

**Meeting of the Board of Governors**  
**4.00pm on Thursday, 18 July 2013**  
**in 1B27, Technopark, London Road, London SE1**

**Agenda**

<i>No.</i>	<i>Item</i>	<i>Paper No.</i>	<i>Presenter</i>
1.	Welcome and apologies		Chair
2.	Declarations of Interest <i>Governors are required to declare any interest in any item of business at this meeting</i>		Chair
3.	<b>Chairman's Business</b>		
3.1	Minutes of previous meeting (for publication)	BG.31(13)	Chair
3.2	Vice Chancellor recruitment update	Verbal update	Chair
4.	Matters arising		Chair
5.	<b>University Strategy</b>		
5.1	Budget, 2013/14 (to approve)	BG.32(13)	EDF
5.2	HEFCE Annual accountability mid-year return (to approve)	BG.33(13)	EDF
5.3	Strategic proposals for the University (to discuss and note)	BG.34(13)	VC
5.4	"16-20" Project update (to discuss and note)	BG.35(13)	PVC(E)
6.	<b>University Performance</b>		
6.1	Vice Chancellor's Report (to discuss and note) <ul style="list-style-type: none"> <li>• KPI's</li> <li>• Annual Review of the Year</li> <li>• OIA update (to note)</li> </ul>	BG.36(13)	VC
6.2	Student recruitment update (to discuss and note)	BG.37(13)	PVC(E)
6.3	Management Accounts summary to 31 May 2013 (to discuss and note)	BG.38(13)	EDF

**7. Committee Business**

- |     |   |           |                  |
|-----|---|-----------|------------------|
| 7.1 | Reports from committees (to discuss and note)                     | BG.39(13) | Committee chairs |
| 7.2 | Tuition fees for 2014/15 (from P&R: to approve)                   | BG.40(13) | PVC(E)           |
| 7.3 | Educational Character Committee annual report (from ECC: to note) | BG.41(13) | PVC(A)           |
| 7.4 | Academic Board annual report (from AcB: to note)                  | BG.42(13) | PVC(A)           |

**8. Governance**

- |     |   |           |     |
|-----|---|-----------|-----|
| 8.1 | Revised articles of association (to approve)  | BG.43(13) | Sec |
| 8.2 | Risk Register (to note)                       | BG.44(13) | EDF |
| 8.3 | Register of Interests update (authorise)      | BG.45(13) | Sec |
| 8.4 | Amendments to Financial Regulations (to note) | BG.46(13) | EDF |

**9. Any other business**

Chair

10. Date of next meeting: 4pm on Thursday 17 October 2013.

Following today's meeting, Governors are cordially invited to a drinks reception with the senior management group in Technopark garden.

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Members: David Longbottom (Chair), Dame Sarah Mullally (Vice Chair), Martin Earwicker (Vice Chancellor), Barbara Ahland, Steve Balmont, Douglas Denham St Pinnock, Ken Dytor, Mee Ling Ng, Hilary McCallion, Anne Montgomery, Andrew Owen, Diana Parker, James Smith and Jon Warwick.

Apologies: Prof Shushma Patel

With: Pro Vice Chancellor (Academic), Pro Vice Chancellor (External), Executive Director of Finance, University Secretary and Governance Officer.

	PAPER NO: BG.31(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	Minutes of the meeting of 23 May 2013	
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors	
Board sponsor:	David Longbottom, Chairman of the Board	
<b>Recommendation:</b>	That the Board approves the minutes of its last meeting and the redactions for publication	
Aspect of the Corporate Plan to which this will help deliver?		
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	Published on the university's website	

### **Executive Summary**

The Board are requested to approve the minutes of the meeting of 23 May 2013 and the proposed redactions for publication.

Minutes of a Meeting of the Board of Governors  
held at 4pm on Thursday, 23 May 2013  
in 1B27, Technopark, London SE1

**Present**

David Longbottom	Chairman
Prof Martin Earwicker	Vice Chancellor and Chief Executive
Anisa Ali	<i>(for minutes 13-27)</i>
Steve Balmont	
Douglas Denham St Pinnock	
Prof Hilary McCallion	
Anne Montgomery	<i>(for minutes 1-19)</i>
Dr Mee Ling Ng	
Andrew Owen	
Diana Parker	<i>(for minutes 1-18)</i>
James Smith	
Prof Jon Warwick	

**Apologies**

Dame Sarah Mullally	Vice Chair
Barbara Ahland	
Ken Dytor	
Prof Shushma Patel	

**In attendance**

Dr Phil Cardew	Pro Vice Chancellor (Academic)
Prof Judith Ellis	Executive Dean, Faculty of Health and Social Care <i>(for minutes 15)</i>
Richard Flatman	Executive Director of Finance
Tim Gebbels	Director of Enterprise <i>(for minutes 17-19)</i>
Beverley Jullien	Pro Vice Chancellor (External)
James Stevenson	University Secretary and Clerk to the Board of Governors
Michael Broadway	Governance Officer

**Welcome**

1. The Chairman welcomed governors to the meeting.

**Declaration of Interests**

2. No governor declared an interest in any item on the agenda.

**Minutes of the previous meeting**

3. The Board approved the minutes of the meeting of 21 March 2013 and authorised their publication with the proposed redactions subject the Executive reviewing whether to also redact minutes 7, 12 and 14.

**Matters Arising**

4. The Board noted the matters arising and noted that the Charitable Funds Committee was being closed and that its work would be undertaken by the Policy and Resources Committee.

**Vice Chancellor Appointment Update**

5. The Chairman updated the Board on the progress of the Vice Chancellor Appointment Committee. The Board noted that following the first unsuccessful recruitment process Odgers Berndtson had been appointed to lead the search. It was noted that the position had been advertised in the Times Higher and jobs.ac.uk and that the closing date for applications was 7<sup>th</sup> June. The Chairman reported that the Vice Chancellor Appointment Committee was receiving weekly updates on applications to enable it to monitor the quality of the applications.
6. The Board noted market feedback from Odgers was positive and that the advert had been well received and there was no indication that applicants had been put off by the University not appointing last time. It was noted that it was a very competitive market.
7. The Board noted that the Vice Chancellor Appointment Committee would review the longlist of candidates over the summer with final interviews scheduled for 11<sup>th</sup> September 2013.  
*Secretary's Note: The final interview date was subsequently brought forward to 14<sup>th</sup> August 2013.*
8. Due to the delay in recruitment of a new Vice Chancellor, the Board confirmed that Professor Martin Earwicker had agreed to delay his retirement and continue as Vice Chancellor to 31<sup>st</sup> December 2013, in anticipation of the new Vice Chancellor commencing at the beginning of 2014.

**April Board Strategy Day**

9. The Board discussed the report on the Board strategy day held on 25 April 2013 (paper **BG.19(13)**), which had confirmed LSBU's mission as a community university. The key strategic targets had been agreed:
- Full time undergraduate student recruitment of 2750;
  - Levels 4 to 5 progression of 65%;
  - Additional income of £16m by 2017 at a contribution of 20% (the "16-20" challenge); and
  - Capital investment of £110m over the next five years.
10. The Board requested a report at the 18<sup>th</sup> July 2013 meeting on how the implementation of the market driven curriculum would impact on the current faculty structure. It was noted that Jane Houzer, the Executive Dean of the Business Faculty had resigned and that this presented an opportunity to reflect on the structure of the Business Faculty.
11. The Board noted that the Southwark campus redevelopment should make the University an attractive partner for an international university who were seeking a central London campus to deliver their courses and requested the Executive to explore potential partners.
12. The impact of the current funding uncertainties around the NHS contract on the Faculty of Health and Social Care would be kept under review by the Executive (see minute 15 below)

*Anisa Ali entered the meeting*

**HEFCE Core and Margin**

13. The Board discussed in detail correspondence between the University and HEFCE regarding the "core and margin" allocation for 2012/13 (paper **BG.20(13)**). The Board noted that the University had not yet received a response from HEFCE.
14. The Board endorsed the Executive's defence of the University's position based on HEFCE's apparent change in policy regarding fee increases for those institutions who took advantage of the "core and margin" allocation for 2012/13. The Board noted that the Executive were confident that the University would still be able to recruit to its target of 2750 full time undergraduate students at fees of £9000.

**NHS Funding**

*Prof Judith Ellis entered the meeting*

15. Prof Ellis gave an update on the NHS Funding position for 2013/14 (paper **BG.21(13)**). It was noted that due to the restructuring in the NHS funding for healthcare education is now provided by Health Education England through the Local Education Training Boards (LETB) and that funding allocations had not yet been agreed for 2013/14. It was anticipated that the Faculty of Health and Social Care could lose up to **£1.8m** from its Continuing Professional and Personal Development budget but aimed to minimise this loss to **£0.5m**.
16. The matter has been entered on the corporate risk register and will be closely monitored by the Executive.

*Prof Judith Ellis left the meeting*

**Student Recruitment update, 2013/14**

17. The Board noted an update on student recruitment for 2013/14 (paper **BG.22(13)**). The Board noted that full time undergraduate firm acceptances were **up 28%** year on year and the focus was on converting offers to acceptances. International recruitment was **up 58%** compared with 2012/13 with a focus on the key markets of China, India and Nigeria.

**University Enterprise**

*Tim Gebbels entered the meeting*

18. The Board considered a presentation from the Director of Enterprise which updated the Board on the Enterprise vision which included establishing a pervasive, University wide culture of Enterprise; progress with the Enterprise Centre; target income of **£6m** for enterprise as part of the “16-20” challenge by 2017/18; and the approach to commercial enterprise. Achievements to date include the knowledge transfer partnerships programme and the ACCA programme. The pipeline of major projects was noted.

*Diana Parker left the meeting*

19. The Board welcomed the presentation. In response to a question on the reporting of University Enterprise it was reported that the South Bank University Enterprise Ltd (SBUEL) Board has oversight of all activities within SBUEL. It also takes an overview of the totality of “University Enterprise”,

including those areas which are managed by the University. The Board requested an update on University Enterprise twice yearly and a further report at its November 2013 meeting. The Board requested a summary of progress towards the “16-20” challenge at each meeting.

20. The Board also discussed the nature of incentives for academic staff involved in enterprise and the link with applied research.
21. The Board discussed the Enterprise Centre which was due to open in September 2013. A post-investment review against targets as set out in the business case was planned for one year after opening. It was noted that a review of the service criteria for the building would be carried out annually as part of the external audit process.

*Anne Montgomery and Tim Gebbels left the meeting*

### **Vice Chancellor’s Report**

22. The Board noted an update from the Vice Chancellor on progress of the new customer facing website which was due to be launched in September 2013; the publication of the Complete University Guide 2014 in which the University had maintained its position relative to key competitors; and progress of employee engagement survey whose results would be considered in detail by the Human Resources Committee (paper **BG.23(13)**). The Board noted the updated key performance indicators.

### **Management Accounts summary to 31 March 2013**

23. The Board noted the management accounts summary to 31 March 2013 (paper **BG.24(13)**), which showed a forecast surplus for the year of £4.3m.

### **Reports from Committees**

24. The Board noted reports from committee meetings (paper **BG.25(13)**). The Chair of the Educational Character Committee reported on the recent visit to the Student Union.

### **Capital Investment Update**

25. The committee discussed an update on capital investment plans for the five years from 2013/14 (paper **BG.26(13)**), which had been reviewed in detail by the Policy and Resources Committee.



**Chair Nomination Committee**

26. The Board noted that the current Chairman would be retiring in July 2015 and that it was timely to begin searching for a successor. It was anticipated that the new Chair would serve for a year prior to appointment as Chair of the Policy and Resources Committee. The Board approved the recommendation that a Chair Nomination Committee is established to lead the search for a new Chair (paper **BG.27(13)**). The Board approved the terms of reference for the committee and authorised the committee to engage search consultants if deemed necessary.

