

**Istituto Marangoni Limited**  
**Board of Directors Minutes**  
18/2/2025 – 11.00 -13:30 UK time

<b>Members</b>	<b>Mark Hunt</b> <b>Stefania Valenti</b>  <b>Valerie Berdah-Levy</b> <b>Fabio Rubino</b> <b>Salvatore Sivari</b> <b>Marta Phillips OBE</b> <b>Dr Mark Eastwood</b> <b>Adi Maoz-Cohen</b>	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 Group Head of Finance IM London Non-Executive Director IM London Non-Executive Director IM London Director of Education
<b>Attendees Invited</b>	<b>Diane Rainsbury</b> <b>Jodette Bagambe</b> <b>Kim Jacqueline Boisseau</b>	IM London School Registrar (Secretary) Governance Officer Academic Student Governor
<b>Apologies for absence</b>	None	

	<b>1. Welcome, Apologies, Interest and Quoracy</b> 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.
	<b>2. Previous Minutes &amp; Matters Arising</b> 2.1. The Board received and approved the previous minutes from the meeting held on 27 November 2024 as an accurate record. 2.2. The Board reviewed the report of matters arising and the following items were noted: 2.2.1.BOD(23)_11_2.2.4 – the incorporation of data reporting and the systems to support TEF was being taken forward as part of the School's forward planning. 2.2.2.BOD(23)_02_6.3 - Good progress had been made on the recommendations from last year's annual reports and the Chair reported on the recent planning day with all participants having given positive feedback being particularly appreciative of the opportunity to gain a closer understanding of wider Group and organisational level strategy. 2.2.3. BoD(24)_11_2.2.6- additional upgrades to support assessment board processing had been incorporated into the further development of the Sinapto Improvement Plan with remaining subject to confirmation by the HQ IT team. 2.2.4.The COO continued to remain in communication with the OfS regarding the DAP's application and continued to push hard on timescales. 2.3. The Group Director of Finance reported on the successful resolution of the School's VAT liability. HMRC had determined it would not impose any penalty accepting this had only arisen as a consequence of IML's tax consultant giving incorrect advice. Savings (179k) had also been achieved from the forecasted historic liability in the previous accounts with some payments such as service management payments being excluded from VAT liability. Confirmation of the retention of eligible body status for VAT exemption reported at the previous meeting following the change of validated partnership remained important in terms of stability.

	<p>Management would be seeking further advice from HMRC regarding its future VAT liability and DAP strategy and would come back with a proposal to the Board in due course.</p>
<b>ACTION</b>	<p><b>3. Audit and Risk Committee Items</b></p> <p>3.1. Change of Auditors</p> <p>3.1.1. The Board considered and RESOLVED to approve the recommendation from the Chair of the Audit and Risk Committee to change the external Auditors replacing Deloitte with Constantine. In making its decision, the Board concurred that Deloitte's substantial fee increase (122k) was not sustainable or proportionate for the size of the School. Management explained that an intermediate fee of 90k had been the only means of rebalancing costs within the current financial year. By comparison, Constantine was able to offer a more competitive fee structure, being a smaller company while also having a partnership approach.</p>
<b>ACTION</b>	<p>3.2. Tax advisers</p> <p>3.2.1. IML was in the process of replacing its Tax Adviser to BDO following the VAT liability issue. BDO was highly experienced and better placed to advice on taxation. BDO had also provided specific advice on a number of projects previously including the DAP Project. An initial scoping meeting with the Financial Controller had been positive and the Board would be kept updated.</p>
	<p><b>4. Managing Director's Update</b></p> <p>4.1. The Group Managing Director reported on Group level student recruitment that had achieved 3.4% growth overall and remained stable, with the Paris and Dubai School performing particularly well. In contrast, the London School underperformed this year, initiating mitigation and recovery plans including a new media and digital campaign in response to the continuing challenging recruitment market. The Board observed that the UK student recruitment market was likely to remain challenging given current UKVI and government policy and it may take several years to recover.</p> <p>4.2. Other developments included the opening of a new office in Bangkok, which was anticipated to have a positive impact on London recruitment, the opening of a new school in Riyadh [Saudi Arabia] in October 2025 that formed part of the Group's overall Middle East Strategy, recognising the region's growth in luxury fashion, focusing on higher vocational training as a progression route for further study at the IM European schools. To date, the Dubai School had proven very successful in terms of growth with progression opportunities likely to be of particular benefit to the London School. An office would also be opening in New York to promote student recruitment; the US being a key target market. Other developments included the relocation of the Paris School to prestigious new premises and Istituto Marangoni's 90th anniversary celebration incorporating the publication of a book on luxury fashion worldwide.</p>
<b>ACTION</b>	<p><b>5. School Director's Report</b></p> <p>5.1. The Board considered the School Director's report including the following:</p> <p>Recruitment was 30% lower than the previous year, but the team worked hard to address the challenges, achieving a 7% increase overall. Retail performance remained weaker. Future recruitment strategy would be targeting direct recruitment, (that grew from 43 to 50 % this year), with the longer term aim of eventually reaching 60%. Returning students including progression from Foundation remained less than budgeted although this was subject to final confirmation of the February 2025 intake. The School Director would update the Board at its next meeting.</p> <p>Human Resources - retention remained stable with a slight increase in turnover from the previous year. The overall approach was directed at retaining talent while the external environment for staff recruitment was good with many high quality applicants. The economic downturn was impacting both higher education and industry with many companies and providers running redundancy schemes. Specific attention was being given to promoting the organisation's overall mission vision and values and ensuring these were embedded throughout the organisation including giving them sufficient prominence during staff onboarding. Specific activities included continuing</p>

initiatives to promote a healthy workplace, consolidating collaboration and team building including all staff events and celebrating achievement and diversity.

