

Istituto Marangoni Limited
Board of Directors Minutes

29/5/2025 – 11.00 -13:30 UK time

Members	Prof Mark Hunt Stefania Valenti Valerie Berdah-Levy Fabio Rubino Marta Phillips OBE Dr Mark Eastwood Adi Maoz-Cohen Nicola Paronetto	IM London Non-Executive Director (Chair) Director and Managing Director Istituto Marangoni (Vice-Chair) IM Chief Operating Officer London and Paris IM London School Director IM London Non-Executive Director IM London Non-Executive Director IM London Director of Education IM Group Finance Director
Attendees Invited	Diane Rainsbury Kim Jacqueline Boisseau	IM London School Registrar (Secretary) Academic Student Governor
Apologies for absence	None	

ACTION	1. Welcome, Apologies, Interest and Quoracy 1.1. The Chair outlined the purpose of the meeting as set out on the agenda. 1.2. There were no new declarations of interest other than those already identified on the Register of Interests. 1.3. Confirmation of the appointment of Nicola Paronetto as a Director to replace the vacancy created by the resignation of Salvatore Sivari was duly noted having been approved under Part A of the agenda as reserved business. Such approval was subject to completion of the due diligence process. The Board also welcomed Nicola's return to the Board having previously served as a Non-Executive Director and brought considerable experience and financial acumen having extensive experience of financial and operations management with large multinational companies.
	2. Previous Minutes & Matters Arising confirmed 2.1. The Board received and approved the previous minutes from the meeting held on 29 May 2025 as an accurate record. 2.2. The Board reviewed the report of matters arising and the following items were noted: BoD(25)_02_2.2.3 & 2.2.6 The actions from the original Sinapto development plan had all been completed while the testing of the application its classification processing was being undertaken utilising data from the July Assessment Boards. Some additional functionalities were also planned as part of the further implementation of the current assessment board project. BoD(25)_02_2.3 Confirmation of the retention of eligible body status for VAT exemption following the change of validated partnership remained important from a financial perspective. Further advice was being sought from HMRC regarding the School's future VAT liability, including VAT impact on its transition and phasing of DAP. A proposal would come back to the Board. A proposal on future DAP's liability and proposed transition plan would be brought to the next meeting once fully scoped. A contingency plan incorporating various scenarios should DAP's not be obtainable by 2027 would also be presented to a future meeting.
	3. Managing Director's Update- NABA Project 3.1 The Managing Director and School Director reported on a new project whereby the London School planned to add NABA on to its Student Sponsor Licence having undertaken detailed legal advice. NABA was already part of the Galileo Global Education Group and owned by Istituto Marangoni with the decision to add NABA to the Student Sponsor Licence having arisen because the UKVI prevented those sharing common ownership holding a separate

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student sponsor licence. The Board noted that although NABA's programmes would initially be validated by Regents University IML would eventually become their validating partner following the acquisition of DAP's. IML would need to submit a change in circumstance for approval by UKVI following its incorporation as a UK entity and the finalisation of IML's oversight arrangements including its necessary governance and reporting structures. Further legal advice would be sought to develop and review the governing documents, management arrangements and Memorandum of Agreement. An important aspect of these oversight arrangements would be direct oversight by the London UKVI Visa Manager and the Board concurred on the importance and appropriateness of this approach. In the short term, it was anticipated that IML's existing CAS allocation was likely to be sufficient without the need to exceed the 20% threshold each year and this process would also need to be carefully managed by IML. The Board also agreed on the importance of including the anticipated validation arrangement within the DAP Self-Assessment and of being able to evidence the necessary governance and partnership infrastructure to successfully manage such development. The proposed governance arrangements would be presented for Board approval in due course.

4. School Director's Report

- 4.1. Recruitment- The School Director gave an overview of recruitment to date explaining the continuing challenging recruitment market particularly within the broader context of UK immigration policy and visa restrictions, cost of living and an increasingly competitive student recruitment market. The Group was supporting the London school with a carefully curated campaign for October 25 recruitment focusing on IM's distinctive strengths including its industry connections with leading brands. The recent Rahul Mishra scholarship and mentorship programme had been highly successful, and an important part of the marketing and recovery strategy was based around several new mentorship programmes. These mentorships were also an important and distinctive aspect of IM student learning experience and highly valued by students. An accommodation scholarship was another initiative which was likely to appeal to some specific key markets including India.
- 4.2. The Board noted the October 2025 intake had closed at -7% with Russia, Europe, Latam and India being most negatively impacted. Turkey had become an important market for the School with continuing levels of demand and was a continued focus of activity including through the mentorship offer. The School Director also explained that the strategic direction of the 2025/2026 recruitment strategy also aimed to win back Middle East, Apac and China.