**Risk Register**

27. The committee noted the risk register (paper **BG.28(13)**), including the corporate risks assessed as “critical”.

**HEFCE Assessment of Institutional Risk**

28. The Board noted HEFCE’s assessment of institutional risk which graded the University “not at higher risk”, the better of two rankings (paper **BG.29(13)**). The Board noted the benchmarked key financial indicators from across the sector.

**Student Union Election Results**

29. The Board noted the results of the Student Union election and the Returning Officer’s report (paper **BG.30(13)**). The Board noted that the number of students voting had doubled and that the Student Centre had helped to engage students in the elections.

**Any other business**

30. The Board noted that this would be Anisa Ali’s final Board meeting. The Board warmly thanked her for her valuable contribution to the Board and the University over the last two years.

**Date of next meeting**

31. The next meeting will be held at 4pm on Thursday 18 July 2013.

The Chairman closed the meeting.

**London South Bank**  
University

**Confirmed as a true record:**

..... (Chairman)



# Committee Action Points

11 July 2013

12:20:01

Committee	Date	Minute	Action	Person Res	Status	
Board	23/05/2013	3	Review redactions and publish minutes	Secretary		<input checked="" type="checkbox"/> Completed
Board	23/05/2013	10	Report on implementation of the market driven curriculum would impact on the current faculty structure to July Board	VC	On agenda	<input checked="" type="checkbox"/> Completed
Board	23/05/2013	11	Explore potential international partners	PVC - E	Ongoing	<input type="checkbox"/> Completed
Board	23/05/2013	18	University Enterprise update to November 2013 Board	PVC - E	On forward plan	<input checked="" type="checkbox"/> Completed
Board	23/05/2013	18	16-20 update to each Board meeting	PVC - E	Added to forward plan	<input checked="" type="checkbox"/> Completed
Board	23/05/2013	24	Establish Chair Nomination Committee and arrange first meeting for September 2013	Secretary	The first committee meeting has been confirmed as 9 October 2013	<input checked="" type="checkbox"/> Completed

# London South Bank University

	PAPER NO: BG.32(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	2013 / 14 Budget	
Author:	Ralph Sanders, Financial Planning Manager	
Executive sponsor:	Richard Flatman, Executive Director of Finance,	
<b>Recommendation by the Executive:</b>	The Board is requested to approve the 2013/14 budget.	
Aspect of the Corporate Plan to which this will help deliver?	Financial Performance	
Matter previously considered by:	Executive  Policy and Resources Committee	On: June 2013  3 July 2013
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?		

## Executive summary

1. Following detailed budget discussions, the University now has a clear path to deliver to a £2.5M surplus for 2013/14. This is the level of surplus previously approved for 2013/14 as included in the updated 5 year forecast.
2. In terms of key risks, the 2013/14 budget assumes a recruitment target of 2,750 SNC/ABB+ undergraduates, growth in postgraduate and overseas fee income and £3.8M in respect of HSC CPPD income. To mitigate for the financial impact of these risks, the budget contains an explicit contingency of £0.5M as well as an investment pot of £2.0M that could be flexed if required.
3. The budget also contains a provision of £1.5M for Restructuring costs and Exceptional items.
4. The Board is requested to approve the attached budget. It has been considered in detail by the Policy and Resources Committee who recommend its approval to the Board.

## Budget aims & overall financial framework

5. The overall aims of the budget process were:

- To prepare a revenue budget for the University as a whole that is affordable and that supports the organisation's deliverables for the next 5 years, as reflected in the 5 year forecast approved by the Board.
- In terms of the original targets for 2013 / 14, this meant delivering.
  - An improvement in UG progression from 59% to 61%
  - 2,750 FT UG for our SNC/ABB+ target
  - Postgraduate Income in excess of £7.2M
  - International Income in excess of £9.2M
  - Staff costs of no more than 55% of income

6. The Budget presented for approval meets all of the above.

7. The targets for efficiency savings of £1M in 2013 /14 and an investment fund of £1M have also been met or exceeded in the budget presented for approval.

### Current Summary Position:

8. In total the proposed budget delivers a surplus of £2.5M against a target of £2.5M. However there are a number of risks

- The original proposals from the Faculties proposed SNC/ABB+ recruitment in excess of 2,750. As a result, we have made a provision in the centre to reduce this income by the equivalent of 100 Students so that the budget only includes fee income from 2,750.
- Home / EU Postgraduate Income at £8.7M represents an increase of 23% compared to the current 2012 / 13 forecast
- Overseas Fee Income at £9.4M represents an increase of 9% compared to the current forecast
- Staff costs, at 55.4% of income, are at the top of our target range.
- Summary Position
  - AHS contribution represents a year on year improvement of £660K
  - BUS contribution represents a year on year improvement of £840K
  - ESBE contribution represents a year on year improvement of £360K
  - HSC staff costs are flat year on year.
  - Student Related income rises due to the changes associated with the renegotiated catering contract and income guarantees.

9. If we can deliver the above, we will start the year with an investment pot of £2M, an operating expense contingency of £0.5M and restructuring contingencies of £1.5m which will compensate some of the risk inherent in next year.



LONDON SOUTH BANK UNIVERSITY / ENTERPRISES

2013 / 14 Proposed Budget

SMT Area:

Cost Centre:

REF MANSUM

Description	FULL YEAR		Year on Year Change	
	2012 Forecast	2013 Budget	£	%
	(£)	(£)		
Funding Grants	(34,575,000)	(26,887,000)	7,688,000	(22.2%)
Health Contract	(27,490,000)	(25,879,000)	1,611,000	(5.9%)
Home & EU Fees - UG	(37,037,000)	(45,213,000)	(8,176,000)	22.1%
Home & EU Fees - PG	(7,296,000)	(8,759,000)	(1,463,000)	20.1%
Other Fees	(4,179,000)	(4,076,000)	103,000	(2.5%)
Overseas Fees - UG	(5,386,000)	(5,622,000)	(236,000)	4.4%
Overseas Fees - PG	(3,435,000)	(3,769,000)	(334,000)	9.7%
Research Grants & Contracts	(3,047,000)	(2,268,000)	779,000	(25.6%)
Other Income - student related	(8,812,000)	(10,182,000)	(1,370,000)	15.5%
Other Operating Income	(5,183,000)	(4,495,000)	688,000	(13.3%)
Endowment Income & Interest Receivable	(463,000)	(415,000)	48,000	(10.4%)
<b>Total Income</b>	<b>(136,903,000)</b>	<b>(137,565,000)</b>	<b>(662,000)</b>	<b>0.5%</b>
Academic - Permanent staff	38,096,000	39,379,000	1,283,000	3.4%
Academic - Temporary staff	3,586,000	3,359,000	(227,000)	(6.3%)
Interdepartmental Delivery staff				
Technicians staff	2,740,000	2,817,000	77,000	2.8%
Support - Permanent staff	27,086,000	28,278,000	1,192,000	4.4%
Support - Temporary staff	500,000	461,000	(39,000)	(7.8%)
Third party staff	3,256,000	2,011,000	(1,245,000)	(38.2%)
<b>Total Staff Costs</b>	<b>75,264,000</b>	<b>76,305,000</b>	<b>1,041,000</b>	<b>1.4%</b>
Depreciation	7,992,000	8,592,000	600,000	7.5%
<b>Total Depreciation</b>	<b>7,992,000</b>	<b>8,592,000</b>	<b>600,000</b>	<b>7.5%</b>
Staff Related	2,108,000	1,889,000	(219,000)	(10.4%)
Marketing and PR	2,480,000	2,196,000	(284,000)	(11.5%)
Student Recruitment	1,182,000	1,339,000	157,000	13.3%
Bursaries and Scholarships	3,597,000	2,079,000	(1,518,000)	(42.2%)
Student Related	5,957,000	5,709,000	(248,000)	(4.2%)
Equipment	795,000	703,000	(92,000)	(11.6%)
Computing	2,331,000	2,627,000	296,000	12.7%
Utilities	3,544,000	3,565,000	21,000	.6%
Maintenance & Other Estate	7,329,000	7,268,000	(61,000)	(.8%)
Cleaning & Security	4,509,000	4,657,000	148,000	3.3%
Financial	236,000	149,000	(87,000)	(36.9%)
Communications	833,000	742,000	(91,000)	(10.9%)
Legal & Professional	2,805,000	2,521,000	(284,000)	(10.1%)
Subscriptions and Membership Fees	718,000	697,000	(21,000)	(2.9%)
Photocopying and Stationery	1,027,000	1,003,000	(24,000)	(2.3%)
Other	1,708,000	2,122,000	414,000	24.2%
Other - R&CS	1,016,000	2,545,000	1,529,000	150.5%
Internal recharges	81,000	77,000	(4,000)	(4.9%)
<b>Total Other Operating Expenses</b>	<b>42,256,000</b>	<b>41,888,000</b>	<b>(368,000)</b>	<b>-0.9%</b>
Interest Payable	4,953,000	4,780,000	(173,000)	(3.5%)
<b>Total Interest Payable</b>	<b>4,953,000</b>	<b>4,780,000</b>	<b>(173,000)</b>	<b>-3.5%</b>
Exceptional Items	2,221,000	3,500,000	1,279,000	57.6%
<b>Total Exceptional Items</b>	<b>2,221,000</b>	<b>3,500,000</b>	<b>1,279,000</b>	<b>57.6%</b>
Internal Allocations				
<b>Total Internal Allocations</b>				
<b>Contribution</b>	<b>(4,217,000)</b>	<b>(2,500,000)</b>	<b>1,717,000</b>	<b>-40.7%</b>
Staff costs as % of income	55.0%	55.5%		
Contribution %	3.1%	1.8%		

Note: 1) the decrease in Bursaries & Scholarships is due to the introduction of Fee Waivers for new regime Undergraduates

Note 2) the decrease in Third Party staff and the increase in Other R&Cs is due to a change in the treatment of catering staff and expenses

	PAPER NO: BG.33(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	HEFCE Annual Accountability Return	
Author:	John Baker, Corporate & Business Planning Manager	
Executive sponsor:	Richard Flatman, Executive Director of Finance	
Recommendation by the Executive:	<b>The Executive recommends that the Board approve the return.</b>	
Aspect of Corporate Plan this will help deliver?	Financial sustainability.	
Matter previously considered by:	Policy and Resources Committee	March 2013
	Board of Governors	March 2013
	Policy and Resources Committee	3 July 2013
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	HEFCE	

### **Executive summary**

1. Until 2012 all documents forming part of the annual accountability return (AAR) were submitted to HEFCE as part of the December submission. In December 2012, given the uncertainty over student numbers, HEFCE required a reduced financial forecast submission focusing only on a revised forecast for 2012/13. Future forecasts were not required at that stage. HEFCE have now introduced a mid-year element of the return whereby 5 Year forecasts will be submitted each year in July (after approval by the Board).



2. The mid-year element of the annual accountability return to HEFCE for 2013 requires actual audited results for 2010/11 and 2011/12, an update to the forecast provided in December 2012 for 2012/13 and forward forecasts for the next 3 financial years together with related commentary on sustainability and the assumptions underpinning this.
3. The 2012/13 update is in line with the May 2013 management accounts and shows a surplus of £4.2m (an improvement on the November 2012 submission to HEFCE which showed a forecast surplus at that time of £2.5m for the full year). The other elements of the return are based on the 5 Year forecasts approved by the Board in March and hence have already been approved. The detailed analysis for 2013/14 is taken from the budget submission which delivers a surplus of £2.5m consistent with those agreed forecasts. 2014/15 and 2015/16 are identical to the earlier forecasts.
4. The key targets are as follows:
  - assumed growth in student numbers to 2,750 in 2013/14 compared with 2,500 in 2012/13 and steady state thereafter
  - improvements in year 1 progression from 61% to 65% over the five years
  - a move to fees of £9,000 from 2014/15 with additional bursary spend of £1m pa from 2014/15 and fee inflation post 2015/16
  - additional income of £16m pa by 2017/18 with a surplus thereon of 20% (£3.2m)
  - capital expenditure of £110m over the 5 year planning cycle (although this may need to be reviewed depending on actual financial performance over the period).
5. One minor change has been made to the assumed capital expenditure over the plan period. This has been reduced from £110m to £107m to reflect the fact that the forecast opening cash balance at 1 August 2013 is approximately £3m less than originally assumed. The profile of spend across future years has also been smoothed to ensure that the University maintains a minimum cash balance of £20m throughout the plan period.
6. The Policy and Resources Committee have reviewed the return in detail and recommend their approval to the Board. The Board is requested to approve the attached reports.

