

**Minutes of the meeting of the Finance, Planning and Resources Committee
held at 4.00 pm on Tuesday, 3 November 2020
via MS Teams**

Present

Michael Cutbill (Chair)
Jerry Cope
Peter Fidler
Nicki Martin (until minute 5)
David Phoenix
Deepa Shah
Maxwell Smith

Apologies

Mee Ling Ng

In attendance

Richard Flatman
Kerry Johnson
Nicole Louis
Marcelle Moncrieffe-Johnson
Ralph Sanders
James Stevenson

Observer

Duncan Brown

1. Welcome and Apologies

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

2. Declarations of Interest

No member declared an interest in any item on the agenda.

3. Minutes from the last meeting

The committee approved the minutes of the previous meeting, held on 22 September 2020, and their publication as redacted.

4. Matters arising

NSS update

The committee noted that a review of the NSS was underway by the OfS, and that guidance for the 2021 NSS had recently been published. The guidance advised that Ipsos MORI would now take on more responsibility for promoting the survey and targeting students who are yet to respond.

Graduate outcomes update

The committee noted that a project team had been set up to further support students and consequently improve the University's performance in the annual graduate outcomes benchmarking survey. The first project meeting had been held, and an update would be provided to the Executive during November 2020.

Coronavirus update

The Vice Chancellor provided a verbal update on coronavirus planning following the government's announcement that a further 'lockdown' would take place from 5 November 2020. The committee noted that the government expected face-to-face teaching to continue, and that the University continued to deliver core activities on-campus. Students were free to decide which mode of learning they preferred. The committee noted that professional services staff would be encouraged to work from home until the end of the 2020/21 academic year.

The committee noted that NSS and graduate outcomes would remain standing items under matters arising, with updates to be given as appropriate.

All other actions were noted as complete.

5. LSBU management accounts to 30 September

The committee discussed the management accounts to 30 September 2020, noting that this was the first set of accounts to cover both LSBU and Lambeth College. The full year forecast was trending to a surplus of £2m though 2020/21 was likely to continue to be challenging due to the current coronavirus pandemic.

The committee noted that income from student recruitment was on target and ahead of 2019/20, though there were risks around semester two enrolment and retention rates. Budget 'scenario 2b' had factored in a higher attrition rate than usual due to the pandemic.

The committee noted that staff costs were currently under-budget but it was not yet clear whether this would continue throughout the year. The CFO advised that there would be greater clarity following the mid-year budget review.

The committee noted that its remit was to maintain appropriate oversight of subsidiary finances, but subsidiary boards of directors retained statutory responsibility for the success of those entities.

6. Student recruitment and retention update

The committee discussed the update on LSBU recruitment and retention.

The committee noted the significant improvement in progression from year one to year two and from year two to year three, both of which stood at

approximately 6% higher than the previous year. The University had not initiated withdrawals for non-attendance since March 2020, which had contributed to the improvement. The committee noted that the improvement in progression and re-enrolment would have a material income benefit.

The committee noted that there had been issues with the enrolment process, which took place remotely for the first time. Work was underway to make the required process changes ahead of semester two enrolment.

The committee noted that it was too early to make predictions about 2021/22 enrolment.

The committee noted that the waiting period for a face-to-face student mental health and wellbeing appointment had reduced to an average of three days, and that demand was being met. Between 80 and 100 students had so far taken advantage of the laptop purchase scheme.

7. Annual Report and Accounts 2019/20

The committee discussed the draft annual report and accounts for year ending 31 July 2020. The committee noted that the Executive had challenged the actuary's pension assumptions. The revised actuarial report would have a significant impact on the pensions deficit and disclosures, but should not make a material impact on the reported surplus of £1.4m.

The committee noted that the surplus of £1.4m was in line with budget.

The CFO agreed to review the risk schedule following the review of the risk register at the October Board meeting.

The committee noted that the KPMG audit of the accounts would be considered by the Group Audit and Risk Committee at its meeting of 5 November 2020.

The committee noted that revisions to the accounts, reflecting changes to the pension assumptions and any other required amendments, would be circulated to members ahead of the meeting of the Board of Governors on 19 November 2020.

8. Strategic People and Organisational Development report

The committee discussed the update on activities and developments from the People and Organisational Development teams.

The committee noted that the people and culture inclusion strategy was almost complete, and that work was underway with the strategy implementation group to examine priority areas.

The committee noted the updated on case work, which reported 27 live cases. This was a reduction of ten cases since May 2020.

The committee noted that the 2020 staff conference, held virtually due to the pandemic, had received very positive feedback from attendees. The annual staff engagement survey was launched in July 2020, and resulted in an engagement score of 73%, an increase of 7% from the 2019 survey.

The Chief People Officer confirmed that the 2020/21 academic promotions round was being carried out with a focus on EDI principles. Workshops had been held for female and BME academic staff and work was underway to improve outcomes for academic staff from minority groups.

9. **Target operating model**

The committee discussed the update on the LSBU Group target operating model (TOM).

The committee noted that the work on the Executive (tier one) and their direct reports (tier two) was almost complete, with additional work required in the schools (excluding Health) to understand the shape of the University's academic portfolio. Work would be required across the schools in the next phase to understand more about capabilities and accountabilities, and how they align. Work was also still required in tier two for 'Place and Impact'.

The committee thanked the Executive for bringing forward a significant plan to develop the organisation's design, aiming to strengthen delivery and clarify accountability. It noted that a flexible approach to implementation would be needed, not least because post-coronavirus requirements for the sector are unpredictable. There were several sections where the new design was still to be worked out, and care would be needed to reach an outcome supported by all. The Executive explained that it planned for implementation of the full model to be gradual rather than immediate.

The committee noted that the TOM would be delivered in parallel to Align and Project LEAP, and there would also be a strong focus on cultural and behavioural change.

The committee noted that a further update would be brought to its meeting of 27 April 2021.

10. **Treasury management report**

The committee noted the treasury management report, showing total bank balances at 30 September 2020 of £50.2m and outstanding loans of £33.6m.

11. **Group-wide and LSBU KPIs**

The committee noted the update on 2019/20 strategic enabler KPI performance. A final report on the 2015-2020 strategy KPIs would be made at the meeting of 2 March 2021, when all metrics would be available.

12. **Fundraising compliance update**

The committee noted the report detailing how the University complied with charity fundraising regulations and guidance. All fundraising at LSBU required compliance with the Charity Commission's CC20 regulations, GDPR and the Code of Fundraising Practice as set by the Fundraising Regulator.

The committee noted that in future years this report would be included with the annual report on fundraising.

Date of next meeting
4.00 pm, on Tuesday, 2 March 2021

Confirmed as a true record

Michael Cutbill..... (Chair)