4.3 Facilities and student experience-The principal areas of investment included the completion of the air conditioning project with the final phase on schedule for completion by June while costings for the ventilation project were being finalised and were scheduled to commence in June for completion by end of September. Students were very supportive of the project particularly from the environmental perspective. In response to student feedback a new cafeteria service focused on improved quality and diversity of options was now in operation with some further adaptations to be introduced in response to additional student feedback. The School was also planning to implement a weekly aperitivo evening and was awaiting approval of the necessary licence. Additionally, there had been a highly successful Careers Fair and three IMAC events in March and April respectively. The annual Fashion Show was being held jointly with the Paris School in Paris and would also be live streamed at the London School.

4.4 Staff Wellbeing and Strategic goals- The School Director gave an overview of the staff wellbeing goals which were structured around the themes of wellbeing, engagement, work life balance and remuneration including the retention of the Employee Assistant Programme(EAP), special leave policies, professional development and training as well as social engagement/community building events. There had been some refinement to hybrid working encapsulated in the Remote Working Policy which was generally aimed at promoting work/life balance while maintaining operational efficiency. Several events and initiatives were already planned for 2025/2026 incorporating a range of team building events.

5. Appointments

- 5.1. The Board considered and approved the recommendation of the appointment of Alina Harris Feile as the new Academic Student Governor for 2025/2026.

6. Board 2023/2024 Annual Report and Governance Implementation Plan

- 6.1. The Board considered and approved the Board of Directors 2024-2025 Annual Report including the recommendations from the following Board's sub-committees:

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Recommendations from the Finance and Resources Committee

- i) continue to enhance management reporting to support FRC's role and specifically in relation to EDI matters;

- ii) the importance of the introduction of a BoD Annual Planning Day to enable the Committee to contribute to strategy and organisational development. (Note: completed in February 2025).

and the following further recommendations from the Board of Directors including those identified from the one to one meetings with the NED'S and BoD Chair.

- i) Have a regular BoD planning day each year building on the success of the event held in February 2025;
- ii) Further develop reporting against the School Strategy and associated KPI's;
- iii) Provide NED's with access to sector-specific governance training (e.g., workshops or webinars for higher education board members) and would further enhance NED effectiveness and retain currency;
- iv) Committee papers must be submitted by the Friday prior to the meeting; late submissions should not be considered;
- iv) Chairs' meetings should include a standing agenda item for discussions without executive management present, allowing for more candid deliberation;
- vi) Reporting lines between the Academic Board and the Board of Directors should be improved, particularly regarding academic quality assurance and standards, to ensure robust oversight and clearer strategic insights;
- vii) Strengthen student engagement: communication strategies need to ensure students are kept informed of how the Board has responded to issues they've raised.
- viii) Consideration should be given to relocating meetings to venues with more reliable and secure technological infrastructure, supporting confidentiality and productivity.

The recommendations had also been incorporated within the 2025/2026 Governance Action Plan.

The Board noted and reaffirmed the recommendations from the Audit and Risk Committee and Academic Board approved at the previous meeting.

6.2 Governance Implementation Plan

The Board considered and approved the 2025/2026 Governance Action Plan based on the approved recommendations from the Board and sub-committee annual effectiveness report and the outcomes from the one to one process with the NED and Independent External members.

7. Budget Q3 update and 2025/2026 Budget

7.1. The Board considered and approved the Budget for 2025-2026 and noted the following assumptions:

- 7.1.1. forecasted revenue would remain static with relatively little growth;
- 7.1.2. the flat turnover would be offset by reduced teaching expenditure due to the reduction in overall sessional tutor costs and some redistribution between teaching employees and contract tutors;
- 7.1.3. the new workload model also generated a 5% saving;
- 7.1.4. increased cost of recruitment agents;
- 7.1.5. CAPEX expenditure (443k) was largely devoted to building maintenance projects including ventilation
- 7.1.6. despite the savings in validation fees the full benefit of transfer from MMU would only be realised in 2026/2027 following the completion of 'teach out'.

The Financial Controller explained that there were some historic liabilities from the previous accounts with some payments such as service management payments having been excluded from VAT liability.