#### **4 Attachments:**

1. AAR return written commentary
2. Associated financial tables
3. LSBU Corporate Risk Register
4. Five year forecast powerpoint presentation

**Annual Accountability Return - July 2013**

**Financial Commentary**

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**Question A:** Explain how the institution is ensuring its sustainability, including:

- *the institution's strategy*
- *quality of teaching and research*
- *management of its key risks*
- *investment in estates and infrastructure*

**Financial sustainability**

The University's financial strategy is focused on future sustainability and is designed to maintain financial resilience and flexibility at all times. The following key themes emerged in response to developments in the HE environment over the past few years and are firmly embedded in the University's strategy and 5 year forecasts:

- the need for maximising financial resilience
- growth and diversification of income streams
- continued strong financial control and accountability
- value for money and productivity/efficiency gains
- targeted investment where appropriate
- flexibility, with capacity to respond to significant change and uncertainty

The University's financial strategy is expressed through its rolling five year financial forecasts. More detail, including the assumptions underpinning the financials, is provided in the attached presentation on the 5 Year forecasts dated June 2013. The key elements of the financial strategy are to:

- aim for a surplus of 5% of income. This is not achievable each year over the next 5 years although it remains our medium term target. However, assuming the income targets are met, the University has sufficient cash reserves both to increase investment and manage the financial position in the short term until the surplus returns to 5%. The financial forecasts demonstrate a clear path back to the longer term target of 5% toward the end of the forecast period

- ensure that all aspects of the University's operation are as lean and efficient as possible without compromising quality or student success
- deliver growth in income, with a particular focus on enterprise, income from international students and non SNC post graduate and part-time provision
- manage staff costs, including agency costs, to an agreed maximum percentage of income (55%)
- invest at an appropriate level to provide for future sustainability in buildings and infrastructure
- maintain cash balances at agreed levels (minimum £20m)

The assumptions and key targets are set out in more detail in the attached presentation.

The key targets which the Board has approved and which will be monitored closely are:

- minimum SNC of 2,750 from 2013/14 (with fees moving to £9k from 2014/15)
- improving YR1/YR2 progression to 65% by 2015/16
- Additional income of £16m pa (at surplus of 20%) by 2017/18
- Investment of £107m over the life of the forecasts to 2017/18
- Maintaining income in the Health and Social Care (HSC) at forecast levels

### **Sustainability of quality teaching and research**

LSBU is committed to delivering an excellent student experience, delivered through high-quality teaching, supported through relevant applied research.

Our focus on the quality of teaching is underpinned by regular monitoring and review, informed by appropriate and recent data, and focused both on the standards of academic awards and the quality of systems to support learning. All modules and courses are subject to evaluation by students, and all Course Directors receive a standard data set which includes information on student progression and achievement, module evaluation, feedback from the National Student Survey and the Survey of Destinations of Leavers in Higher Education. These data inform annual reporting and action planning, as well as providing a context for Heads of Academic Departments in their annual appraisals of academic staff.

Annual monitoring, in its turn, informs periodic review, usually focused at subject level (and including appropriate levels of external engagement - both academic and professional) which allows for a wider discussion of both teaching and research within the context of the whole operation of the subject or department. As with annual monitoring, this is focused upon the development of an action plan in response to the review, and includes input from both students and graduates. The University has piloted the inclusion of students as members of review panels and is seeking to embed this more widely in our processes. Both annual monitoring and periodic review include the work of the University with collaborative partner organisations (both within the UK and internationally). Reports from periodic review activity are received by Quality and Standards Committee, and their outcomes reported to Academic Board.

All faculties also engage in quarterly meetings with the Vice Chancellor, Pro Vice Chancellors and Director of Finance. These meetings offer an opportunity to reflect upon performance (again, within the context of a standard data set which includes module evaluation, NSS, DLHE and progression statistics, at a higher level than that used for annual monitoring) and include discussion of the research environment.

The University's Research Committee, and Research Degrees Committee, also receive regular reports at faculty level, which reflect upon the development of research strategy, progress against delivery of that strategy and the key risks relating to delivery. Research Degrees Committee directly reflects upon the experience of research students and includes representatives from the research student body. Both are direct sub-committees of Academic Board, which receives their minutes, as well as discussing items which derive from these committees and are of wide University interest.

In the past year, the University has established an Academic Staff Development Unit, which is dedicated to the delivery of the Postgraduate Certificate in Higher Education, both to new staff who have limited experience of teaching in higher education (and for whom participation is made a condition of employment) and for existing staff who wish to develop their professional practice in teaching. The Academic Staff Development Unit is in the process of developing a Professional Development Framework across the University, which is benchmarked to the Higher Education Academy's Professional Standards Framework. The University is working in collaboration with the HEA to seek accreditation of this Framework within the next six months.

## **Sustainability through management of key risks**

Please see attached *Corporate Risk register*.

Those risks with a residual risk priority of “critical” focus on revenue generation and map closely to the agreed financial targets set out above.

## **Sustainability in estates & infrastructure investment**

The University is continuing with the implementation of its 25 year estates strategy vision to transform the estate to support the delivery of academic services and enhance the student learning experience. The projects undertaken were prioritised based on business needs, criticality of service and cost reduction.

Following the recent completion of the two ‘anchor’ projects, plans are in process for the redevelopment of the remaining site with a proposal to invest up to £90m over the next ten years funded from cash reserves and operating cash flows generated over that period. As before, we are not placing reliance on new loan funding or overreliance on HEFCE capital funding.

This investment in the estate will allow us to align and coordinate the interventions and investments, thus saving resources and achieving an improved cost-benefit ratio. Projects to the value of £23.5m have either been completed, are in progress. The future plans also include £4m for specific projects to meet the University’s carbon reduction commitment by 2020.

For all projects, sustainability considerations are integrated at the design and construction phase to achieve benefits over the lifetime of the asset, and the sustainability team are included in all design development phases.

All of our infrastructure providers are procured through European Union processes to achieve full competition, and all suppliers are rigorously assessed from the sustainability aspect, an assessment that figures objectively in the decision whether or not to appoint.

At an operational level we are proud of our sustainability achievements by leading the way to have our energy and environmental management system certified to ISO 50001 and ISO 14001 standards.

Going forward we will seek to implement an asset management system to optimise the management of our physical assets..

**Question B:** *Explain the assumptions about student recruitment over the period of the forecasts, including how the institution is mitigating any risk and what scenario planning or sensitivity analysis has been undertaken.*

## **Scenario planning and actions**

Reference is made to the 2012 financial tables, which are attached.

The latest forecasts show that we will deliver a surplus of approximately £4.2m in 2012/13.

The 2013/14 planning and budgeting cycle is complete and we are optimistic at this stage that a surplus will be delivered in 2013/14. Future surpluses are considered essential to invest for a sustainable future and to deliver the Estates strategy. LSBU has already delivered a significant amount of efficiencies (approx £10m) over the past 3 to 4 years and further savings have been factored into the budget for 2013/14.

Despite the efficiencies delivered, more needs to be done to meet the continued reduction in HEFCE and NHS funding. Although further efficiency improvements are targeted, the focus is increasingly on new income generation.

Home/EU student number targets have been set at 2,750. This is recognised as the key risk underpinning the financial forecasts and scenario analysis has been undertaken assuming lower student numbers and flexing capital expenditure. Due to under recruitment in 2012 / 13 and a net average fee of £7,500 for that cohort, the analysis demonstrates that the University will have a slight deficit in 2013 / 14. Our scenario analysis has however shown that the university will be able to manage a small reduction in student numbers without moving into significant deficit. However, any significant reduction in student numbers (>5%) would require a fundamental review of the costs associated with teaching activity.

The key drivers therefore behind a sustainable financial model for LSBU are:

- increasing new intake students from the 2,500 recruited in 12 / 13 to 2,750
- increasing our Average Fee to £9,000 before Fee waivers and Bursary payments from 2014/15 onwards
- delivering against agreed targets for income growth
- further efficiency savings wherever possible.

We operate in a period of considerable uncertainty, particularly regarding student numbers. Future potential changes to core and margin places and student demand may impact our fee strategy. However, the scenario analysis undertaken indicates that LSBU is well placed to manage this uncertainty. Our targets for income growth remain ambitious and this remains

our primary focus for the next few years as we manage our way through these uncertain times.

**Question C:** *Explain significant movements ( $\pm 10$  per cent in any one year) on the income and expenditure account and material changes on the balance sheet (including the detail on any material exceptional items).*

### **Significant movements and material changes**

Funding body grants decrease by more than 20% per year from 2013/14 onwards which reflects the changes to student funding. A 22% cut has been assumed in the HEFCE core teaching grant, which would reduce LSBU's level of teaching grant funding by £7.7m approximately compared to 2012/13.

Tuition fees and education contracts: These are forecast to increase by almost 8% in 2013/14 due to the implementation of the higher tuition fees for new regime UG students. Full Time UG Tuition in fees in particular are forecast to rise by 20%. Fee waivers and Bursaries will also increase due to the new funding regime.

TDA Funding falls by 29% in 2013/14 compared to 2012/13 which reflects both decreased education activity and the change in funding.

Research grants are forecast to increase by 10% to £3.4m in 13/14 due to an increase in the number of research contracts.

Other income increases by 10% in 13/14 from £14.6m to £16.1m due to increased enterprise income, increased sports lottery project funding and a change in catering provision.

Endowment and Investment income decreases by 10% and continues to fall in subsequent years due to the levels of capital investment reducing the level of bank balances held on average during the year.

Depreciation increases by more than 10% in 2014/15 reflecting our increased investment in estates.

Cash at bank reduces by 18% again due to our Capital Investment plans but is at least £26M during the lifetime of this forecast. This investment in our estate is also reflected in the increase in payments to acquire tangible assets which increase by 11% to £22m in 2013/14

**Question D:** *Explain the key assumptions made in developing the financial forecasts*

Please see attached '5 year Financial Forecast' powerpoint presentation.