## **6. Annual Reports**

- 6.1. The Board considered Academic Board's 2023/2024 Annual Report and approved its recommendations for the year ahead. In considering the report, the Board sought further clarification around the report's recommendation relating to the Data Cycle, census period and timeframe for completion. The School Director confirmed this was not a matter of data accuracy but rather ensuring effective sequencing of data collection, analysis and reporting. The Board approved the report subject to amending its recommendation on the Data Cycle to provide greater clarity and incorporating any necessary changes in the supporting narrative.
- 6.2. The Board considered the Finance and Resources Committee Annual Report and approved its recommendations for the year ahead. In discussion the FRC Chair explained that while the Committee was effective in fulfilling its terms of reference, EDI coverage would be enhanced as the EDI Committee became more established following the completion of a full committee cycle. The recent Board planning Day had also been well attended with all participants supportive of making this a regular annual activity.
- 6.3. The Board considered the 2023/2024 Health and Safety Annual Report and expressed its concern regarding the lack of quantitative data reporting and absence of comparative metrics. The absence of reporting by first responders was a further concern, preventing effective monitoring. The Board drew attention to the importance of documenting incidents and near misses and management being proactive in enforcing compliance including regular risk assessments. The Board also recommended a review of Worknest's role and services as the third-party supplier, noting a disconnect in its effectiveness. It was also agreed to remove the reference to Worknest having ultimate responsibility for health and safety. The Academic Student Governor noted that a technician had attended the Student Senate and agreed to add accident reporting as a standing agenda item.

## **7. People Strategy and Employees Handbook**

- 7.1. The Board considered and approved the People Strategy subject to the development of an associated Action Plan setting out clear timelines and responsible officers for presentation at the next meeting.
- 7.2. The Board received and noted the new edition of the Employees Handbook approved by Finance and Resources Committee with the main changes reflecting new legislative requirements.

## **8. DAP Update**

- 8.1. The Board considered the TDAP summary update and associated action plan. The Chief Operating Officer briefed the Board on her ongoing communication with the OfS with a further response now awaited from her most recent letter of 6 February 2025 explaining the financial impact of the delay caused by the pause. The Chief Operating Officer also continued to push OfS on the need to reopen the School's application in August 2025 with a view to completing the process by September 2027 to satisfy the requisite one year notice period and avoid the renewal of contract with Regent's University. In the meantime, the School continued to liaise actively with relevant sector groups including GuildHE whose CEO had been particularly proactive and supportive.
- 8.2. The Board was agreed on the importance of developing a contingency plan should DAPs not be achievable in the required timescale while continuing to put pressure on the OfS to prioritise processing IML's application on the resumption of its DAP's regulatory activity. The Chair also drew attention to the importance of scoping various scenarios and their relative impact including a limited extension of contract as part of contingency planning should DAPs not be achievable by September 2027.

## **9. Academic Student Governor's report**

**ACTION**

ACTION	<p>9.1. The Academic Student Governor reported on recent initiatives, including the continuation of the ‘Provocation Project’ featuring a renowned AI expert as the Term 2 speaker, a range of events and workshops, and the near finalisation of the Student Engagement Strategy, which will be submitted to the Academic Board for consideration. A student rep chat group had also been set up and was proving successful in facilitating communication. Common themes arising from recent student feedback included some concerns around equipment (mainly fashion programmes), IT access and classroom sizes, healthier and more affordable café options, improved feedback from the Student Senate, further activities to support student career opportunities and providing a wider range of student discounts.</p>
	<p><b>10. Terms of Reference and Scheme of Delegation</b></p> <p>10.1. Academic Board’s Terms of Reference</p> <p>10.1.1. The Board considered and approved Academic Board’s post DAP’s Terms of Reference that reflected the School’s future awarding body responsibilities including provision for the conferral and rescindment of degrees and exercising full responsibility for the appointment and expulsion of external examiners.</p> <p>10.2. Scheme of Delegation</p> <p>10.2.1. The Board considered and approved the Scheme of Delegation subject to clarifying and amending the delegation of SEAL to either the Financial Controller or Registrar following confirmation by the School Director.</p>
ACTION	<p><b>11. Assurance Reports</b></p> <p>11.1. The Board received and approved the Assurance Report on Fit and Proper Status.</p> <p>11.2. The Board received and noted the report on Reportable Events submitted during the previous quarter.</p>
	<p><b>12. Strategic Risk Register</b></p> <p>12.1. The ARC Chair reported on ARC’s consideration of the Quarter 2 Risk Register update explaining it required the Register to become more strategically focused. The Board also concurred with ARC’s view having also discussed this at the recent Board planning day. The Chair and Secretary would update the Risk Register accordingly to align it more closely with the School Strategy.</p>
ACTION	<p><b>13. Briefing note on Regulatory and reporting requirements</b></p> <p>13.1. The Board received and noted the Briefing Note on Regulatory and reporting requirements.</p>
	<p><b>14. Minutes of Meetings of Board Sub-Committees</b></p> <p>14.1. The Board received and noted the minutes of the meetings of the following Board-sub-committees.</p> <p>14.1.1. The minutes of the meeting of the Audit and Risk Committee held on 20 November 2024.</p> <p>14.1.2. The minutes of the meeting of the Finance and Resources Committee held on 19 November 2024.</p> <p>14.1.3. The minutes of the meeting of the Academic Board minutes of the meeting held on 30 September 2024.</p>
ACTION	<p><b>15. Any Other Business</b></p> <p>15.1. There being no further business the Chair closed the meeting.</p>
	<p><b>16. Date of Next meeting</b></p> <p>29 May 2025</p>
ACTION	<p>Signed as an accurate record</p>
	<p>Prof Mark Hunt</p>
ACTION	