7.2. Quarter 3 update

- 7.2.1. The Board considered the Quarter 3 update and observed that notwithstanding the challenging student recruitment market and the forecasted 5% reduction in income the Board was satisfied on the Company's overall financial performance, sustainability and levels of profitability. Savings in

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operational costs including savings from the new workload model had also been helpful in terms of maintaining the strong financial performance.	
8. Academic Student Governor's update	8.1. The Academic Student Governor reported on the most recent student feedback from the Student Senate held in March and also commented on the adoption of a more structured plan for these meetings had been beneficial in maximising the outcome from these meetings. Overall, feedback had been positive with students feeling supported including around any specific learning needs and were particularly appreciative of the programme of prominent speakers. Specific suggestions were made on reducing the length of surveys to maximise response rates and engagement, more personalised and tailored assessment feedback and earlier notification of the timetable. Other more specific feedback included the desirability of a dedicated event space, particularly for fashion business, making better use of classrooms more appropriate to the class size and comments on furniture. In relation to the library students would like more design related texts while a more general issue had arisen in relation to students wanting earlier access to Regents University Library, due to the University's administrative processes associated with enrolment. The School Director would be taking this up with the University's Vice Chancellor with a view to students being granted access immediately after enrolment with IML.
9. DAP update	9.1. The Chief Operating Officer gave an update on the DAP project explaining that following a very useful meeting with the Head of Degree Awarding Powers in April she continued to impress upon the importance of a further meeting in June as agreed. The earlier meeting had been positive in terms of reiterating the strategic priorities for the School and confirmation that the application would receive priority on the resumption of DAP's regulatory activity at the end of August. In the meantime, the School Director and Chief Operating Officer had met the Vice-Chancellor at Regents University regarding the potential need to renew the Memorandum of Agreement and associated flexibilities around it depending when DAP's was achieved. In the meantime, the School continued to progress remaining actions set out in the DAP's Project Plan with the majority of remaining actions to be closed by 1 August. The Senior Management Team continued to exercise oversight over ensuring all remaining actions were being progressed. The Board affirmed the importance of ensuring the quality of the submission and supporting evidence at the time of submission.
10. People Strategy Action Plan	10.1. The Board considered and approved the updated People Strategy that incorporated the timelines against the stated deliverables.
11. Briefing note on Regulatory and reporting requirements	<p>11.1. Briefing Note on Regulatory and reporting requirements The Board received and noted the Briefing note on Regulatory and reporting requirements including IML's ongoing compliance with all regulatory expectations.</p> <p>11.2. OfS report on financial sustainability of higher education providers in England 2025 and summary analysis The Board received and noted the OfS report on financial sustainability of higher education providers in England 2025 and summary analysis.</p> <p>11.3. OfS Conversation with chairs</p> <p>The Board noted the OfS publication summarising its recent conversation with Board Chairs with the Chair explaining that the OfS had used the event to take the opportunity to express the gravity of the financial challenges facing the sector and which it was also interrogating from the perspective of the effectiveness of governing bodies.</p> <p>12.4 Summary of the White Paper 12.4.1 The Board considered and discussed the summary of the main changes outlined in the White Paper including changes to the terms of the UKVI student sponsor licence with higher BCA thresholds, additional requirements associated with the submission of the annual CAS allocation, the introduction of financial penalties and additional penalties for sponsor holders in response to compliance issues. The measures designed to control migration and the overall message it conveyed including the reduction in the duration of the Graduate Route Visa were likely to pose further challenges in terms of international student recruitment. The Board further noted the Agent Quality Framework (AQF) would become mandatory and management were in the process of mapping requirements against current practice. The possible introduction of a levy on the income gained from international students was a concerning development given the financial challenges across the sector but would need to be incorporated in the School's future financial forecasts. The Registrar would circulate the Agent Quality Framework for information.</p>
12. Minutes of Meetings of Board Sub-Committees	

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<p>12.1. The Board received and noted the minutes of the meetings of the following Board-sub-committees:</p> <p>12.1.1. The minutes of the meeting of the Audit and Risk Committee held on 22 January 2025.</p> <p>12.1.2. The minutes of the meeting of the Finance and Resources Committee held on 27 January 2025.</p> <p>12.1.3. The minutes of the meeting of the Academic Board minutes of the meeting held on 7 October 2024.</p>
<p>13. Any Other Business</p> <p>13.1. There being no further business the Chair closed the meeting.</p>
<p>14. Date of next meeting and 2025/2026 schedule</p> <p>17 July 2025</p> <p>2025/2026 meeting schedule</p> <p>25 November 2025</p> <p>24 February 2026</p> <p>27 May 2026</p> <p>22 July 2026</p>