**3 Attachments:**

1. Corporate Risk Register
2. 2012 Financial tables with 10/11 - 11/12 actuals, and 12/13 – 15/16 forecasts
3. 13/14 – 17/18 'Five Year Financial Forecast' presentation

## **2012 Financial Tables - July 2013 submission**

**Please ensure that the financial information completed for 2010-11 and 2011-12 in this workbook is consistent with your institution's audited financial statements and the data returned to the HESA Finance Statistics Return (FSR)**

## 2012 Financial Tables - July 2013 submission

HEFCE assurance consultant: Jacqui Brasted

Telephone number: 0117 931 7389

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<b>Financial indicators (automated table)</b>						
<b>Institution: London South Bank University</b>						
<b>Code: H-0076</b>						
<b>UKPRN: 10004078</b>						
	Actual	Actual	Forecast	Forecast	Forecast	Forecast
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Historical cost surplus/(deficit) as a % of total income	7.4	5.3	3.6	2.4	0.2	1.3
Discretionary reserves excluding pension asset/(liability) as a % of total income	67.7	77.1	83.9	88.3	89.7	88.6
External borrowing as a % of total income	25.3	24.1	22.3	21.1	19.8	17.9
Net cash flow as a % of total income	18.3	14.5	10.0	10.0	8.5	10.1
Net liquidity days	180	209	173	139	100	70
Staff costs as a % of total income	53.5	52.6	53.7	55.1	55.2	53.6

<b>Table 1: Income and expenditure account</b>						
<b>Institution: London South Bank University</b>						
<b>Code: H-0076</b>						
<b>UKPRN: 10004078</b>						
	Actual	Actual	Forecast	Forecast	Forecast	Forecast
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
	£000	£000	£000	£000	£000	£000
<b>Income</b>						
1. Funding body grants	48,754	45,450	34,575	26,916	20,886	18,904
2. Tuition fees and education contracts	75,931	73,959	84,095	90,712	96,907	103,518
3. Research grants and contracts	4,916	4,068	3,066	3,366	3,528	3,703
4. Other income	14,807	14,094	14,644	16,156	17,698	20,642
5. Endowment and investment income	521	697	463	415	329	329
6. Total income	144,929	138,268	136,843	137,565	139,348	147,096
7. Less: share of income from joint venture(s)	0	0	0	0	0	0
8. Net income	144,929	138,268	136,843	137,565	139,348	147,096
<b>Expenditure</b>						
9. Staff costs	77,601	72,725	73,508	75,794	76,910	78,913
10. Other operating expenses	45,054	44,020	46,229	45,899	48,823	51,774
11. Depreciation	8,132	10,989	7,992	8,592	9,455	10,588
12. Interest and other finance costs	4,239	4,019	4,953	4,780	4,708	4,638
13. Total expenditure	135,026	131,753	132,682	135,065	139,896	145,913
14. Surplus/(Deficit)	9,903	6,515	4,161	2,500	-548	1,183
15. Share of surplus/(deficit) in joint venture(s) and associates	0	0	0	0	0	0
16. Taxation	0	0	0	0	0	0

## 2012 Financial Tables - July 2013 submission

HEFCE assurance consultant: Jacqui Brasted

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17. Minority interest	0	0	0	0	0	0
18. Exceptional items	0	0	0	0	0	0
19. Surplus/(deficit) for the year transferred to accumulated income in endowment funds	0	0	0	0	0	0
20. Surplus/(deficit) for the year retained within general reserves	9,903	6,515	4,161	2,500	-548	1,183
<b>Note of group historical cost surpluses and deficits for the year ended 31 July</b>						
21. Surplus/(deficit) on continuing operations before taxation	9,903	6,515	4,161	2,500	-548	1,183
22. Difference between a historical cost depreciation and the actual charge for the year calculated on the re-valued amount	792	802	802	802	802	802
23. Realisation of property revaluation gains of previous years	0	0	0	0	0	0
24. Historical cost surplus/(deficit) for the year before taxation	10,695	7,317	4,963	3,302	254	1,985
25. Historical cost surplus/(deficit) for the year after taxation	10,695	7,317	4,963	3,302	254	1,985

## 2012 Financial Tables - July 2013 submission

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**Note: Income in this table should INCLUDE income attributable to a share in joint venture(s)**

<b>Table 1a: Analysis of income</b>						
<b>Institution: London South Bank University</b>						
<b>Code: H-0076</b>						
<b>UKPRN: 10004078</b>						
	Actual 2010-11 £000	Actual 2011-12 £000	Forecast 2012-13 £000	Forecast 2013-14 £000	Forecast 2014-15 £000	Forecast 2015-16 £000
1. Funding body grants						
1a. HEFCE: teaching grant	39,898	37,368	27,499	20,728	14,937	13,219
1b. HEFCE: research grant	1,996	2,044	1,975	1,970	1,750	1,750
1c. HEFCE: other grants	2,672	2,236	2,541	2,029	2,197	2,197
1d. TDA funding	2,093	2,018	708	500	500	500
1e. SFA grants	229	98	60	0	0	0
1f. Release of deferred capital grants	1,866	1,686	1,792	1,689	1,502	1,238
1g. Total funding body grants	48,754	45,450	34,575	26,916	20,886	18,904
2. Tuition fees and education contracts						
2a. Full-time UG home and EU	24,346	23,983	33,565	40,137	45,539	50,430
2b. Full-time postgraduate home and EU	2,255	2,495	5,619	5,715	5,913	6,112
2c. Part-time fees - home and EU	5,894	6,207	5,842	7,201	8,672	9,840
2d. Home and EU domicile fees paid by the Department of Health	27,634	30,406	29,737	28,041	26,855	26,883
2e. Non-EU domicile students	10,176	9,983	9,161	9,567	9,877	10,201
2f. Other fees and support grants	5,626	885	171	51	51	52
2g. Total tuition fees and education contracts	75,931	73,959	84,095	90,712	96,907	103,518
3. Research grants and contracts						
3a. BIS Research Councils	1,553	1,185	893	980	1,027	1,078
3b. UK-based charities	344	231	174	191	200	210
3c. Other research grants and contracts	3,019	2,652	1,999	2,195	2,301	2,415
3d. Total research grants and contracts	4,916	4,068	3,066	3,366	3,528	3,703
4. Other income						
4a. Other services rendered	0	0	0	0	0	0
4b. Residences and catering operations (including conferences)	8,135	8,378	8,310	9,035	9,306	9,586
4c. Income from health and hospital authorities (excluding teaching contracts for student provision)	0	0	0	0	0	0
4d. Other operating income	6,672	5,716	6,334	7,121	8,392	11,056
4e. Total other income	14,807	14,094	14,644	16,156	17,698	20,642
5. Endowment and investment income	521	697	463	415	329	329
6. Total income	144,929	138,268	136,843	137,565	139,348	147,096

**Table 1b: Analysis of staff costs**  
**Institution: London South Bank University**

## 2012 Financial Tables - July 2013 submission

HEFCE assurance consultant: Jacqui Brasted

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**Code: H-0076**

**UKPRN: 10004078**

	Actual 2010-11 £000	Actual 2011-12 £000	Forecast 2012-13 £000	Forecast 2013-14 £000	Forecast 2014-15 £000	Forecast 2015-16 £000
1. Salaries and wages	63,672	59,228	59,866	61,728	62,637	64,268
2. Social security costs	5,258	5,306	5,363	5,530	5,611	5,757
3. Pension costs	8,671	8,191	8,279	8,536	8,662	8,888
4. Exceptional FRS17 related costs	0	0	0	0	0	0
5. Other staff related costs	0	0	0	0	0	0
6. Total staff costs	77,601	72,725	73,508	75,794	76,910	78,913
7. Staff numbers (FTEs academic and other)	1,480	1,386	1,386	1,386	1,386	1,386

## 2012 Financial Tables - July 2013 submission

HEFCE assurance consultant: Jacqui Brasted

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**Table 2: Balance sheet**

**Institution: London South Bank University**

**Code: H-0076**

**UKPRN: 10004078**

	Actual 31/7/11 £000	Actual 31/7/12 £000	Forecast 31/7/13 £000	Forecast 31/7/14 £000	Forecast 31/7/15 £000	Forecast 31/7/16 £000
1. Fixed assets						
a Intangible assets	0	0	0	0	0	0
b Tangible assets	163,578	163,626	175,434	188,842	201,387	212,799
c Investments	38	38	38	38	38	38
d Investments in joint ventures: share of gross assets	0	0	0	0	0	0
e Investments in joint ventures: share of gross liabilities	0	0	0	0	0	0
Total	163,616	163,664	175,472	188,880	201,425	212,837
2. Endowment assets	651	641	641	641	641	641
3. Current assets						
a Stock	48	46	46	46	46	46
b Debtors	10,237	9,101	9,101	9,101	9,101	9,101
c Investments	0	0	0	0	0	0
d Cash at bank and in hand	62,605	69,146	58,983	48,216	35,573	26,097
Total	72,890	78,293	68,130	57,363	44,720	35,244
4. Creditors: amounts falling due within one year						
a Creditors	37,723	38,492	38,492	38,492	38,492	38,492
b Current portion of long-term liabilities	3,378	2,254	2,254	2,254	2,254	2,254
c Bank overdrafts	0	0	0	0	0	0
Total	41,101	40,746	40,746	40,746	40,746	40,746
5. Net current assets/(liabilities)	31,789	37,547	27,384	16,617	3,974	-5,502
6. Total assets less current liabilities	196,056	201,852	203,497	206,138	206,040	207,976
7. Creditors: Amounts falling due after more than one year						
a External borrowing	33,316	31,062	28,217	26,747	25,399	24,090
b Other	0	0	0	0	0	0
Total	33,316	31,062	28,217	26,747	25,399	24,090
8. Provisions for liabilities and charges	854	1,179	0	0	0	0
9. Net assets excluding pension asset/(liability)	161,886	169,611	175,280	179,391	180,641	183,886
10. Pension asset/(liability)	-55,340	-74,664	-71,364	-68,064	-64,764	-61,464
11. Net assets including pension asset/(liability)	106,546	94,947	103,916	111,327	115,877	122,422

## 2012 Financial Tables - July 2013 submission

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12. Deferred capital grants	31,653	31,695	29,903	28,214	26,712	25,474
13. Endowments						
a Expendable	308	304	304	304	304	304
b Permanent	343	337	337	337	337	337
Total endowments	651	641	641	641	641	641
14. Reserves						
a Income and expenditure account	97,794	106,289	114,552	121,154	124,708	129,993
b Pension reserve	-55,340	-74,664	-71,364	-68,064	-64,764	-61,464
c Revaluation reserve	31,788	30,986	30,184	29,382	28,580	27,778
d Minority interest	0	0	0	0	0	0
Total reserves	74,242	62,611	73,372	82,472	88,524	96,307
15. Total funds	106,546	94,947	103,916	111,327	115,877	122,422



## 2012 Financial Tables - July 2013 submission

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**Table 3: Cash flow statement**

**Institution: London South Bank University**

**Code: H-0076**

**UKPRN: 10004078**

	Actual 2010-11 £000	Actual 2011-12 £000	Forecast 2012-13 £000	Forecast 2013-14 £000	Forecast 2014-15 £000	Forecast 2015-16 £000
1. Net cash inflow/(outflow) from operating activities (Table 4 head 15)	26,495	20,083	13,672	13,768	11,784	14,842
2. Returns on investments and servicing of finance						
a Income from endowments	23	25	20	20	20	20
b Income from short-term investments	0	0	0	0	0	0
c Other interest received	498	672	443	395	309	309
d Interest paid	-1,952	-1,757	-1,653	-1,480	-1,408	-1,338
e Other items	0	0	0	0	0	0
f Net cash inflow/(outflow) from returns on investments and servicing of finance	-1,431	-1,060	-1,190	-1,065	-1,079	-1,009
3. Taxation	0	0	0	0	0	0
4. Capital expenditure and financial investment						
a Payments to acquire tangible assets	-6,267	-11,063	-19,800	-22,000	-22,000	-22,000
b Payments to acquire endowment asset investments	0	0	0	0	0	0
c Total payments to acquire fixed/endowment assets	-6,267	-11,063	-19,800	-22,000	-22,000	-22,000
d Receipts from sale of tangible assets	0	0	0	0	0	0
e Receipts from sale of endowment assets	0	0	0	0	0	0
f Deferred capital grants received	0	0	0	0	0	0
g Endowments received	0	0	0	0	0	0
h Other items	0	0	0	0	0	0
i Net cash inflow/(outflow) from capital expenditure and financial investment	-6,267	-11,063	-19,800	-22,000	-22,000	-22,000
5. Management of liquid resources	0	0	0	0	0	0
6. Financing						
a. Capital element of finance lease repayments	-864	-833	-340	-192	-55	0
b. Mortgages and loans acquired	608	0	0	0	0	0
c. Mortgage and loan capital repayments	-2,535	-2,545	-2,505	-1,278	-1,293	-1,309
d. Other items	2,835	1,959	0	0	0	0
e. Net cash inflow/(outflow) from financing	44	-1,419	-2,845	-1,470	-1,348	-1,309
7. Increase/decrease in cash in the year	18,841	6,541	-10,163	-10,767	-12,643	-9,476

**Table 4: Reconciliation of surplus/(deficit) for the year to net cash flow**

## 2012 Financial Tables - July 2013 submission

HEFCE assurance consultant: Jacqui Brasted

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**Institution: London South Bank University**

