolidated annual report and accounts**

The committee reviewed the draft financial report and accounts for the year ended 31 July 2023. Late adjustments to the accounts meant that the committee could not provide assurance to the GARC and the Board on the accounts at this meeting but would be able to comment on the narrative report in the accounts which was not likely to change.

The Committee thanked colleagues involved in drafting the narrative sections of the accounts, which it considered to be very good. The committee welcomed that the narrative clearly explains how operational activity throughout the year was linked to the Group's corporate strategy.

The annual report and accounts would be discussed by the GARC and the Board of Governors at their meetings later in November 2023.

11. Draft letter of comfort to SBC

The Group CFO explained that SBC's auditors require a letter of comfort from LSBU to support SBC's going concern statement. The committee noted that SBC's financial position has significantly improved following the turnaround process, and it is now operating at a breakeven position in terms of cashflow and is a going concern.

The committee approved the draft letter of comfort to SBC.

12. Treasury management report

The committee noted the report.

13. Additional information on Group Insurance Programme cover 2023/24

The committee noted the report.

14. Any other business

The attendees thanked the Chair for excellent steering of the Committee.

Date of next meeting

Not applicable – this would be the last meeting of the Finance, Planning and Resources Committee.

Confirmed as a true record

..... (Chair)