**Code: H-0076**

**UKPRN: 10004078**

	Actual 2010-11 £000	Actual 2011-12 £000	Forecast 2012-13 £000	Forecast 2013-14 £000	Forecast 2014-15 £000	Forecast 2015-16 £000
1. Surplus/(deficit) after depreciation of assets at valuation and before tax (from Table 1 head 14 + head 15 + head 18)	9,903	6,515	4,161	2,500	-548	1,183
2. Depreciation (from Table 1 head 11)	8,132	10,989	7,992	8,592	9,455	10,588
3. Deferred capital grants released to income	-1,867	-1,686	-1,792	-1,689	-1,502	-1,238
4. (Increase)/decrease stocks	2	2	0	0	0	0
5. (Increase)/decrease in debtors	-2,939	1,136	0	0	0	0
6. Increase/(decrease) in creditors	10,205	-546	0	0	0	0
7. Increase/(decrease) in provisions	-659	325	-1,179	0	0	0
8. Interest payable (from Table 1 head 12)	4,239	4,019	4,953	4,780	4,708	4,638
9. Investment income	-521	-697	-463	-415	-329	-329
10. Profit on sale of endowment assets	0	0	0	0	0	0
11. Loss on disposal of fixed assets	0	26	0	0	0	0
12. Impairment of fixed assets	0	0	0	0	0	0
13. Details	0	0	0	0	0	0
14. Details	0	0	0	0	0	0
15. Net cash inflow/(outflow) from operating activities	26,495	20,083	13,672	13,768	11,784	14,842

## 2012 Financial Tables - July 2013 submission

HEFCE assurance consultant: Jacqui Brasted

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<b>Table 5: Supporting data</b>						
<b>Institution: London South Bank University</b>						
<b>Code: H-0076</b>						
<b>UKPRN: 10004078</b>						
	Actual	Actual	Forecast	Forecast	Forecast	Forecast
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
	£000	£000	£000	£000	£000	£000
1. Identification of items included in other operating expenses (Table 1 head 10)						
1a. Operating leases and other long-term operating expense commitments	1,427	1,247	1,200	1,200	1,200	1,200
1b. Annual contract cost of PFI deals	0	0	0	0	0	0
1c. Maintenance expenditure	7,001	7,037	7,248	7,466	7,690	7,920

## Student number forecasts 2012

<b>Table 6: Student number forecasts (FTEs)</b>		<b>Please complete student numbers in FTEs</b>													
<b>Institution: London South Bank University</b>															
<b>Code: H-0076</b>															
<b>UKPRN: 10004078</b>															
		Actual 2011-12		Forecast 2012-13		Forecast 2013-14		Forecast 2014-15		Forecast 2015-16					
		Home & EU	Island & o'seas	Home & EU	Island & o'seas	Home & EU	Island & o'seas	Home & EU	Island & o'seas	Home & EU	Island & o'seas	Home & EU	Island & o'seas		
				Old-regime	New-regime	Old-regime	New-regime	Old-regime	New-regime	Old-regime	New-regime	Old-regime	New-regime		
Total full-time and sandwich year-out	UG (incl FD)	8,393	695	5,800	2,496	600	3,000	4,220	600	500	5,600	600	0	6,000	600
	PGT	1,105	390	500	636	350	0	1,136	350	0	0	350	0	0	350
	PGR	0	35	0		35	0		35	0		35	0		35
	Total	9,499	1,120	6,300	3,132	985	3,000	5,356	985	500	5,600	985	0	6,000	985
Total part-time	UG (incl FD)	1,452	135	1,000	473	120	600	800	135	300	1,100	135	100	1,300	135
	PGT	604	128	100	525	110	50	600	128	0	600	128	0	600	128
	PGR	0	2	0		2	0		2	0		2	0		2
	Total	2,056	266	1,100	998	232	650	1,400	265	300	1,700	265	100	1,900	265

Note: The numbers returned in this table should be consistent with population of students returned to the Higher Education Statistics Agency (HESA). A description of the HESA student population is available at [http://www.hesa.ac.uk/index.php/component?option=com\\_studrec/task/show\\_file/Itemid,233/mnl,10051/href,coverage.html/](http://www.hesa.ac.uk/index.php/component?option=com_studrec/task/show_file/Itemid,233/mnl,10051/href,coverage.html/).

The information in this table will be used to provide context to the other financial tables and will not be used for funding purposes. For further guidance on completing this table please see Annex B of the AAR publication HEFCE 2012/23.

# 2012 Financial Tables - July 2013 submission

HEFCE assurance consultant: Jacqui Brasted

Telephone number: 0117 931 7389

E-mail address: j.brasted@hefce.ac.uk

**Table 7: Annualised servicing costs of long-term borrowing**

**Institution: London South Bank University**

**Code: H-0076**

**UKPRN: 10004078**

If a nil return then please choose "nil return" from the drop down menu:

The table below is populated with the long-term borrowing information returned to HEFCE in December 2012. **You only need to update the loans in this table if you find an error in the data returned previously.** Any changes made to data will be highlighted in red. Please choose "Error on previous return" in column O of the relevant row where data has been corrected.

The data returned in this table are used to review compliance with the Financial Memorandum in relation to the level of annualised servicing costs (ASC) of long-term financial commitments. We also use these data to review and update the borrowing consent limits and to understand the borrowing behaviour in the sector. Guidance on calculating the ASC of long-term borrowing is provided in Annex F of the Financial Memorandum (HEFCE 2010/19).

Please review the validation checks for Table 7 on the "Validation" worksheet.

Long-term borrowings													Annualised servicing costs £000s	Reason for difference in loan compared to last year's return
Lender	Type of Instrument (Note 1)	Capital sum originally borrowed £000s	Capital sum owed at 31/07/12 £000s	Date drawn down month year	Period of loan years	Date due to be repaid month year	Interest rate at 31/07/12 %	Interest rate fixed, variable or fixed/variable	Proportion relating to activities listed at Note 2 %					
<b>Loans outstanding as at 31 July 2012</b>														
1	AIB	10,000	5,660	Apr 2001	26	Sep 2027	6.7	Fixed	100.0			711		
2	Barclays	7,475	650	Apr 2007	6	Jan 2013	6.0	Fixed	100.0			1,533		
3	Barclays	7,695	6,228	Apr 2007	25	Jan 2032	5.7	Fixed	100.0			531		
4	SALIX	200	200	Feb 2009	5	Jan 2014	0.0	Fixed	0.0			0		
5	Barclays	6,830	5,865	Mar 2009	23	Mar 2032	0.9	Variable	0.0			419		
6	Barclays	5,000	5,000	Apr 2009	20	Apr 2029	5.3	Fixed	0.0			501		
7	Barclays	10,000	9,196	Apr 2009	23	Jan 2032	5.5	Fixed	0.0			754		
8	ING	238	43	May 2009	4	Apr 2013	12.4	Fixed	0.0			73		
9	ING	40	8	May 2009	4	Apr 2013	13.2	Fixed	0.0			12		
10	ING	253	78	Nov 2009	4	Oct 2013	10.1	Fixed	0.0			77		
11	ING	40	13	Nov 2009	4	Oct 2013	11.9	Fixed	0.0			12		
12	ING	213	70	Dec 2009	4	Nov 2013	10.2	Fixed	0.0			65		
13	ING	336	177	Oct 2010	4	Sep 2014	9.2	Fixed	0.0			100		
14	ING	202	128	Apr 2011	4	Mar 2015	8.9	Fixed	0.0			60		
15														
16														
17														
18														
19														
20														
21														
22														
23														
24														
25														
<b>Total loans outstanding as at 31 July 2012</b>		48,522	33,316									4,848		
<b>Loans drawn between 1 August 2012 and 31 October 2012</b>														
26														
27														
28														
29														
30														
<b>Total of loans drawn down between 1 August 2012 and 31 October 2012</b>		0										0		
<b>Loan facilities agreed with lender but not drawn down as at 31 October 2012</b>														
31														
32														
33														
34														
35														
<b>Total of loan facilities agreed with lender but not drawn down as at 31 October 2012</b>		0										0		
<b>TOTAL ANNUALISED SERVICING COSTS</b>												<b>4,848</b>		
									2010-11	2011-12	2012-13			
									Actual	Actual	Estimate			
									£000s	£000s	£000s			
Total annualised servicing costs									5,368	4,848	3,230			
Total income - as income and expenditure account									144,929	138,268	136,843			
<b>Annualised servicing costs (ASC) as a percentage of total income</b>									<b>3.70</b>	<b>3.51</b>	<b>2.36</b>			
									2010-11	2011-12				
									Actual	Actual				
									£000s	£000s				
Operating leases and other long-term operating expense commitments and ASC as a percentage of total income									4.69	4.41				

**Notes**

- For example, mortgage, term loan, finance lease, BES, MOPS. Refer to Annex F in HEFCE 2010/19 publication for further guidance.
- Proportion of the borrowing related to the following activities: research contracts; residences, catering and conferences; services to external customers, including consultancy; and overseas activity.

# 2012 Financial Tables - July 2013 submission

HEFCE assurance consultant: Jacqui Brasted

Telephone number: 0117 931 7389

E-mail address: j.brasted@hefce.ac.uk

		Please update this table if you find an error in the data returned previously	
		Outturn as at 31 October 2012	Highest level of negative net cash sustained for more than thirty five consecutive days between 1 November 2011 and 31 October 2012 (note 4)
		£000s	£000s
1	Cash at bank and in hand	64,343	0
2	Deposits repayable on demand (note 3)	0	0
3	Bank overdraft (enter as negative)	0	0
4	Sub-total	64,343	0
5	Other current asset investments	0	0
6	Net liquidity	64,343	0

## Notes

3 Deposits repayable on demand, as defined in FRS1 and FRS7.

4 Only enter data in this column if the overall level of net cash (on a cash book basis) is negative.

# 2012 Financial Tables - July 2013 submission

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Please review your return to check it shows "validation passed" for all checks before submitting your workbook to HEFCE. If you have a genuine reason for failing a validation check, please provide a brief explanation of this reason in the box at the bottom of this page.

**Your workbook has passed all validation checks**

Table1	Completed
Table1a	Completed
Table1b	Completed
Table2	Completed
Table3	Completed
Table4	Completed
Table5	Completed
Table6	Completed
Table7	Completed
Table8	Completed

Table 1: Income and expenditure account

1a. Please check you have entered share of income in joint venture(s) (Head 7) as a negative figure for each year.

Validation Passed

1b. Please check you have entered other operating expenses (Head 10) and depreciation (Head 11) in the correct rows.

Validation Passed

Table 1a: Analysis of income

1c. Please ensure you have entered the fee income for non-EU domiciled students (Head 2e) in each year.

Validation Passed

Table 1b: Analysis of staff costs

1d. Please ensure that staff numbers are entered (Head 7) for each year.

Validation Passed

Table 2: Balance sheet

2. Please check you have entered intangible assets (Head 1a) and tangible assets (Head 1b) in the correct rows for each year.

Validation Passed

3. Please check you have entered investments in joint ventures: share of gross liabilities (Head 1e) as a negative figure for each year.

Validation Passed

4. Net assets including pension asset/(liability) (Head 11) should equal total funds (Head 15) for each year.

Validation Passed

5. Endowment assets (Head 2) should equal total endowments (Head 13) for each year.

Validation Passed

6a. You have entered a pension asset in Head 10, please confirm in the box below if this is correct. (Liabilities should be entered as negative.)

Validation Passed

6b. Please check you have entered pension assets/(liabilities) in Head 10 for all years.

Validation Passed

## 2012 Financial Tables - July 2013 submission

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6c. If you have entered a pension asset/liability in Head 10, please make sure you enter a pension asset/liability in Head 14b.

Validation Passed

Table 3: Cash flow statement

7. Interest paid (Head 2d) would usually be less than or equal to 0.

Validation Passed

8. Payments to acquire tangible assets (Head 4a) would usually be less than or equal to 0.

Validation Passed

9. Payments to acquire endowment asset investments (Head 4b) would usually be less than or equal to 0.

Validation Passed

Table 4: Reconciliation of surplus/(deficit) for the year to net cash flow

10. If you have entered additional items in Head 11 to Head 14 please record a description of the item.

Validation Passed

Table 6: Student number forecasts

11. Please ensure that you have entered full-time student numbers for all years in Table 6.

Validation Passed

No full-time students

12. Please ensure that you have entered part-time student numbers for all years in Table 6.

Validation Passed

Table 7: Annualised servicing costs of long-term borrowing

13. If you have deleted or altered any of the pre-filled loan data please choose a reason for the change from the drop-down list in the final column of the table. Any changes that you have made to the pre-filled data will appear as red text.

Validation Passed

14. The period of the loan must correspond with the year the loan was drawn down and the year the loan will be repaid.

Validation Passed

15. The capital sum owed at 31/07/12 should be less than the capital sum original borrowed.

Validation Passed

16. Loans which have finished (i.e. where the capital sum owed is zero) should be deleted.

Validation Passed

17. Total loans outstanding as at 31 July 2012 should equal the total external borrowing in table 2 (Head 4b + Head 7a).

Validation Passed

18. An estimate of the 2012-13 annualised servicing costs should be completed in Table 7.

Validation Passed

19. Annualised servicing costs must be provided for all loans.

Validation Passed

20. Please ensure that you have entered all of the details for an individual loan.

Validation Passed

21. If you have selected 'Nil return' for Table 7 please ensure no data are entered in Table 7.

Validation passed

## 2012 Financial Tables - July 2013 submission

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E-mail address: j.brasted@hefce.ac.uk

Workbook:

22. All monetary values in this workbook should be stated to the nearest thousand pounds.

Validation Passed

If you have a genuine reason for failing any of the above validation checks, please enter a brief explanation of this in the table below.

Validation check	Reason for failure



## Corporate Level - Risk Register

<b>Date</b>	26/06/2013
<b>Risk Status</b>	Open
<b>Risk Area</b>	Corporate

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
1	CP-01 Failure to position the university to effectively respond to changes in government policy and the competitive landscape  <b>Risk Owner: Martin Earwicker</b>  <b>Last Updated: 06/06/2013</b>	<p><b>Cause &amp; Effect:</b></p> <p><b>Causes:</b></p> <ul style="list-style-type: none"> <li>- Changes to fees and funding models</li> <li>- Increased competition, supported by Government policy</li> <li>- Failure to anticipate change</li> <li>- Failure to position (politically)</li> <li>- Failure to position (capacity/structure)</li> <li>- Failure to improve League Table position</li> </ul> <p><b>Effects:</b></p> <ul style="list-style-type: none"> <li>- Further loss of public funding</li> <li>- Loss of HEFCE contract numbers</li> <li>- Failure to recruit students</li> <li>- Business model becomes unsustainable</li> </ul>	4 3 <b>Critical</b>	<p>Financial controls (inc. forecasting/modelling, restructure) to enable achievement of operating surplus target</p> <hr/> <p>Maintain relationships with key politicians/influencers, boroughs and local FE</p> <hr/> <p>Annual review of corporate strategy by Executive and Board of Governors</p> <hr/> <p>OFFA agreement for 13/14 and 14/15</p> <hr/> <p>Recent work/modelling to establish a fee position net of fee waivers less than £7500. Monitoring of guidance and continual modelling/update as required in response to changing position.</p>	4 1 <b>High</b>	<p>Resolve the position with Hefce regarding recent correspondence over average fee levels relating to the 11/12 core and margin competition process</p> <p><b>Person Responsible: Martin Earwicker</b></p> <p><b>To be implemented by: 31/07/2013</b></p> <hr/> <p>Identifying and building on our academic strengths (Portfolio Review).</p> <p><b>Person Responsible: Beverley Jullien</b></p> <p><b>To be implemented by: 31/07/2013</b></p> <hr/> <p>Improve contacts with national and regional press</p> <p><b>Person Responsible: Lynn Grimes</b></p> <p><b>To be implemented by: 31/07/2013</b></p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
2	CO-01-02 Failure to meet revenue targets	<p><b>Cause &amp; Effect:</b></p> <p>Causes:</p> <ul style="list-style-type: none"> <li>- Changes to fees mechanisms for UGFT</li> <li>- Increased competition</li> <li>- Failure to develop and communicate brand</li> <li>- Lack of accurate real-time reporting mechanisms</li> <li>- LSBU late entrant to international student market and fails to catch-up</li> <li>- Poor league table position</li> <li>- Portfolio or modes of delivery do not reflect market need</li> <li>- Failure to engage with non-enterprise activities</li> </ul> <p>Effects:</p> <ul style="list-style-type: none"> <li>- Under recruitment</li> <li>- Loss of HEFCE contract numbers</li> <li>- Over recruitment leading to penalties on HEFCE numbers</li> <li>- Failure to meet income targets for non-HEFCE students</li> </ul>	4 3 <b>Critical</b>	<p>Report on student recruitment presented to every monthly Executive meeting and also reviewed by Board of Governors</p> <hr/> <p>Enterprise Business Plan submitted annually to SBUEL Board for approval and quarterly updates provided at Board meetings.</p> <hr/> <p>International Action Plan, including International Fees &amp; Discounting policy, simplified fee structure and discount/scholarship programme for targeted countries, enhanced in-market and partner activity</p> <hr/> <p>Sustainable internationalisation strategy</p> <hr/> <p>League Table action plan</p> <hr/> <p>Modelling of student recruitment numbers, including worse case scenarios which aid the planning process.</p> <hr/> <p>SBUEL has 2 Non-Executive Directors in place to oversee the Enterprise strategy</p> <hr/> <p>Differentiated campaigns started for postgraduate and part-time students</p>	4 2 <b>Critical</b>	<p>Identify, research, develop and implement a range of major long term investment opportunities with potential to generate significant income and contribution over ~5+ years under the auspices of the 16-20 Challenge programme, overseen by the University Executive (as Programme Board).</p> <p><b>Person Responsible: Beverley Jullien</b></p> <p><b>To be implemented by: 31/07/2013</b></p> <hr/> <p>Postgraduate action plan developed.</p> <p><b>Person Responsible: Beverley Jullien</b></p> <p><b>To be implemented by: 31/07/2013</b></p> <hr/> <p>Step-change in Internationalisation Plan to be incorporated.</p> <p><b>Person Responsible: Beverley Jullien</b></p> <p><b>To be implemented by: 31/07/2013</b></p> <hr/> <p>Identifying and building on our academic strengths (Portfolio Review).</p> <p><b>Person Responsible: Beverley Jullien</b></p> <p><b>To be implemented by: 31/07/2013</b></p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
3	CO-10-01 Increasing pensions deficit	<p><b>Cause &amp; Effect:</b></p> <p>Causes:</p> <ul style="list-style-type: none"> <li>- Increased life expectancies</li> <li>- Reductions to long term bond yields, which drive the discount rate</li> <li>- Poor stock market performance</li> <li>- Poor performance of the LPFA fund manager relative to the market</li> <li>- TPS/USS schemes may also become subject to FRS17 accounting</li> </ul> <p>Effects:</p> <ul style="list-style-type: none"> <li>- Increased I&amp;E pension cost means other resources are restricted further if a surplus is to be maintained</li> <li>- Balance sheet is weakened and may move to a net liabilities position, though pension liability is disregarded by HEFCE</li> <li>- Significant cash injections into schemes may be required in the long term</li> </ul>	3 3 <b>High</b>	<p>Switch of inflator from RPI to CPI (expected to be lower in the long term)</p> <hr/> <p>Regular monitoring of national/sector pension developments and attendance at relevant conferences and briefing seminars</p> <hr/> <p>Regular valuation of pension scheme (actuarial and FRS 17). Most recent FRS valuation shows significant reduction in LPFA deficit and reduced I&amp;E cost moving forward following switch to CPI.</p> <hr/> <p>Reporting to HR committee on progress.</p> <hr/> <p>Tight control of staff costs in all areas (and reported to committee and Board via agreed KPIs)</p> <hr/> <p>Proposal for new LPFA scheme, effective April 2014</p> <hr/> <p>Strict control on early access to pension at redundancy/restructure</p> <hr/> <p>Active monitoring in year of trends in discount rate, life expectancy assumptions etc to ensure year-end adjustments are minimised</p>	3 3 <b>High</b>	<p>Create alternative, defined contribution pension option linked to creation of new enterprise subsidiary.</p> <p><b>Person Responsible: Richard Flatman</b></p> <p><b>To be implemented by: 30/06/2013</b></p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
6	CO-08-01 Ineffective data systems leading to failure to supply meaningful and reliable management information (internally) and to comply with the requirements of external agencies	<p><b>Cause &amp; Effect:</b></p> <p><b>Causes:</b></p> <ul style="list-style-type: none"> <li>- Data in systems is inaccurate</li> <li>- Data systems are insufficient to support effective delivery of management information</li> <li>- Financial constraints limit ability to improve systems</li> <li>- Insufficient capacity to deliver improved systems</li> <li>- Failure to manage data through the clearing period</li> <li>- Internal management information reporting insufficient to verify external reporting</li> <li>- Lack of data quality control and assurance mechanisms</li> </ul> <p><b>Effects:</b></p> <ul style="list-style-type: none"> <li>- Insufficient evidence to support effective decision-making at all levels</li> <li>- Inability to track trends or benchmark performance</li> <li>- Internal management information reporting insufficient to verify external reporting</li> <li>- Failure to manage recruitment levels through the clearing period resulting in over-recruitment</li> <li>- Failure to submit credible HESA/HESES return</li> <li>- Failure to satisfy requirements of UKBA leading to potential revocation of licence and loss of £8m+ in revenue in the short term, with reputational damage causing significant longer term revenue loss</li> </ul>	3 3 <b>High</b>	<p>Engagement with internal auditors to systematically check data in key systems (and processes around key systems):</p> <ul style="list-style-type: none"> <li>- Finance (including student fees)</li> <li>- Student data</li> <li>- HR systems</li> <li>- Space management systems</li> </ul> <hr/> <p>Systematic data quality checks of staff returns by HR in conjunction with faculties.</p> <hr/> <p>Engagement between International Office, Registry and Faculties to ensure compliance with UKBA requirements, specifically with regards to:</p> <ul style="list-style-type: none"> <li>- Visa applications and issue of Certificate of Acceptance to Study</li> <li>- English language requirements</li> <li>- Reporting of absence or withdrawal</li> </ul> <hr/> <p>Internal Audit system in place and conducted by PwC to provide assurances on data quality.</p> <hr/> <p>Internal Audit system in place and conducted by PwC to provide assurance on UKBA compliance</p>	3 2 <b>High</b>	<p>Annual education of all staff engaged with international students, to update on UKBA requirements; annual independent review by UKBA specialist to highlight areas for improvement.</p> <p><b>Person Responsible: Jennifer Parsons</b></p> <p><b>To be implemented by: 30/04/2013</b></p> <hr/> <p>Data management project</p> <p>Project has three stages. Project completion dates: Stage 1 - May 2013 Stage 2 - September 2013 Stage 3 - September 2014</p> <p><b>Person Responsible: David Swayne</b></p> <p><b>To be implemented by: 30/09/2014</b></p> <hr/> <p>HESA improvement project</p> <p>Project has two stages Project completion dates: Stage 1 - October 2012 Stage 2 - October 2013</p> <p><b>Person Responsible: Andrew Fisher</b></p> <p><b>To be implemented by: 31/10/2013</b></p> <hr/> <p>To improve admissions processes</p> <p><b>Person Responsible: Andrew Fisher</b></p> <p><b>To be implemented by: 30/09/2013</b></p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
		<p>- Failure to satisfy requirements of Professional, Statutory and Regulatory bodies (NHS, course accreditation etc)</p>		<p>Data warehousing, to construct a 'master data view' and reports therefrom, including:</p> <ul style="list-style-type: none"> <li>- Cleansing core systems to ensure all data as accurate and complete as possible</li> <li>- Ensuring reports use core data without manipulating results</li> <li>- Provision of standard reports on key aspects of data:                             <ul style="list-style-type: none"> <li>*Progression analysis</li> <li>*Student engagement</li> <li>*Admissions (especially during clearing)</li> <li>*Enrolment</li> </ul> </li> </ul> <hr/> <p>Systematic data quality checks of student returns by Registry in conjunction with faculties.</p>		

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
14	CO-10-06 Potential loss of NHS contract income	<p><b>Cause &amp; Effect:</b> Cause: Reduction in expected CPPD funding due to ongoing NHS financial challenges/ structural change. In addition potential problems with NHS deanery recruitment to community programmes. Failure to maintain student numbers on the contract resulting in clawback</p> <p>Effect: Reduction in income Reduced staff numbers Negative impact on reputation</p>	4 3 <b>Critical</b>	<p>Named Customer Manager roles with NHS Trusts, CCGs and HEE.</p> <hr/> <p>Monitor quality of courses (CPM and NMC) annually in autumn (CPM) and winter (NMC)</p> <hr/> <p>Regular contact with commissioning contract managers and deanery</p>	4 2 <b>Critical</b>	<p>Review staffing in faculty to reflect total activity, freeze non-critical vacant posts and HPL activity until income assured.</p> <p><b>Person Responsible: Warren Turner</b> <b>To be implemented by: 28/06/2013</b></p> <hr/> <p>Continue contract discussions with newly formed HEE/ LETB's</p> <p><b>Person Responsible: Judith Ellis</b> <b>To be implemented by: 28/06/2013</b></p> <hr/> <p>Submit a strong return to next REF exercise.</p> <p><b>Person Responsible: Nicola Crichton</b> <b>To be implemented by: 31/12/2013</b></p> <hr/> <p>Ensure a quality campus in each HEE/ LETB area.</p> <p><b>Person Responsible: Warren Turner</b> <b>To be implemented by: 01/09/2013</b></p> <hr/> <p>Grow into new markets for medical and private sector CPPD provision</p> <p><b>Person Responsible: Warren Turner</b> <b>To be implemented by: 31/08/2013</b></p> <hr/> <p>Improvement in NSS returns and scores</p> <p><b>Person Responsible: Judith Ellis</b> <b>To be implemented by: 31/07/2013</b></p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
						<p>Develop opportunities for further International 'in-country' activity.</p> <p><b>Person Responsible: Dr Michelle Spruce</b></p> <p><b>To be implemented by: 30/09/2013</b></p> <hr/> <p>Increase uptake in band 1-4 activity Support Trusts in seeking external (non NHS) funding</p> <p><b>Person Responsible: Sheelagh Mealing</b></p> <p><b>To be implemented by: 01/09/2013</b></p>
37	CO-10-08 Potential impact of estates strategy delivery on financial position	<p><b>Cause &amp; Effect:</b></p> <p>Causes:</p> <ul style="list-style-type: none"> <li>- Poor project controls</li> <li>- Lack of capacity to manage/deliver projects</li> <li>- Reduction in agreed/assumed capital funding</li> <li>- Reduction in other government funding</li> </ul> <p>Effects:</p> <ul style="list-style-type: none"> <li>- Adverse financial impact</li> <li>- Reputational damage</li> <li>- Reduced surplus</li> <li>- Planned improvement to student experience not delivered</li> <li>- Inability to attract new students</li> </ul>	<p>3 3</p> <p><b>High</b></p>	<p>Regular Reports are provided to both P&amp;R and the Board on planned capital expenditure.</p> <hr/> <p>Full Business Case including clarity on cost and funding prepared for each element of Estates Strategy and approved by Board of Governors</p> <hr/> <p>Clear requirement (including authority levels) for all major (&gt;£1m) capital expenditure to have Board approval</p> <hr/> <p>Property Committee is a sub-committee of the Board of Governors and has a remit to review all property related capital decisions.</p> <hr/> <p>Automated process developed for business cases including all capital spend. Guidance developed as part of new process.</p>	<p>3 1</p> <p><b>Medium</b></p>	<p>Completion of the Terraces Project will see the completion also of the current development plan in relation to the Anchor Projects. The potential acquisition of the Hugh Aster Court (Peabody Building) on Keyworth Street opens up the opportunity for the redevelopment of the North West quarter of the campus and the creation of a clear University 'front door'.</p> <p>Plans have been developed for a major redevelopment scheme that will be shared with the Executive in July and following consultation with the Faculties and major stakeholders, the 2013 Estate Development Plan will be shared with Governors for consideration and consultation in the Autumn 2013.</p> <p><b>Person Responsible: Ian Mehrrens</b></p>



Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
				<p>Financial forecasts regularly updated to take account of changing assumptions about future capital funding.</p> <hr/> <p>Clear project governance established for both the renovation of the Terraces and the Student Centre</p> <hr/> <p>Estates &amp; Facilities Dept project controls</p>		<p><b>To be implemented by: 30/11/2013</b></p> <hr/> <p>Deliver the renovation of the Terraces in accordance with agreed budget.</p> <p><b>Person Responsible: Beverley Jullien</b></p> <p><b>To be implemented by: 31/07/2013</b></p> <hr/> <p>Complete and report on the final negotiations for the Student Centre</p> <p><b>Person Responsible: Ian Mehrtens</b></p> <p><b>To be implemented by: 30/04/2013</b></p>
305	CO-13-01 Data protection (Upgraded from Registry's operational register)	<p><b>Cause &amp; Effect:</b> Loss of student data security either en masse (e.g. address harvesting) or in specific cases (e.g. loss of sensitive personal files)</p>	<p>3 2 <b>High</b></p>	<p>Following a meeting on 16/11/12, David Swayne has taken responsibility for improving our control over data protection risks at an institutional level.</p>	<p>3 2 <b>High</b></p>	<p>Define an Information Security solution for LSBU and implement it. LSBU has no Information Security Manager - the post was removed some time ago. To rectify this situation a Managed Security Service is being procured.</p> <p><b>Person Responsible: David Swayne</b></p> <p><b>To be implemented by: 30/09/2013</b></p> <hr/> <p>1. Define Mobile Device Policy - this is agreed and published 2. Prepare and deliver a training course on this topic - this is in progress in collaboration between ICT and OSDT 3. Ensure that all mobile devices have adequate protection - laptop encryption tool being selected, mobile device management tool purchased and being deployed</p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
						<b>Person Responsible: David Swayne</b> <b>To be implemented by: 31/07/2013</b>
362	CO-10-09 Poor staff engagement	<b>Cause &amp; Effect:</b> <b>Causes:</b> <ul style="list-style-type: none"> <li>•Bureaucracy involved in decision making at the University</li> <li>•No teamwork amongst departments at the University</li> <li>•Staff feeling that they do not receive relevant information directly linked to them and their jobs</li> <li>•Poor pay and reward packages</li> <li>•Poor diversity and inclusion practises</li> </ul> <b>Effects:</b> <ul style="list-style-type: none"> <li>•Decreased customer (student) satisfaction</li> <li>•Overall University performance decreases</li> <li>•Low staff satisfaction results</li> <li>•Increased staff turnover</li> <li>•Quality of service delivered decreases</li> </ul>	3    3 <b>High</b>	Departmental Business Planning process <hr/> Feedback page for staff to leave comments on staff Gateway <hr/> Scheduled Team meetings <hr/> Corporate Roadshows <hr/> Staff engagement survey <hr/> Quarterly review meetings	3    2 <b>High</b>	Co-ordination of the 2013 employee engagement survey <b>Person Responsible: Mrs Vongai Nyahunzvi</b> <b>To be implemented by: 31/05/2013</b>
	<b>Risk Owner: Martin Earwicker</b>  <b>Last Updated: 04/02/2013</b>					

**London South Bank**  
University

# 5 Year Financial Forecast

June 2013

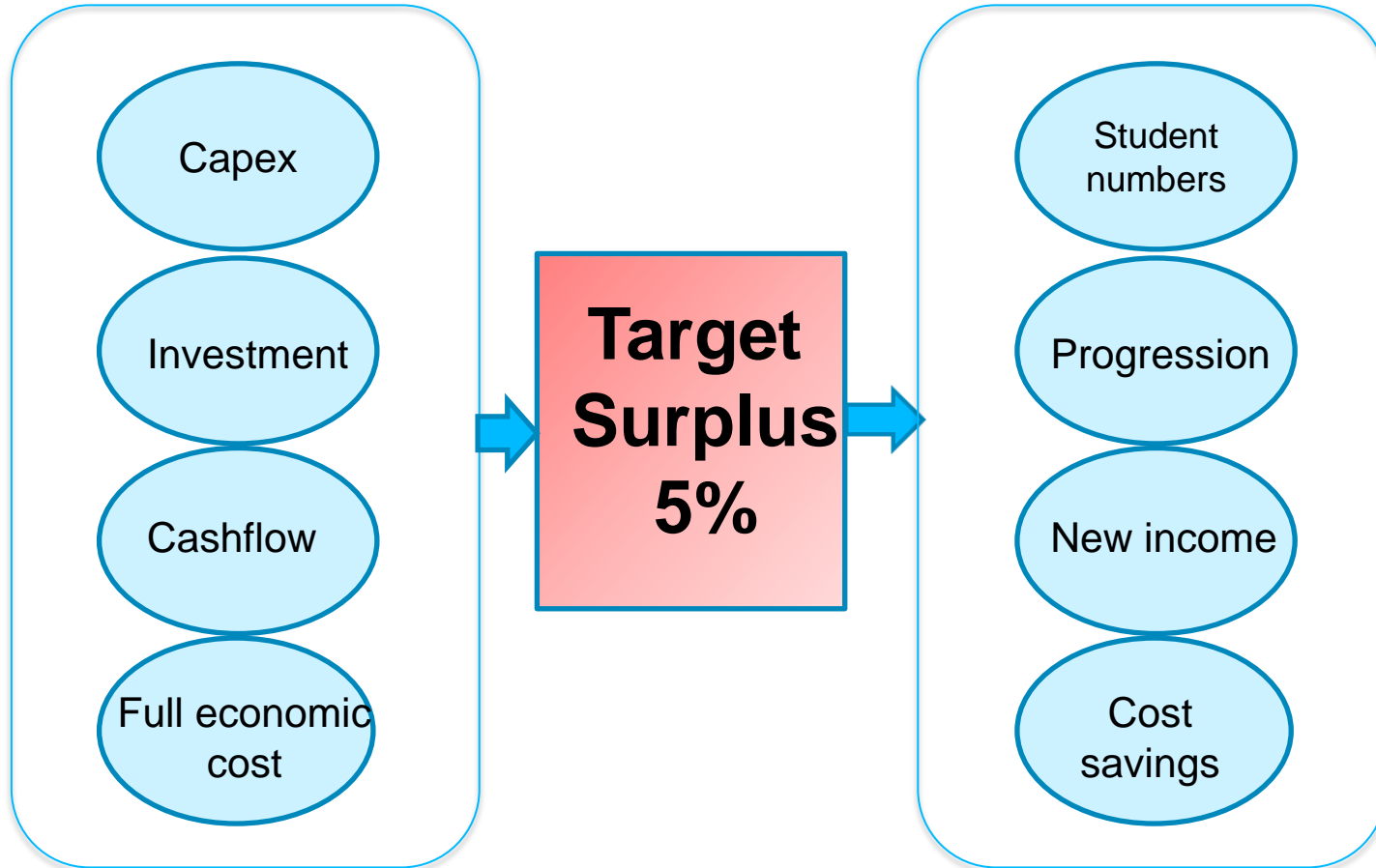


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# Financial objectives

- Generate positive cashflows and manage risk
  - Focus on surplus as a % of income (target 5%)
  - Grow and diversify income
  - Effective risk management framework
    - strong financial/cost control
    - Clear accountability and responsibility for risk and financial performance
    - Effective delegation
    - Improve performance monitoring and review
- Deliver value for money in all that we do
- Continue to invest in strategic areas

## Key considerations



## Full economic cost

		2010/11	2011/12
		£m	£m
Income		144.9	138.2
Expenditure		135.0	131.7
Surplus		9.9	6.5
Impairment		0.0	2.9
Adjusted surplus		9.9	9.4
Target return			
Assets		3.7	4.0
Expenditure		3.8	3.8
		7.5	7.8
Infrastructure adjustment		3.3	3.1
Total expected return		10.8	10.9
Sustainability gap		0.9	1.5
Target %		7.45%	7.89%

- Surplus in past 2 years 7%
- FEC methodology indicates surplus target of 7%+ for sustainability
- FEC requirement broadly consistent with cash generation requirement (6.3%) for sustainable investment/liquidity

## Historical cost surplus

		2012/13	2011/12	2010/11	2009/10
		forecast	actual	actual	actual
		%	%	%	%
Sector		1.4	4.3	5.7	3.6
LSBU		3.6*	7.4**	7.4	4.9

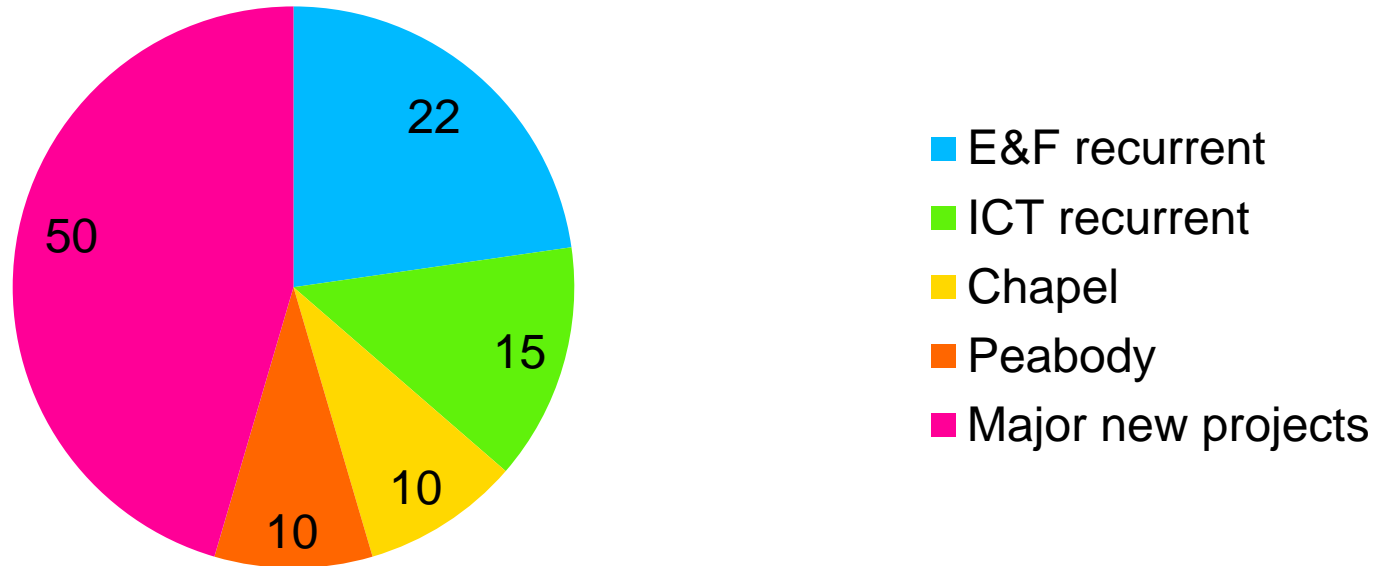
\* May 2013 management accounts

\*\*Before impairment £3m



## Potential capex over planning period

### Capital expenditure (£m)



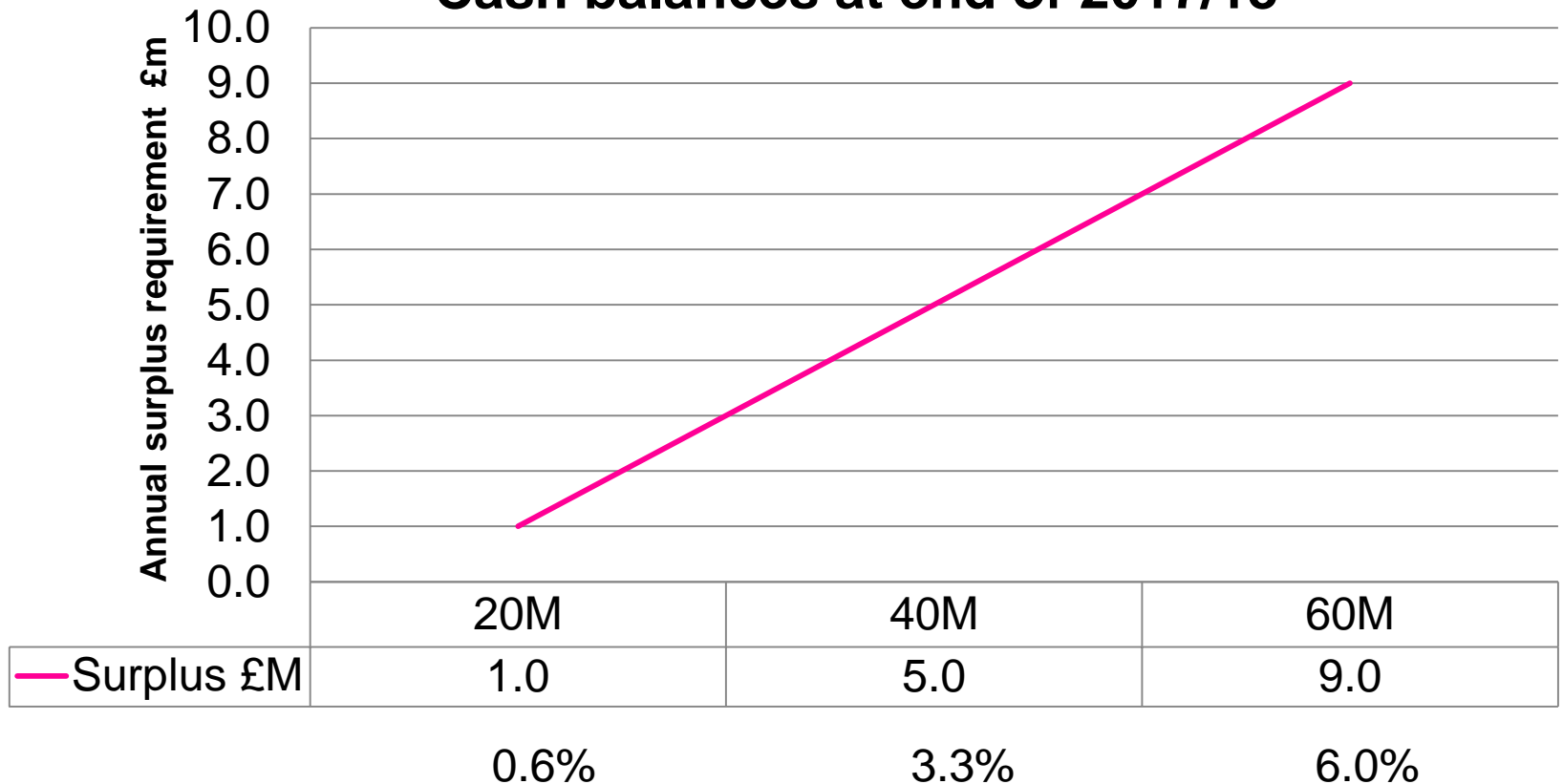
Target investment £107m over 5 year planning cycle  
compared with average annual spend of £16.8m over last 5 years

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Surplus required to fund £107m investment

**Cash balances at end of 2017/18**



Assuming investment of £107m over 5 years to 31 July 2018  
and opening 2013/14 balance of £59M and £63M non cash charges over 5 years.

**To be cash neutral an average of 5.9% is required**

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## 5YR forecast key assumptions

Key assumptions																																																		
Surplus as % of income	5%																																																	
Funding Council Grant	<ul style="list-style-type: none"> <li>❑ <b>SNC (including AAB+ and margin places) grows from current level of 2,500 to 2,750 in 2013/14 and remains at that level</b></li> <li>❑ HEFCE funding has decreased to £29m in 12/13 and is projected to decrease further to £13.3m by 15/16; a decrease of 69% compared to 10/11.</li> <li>❑ The Core HEFCE Teaching grant decreases by 92% to £3.3m by 15/16 as previously reported;</li> <li>❑ Other HEFCE Teaching grants are projected to increase from £8.4m in 11/12 to £9.9 in 17/18 mainly due to the London Allocation.</li> <li>❑ HEFCE QR and HEIF funding remains relatively stable at £1.8m and £0.8m respectively,</li> <li>❑ Teaching Agency grants decrease from £2m in 11/12 to £0.5m in 17/18; partly offset by std fees at £9k p/a p/std</li> <li>❑ Capital grant funding decreases by £0.5m to £1m p/a in 17/18</li> </ul>																																																	
Academic Fee income	<ul style="list-style-type: none"> <li>❑ Fees for cohorts starting in 12/13 and 13/14 have been held at £8,450 and assume no inflation increase during the life of the course. Fees for new cohorts have been set at £9,000 from 2014/15. Inflation has been applied post 2015/16. The table below sets out the assumed fee per student by cohort per year :</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>FEE / Student in £</th> <th>2012/13</th> <th>2013/14</th> <th>2014/15</th> <th>2015/16</th> <th>2016/17</th> <th>2017/18</th> </tr> </thead> <tbody> <tr> <td>2012 Cohort</td> <td>£8,450</td> <td>£8,450</td> <td>£8,450</td> <td>£8,450</td> <td></td> <td></td> </tr> <tr> <td>2013 Cohort</td> <td></td> <td>£8,450</td> <td>£8,450</td> <td>£8,450</td> <td>£8,450</td> <td></td> </tr> <tr> <td>2014 Cohort</td> <td></td> <td></td> <td>£9,000</td> <td>£9,000</td> <td>£9,000</td> <td>£9,000</td> </tr> <tr> <td>2015 Cohort</td> <td></td> <td></td> <td></td> <td>£9,270</td> <td>£9,270</td> <td>£9,270</td> </tr> <tr> <td>2016 Cohort</td> <td></td> <td></td> <td></td> <td></td> <td>£9,550</td> <td>£9,550</td> </tr> <tr> <td>2017 Cohort</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>£9,840</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>❑ Income projections have been shown net of fee waivers and bursary costs are modelled to phase out as current cohorts complete their studies.</li> <li>❑ Fee waivers have been modelled to achieve a net UGFT student fee &lt;£7,500 for 2012 Cohort. The average fee increases to £9,000 for the 2014 Cohort and discretionary fee waivers are stopped.</li> <li>❑ NHS Contract income increases by £0.3m to £27.6m in 12/13 , but then falls to a new normal of £24.2m by 14/15 in line with forecasts provided by the faculty.</li> <li>❑ No growth in PG or UGPT for 13/14 . It has been assumed that income increases by 3% per year thereafter.</li> <li>❑ International income target for 2013/14 is £9.2m compared to £8.9m in 12/13 FYF. It has been assumed that income increases by 3% per year thereafter.</li> <li>❑ Student Progression 1st year to 2<sup>nd</sup> year increases from 61% to 65% over life of forecasts. Year 2 onwards at 80%</li> </ul>	FEE / Student in £	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2012 Cohort	£8,450	£8,450	£8,450	£8,450			2013 Cohort		£8,450	£8,450	£8,450	£8,450		2014 Cohort			£9,000	£9,000	£9,000	£9,000	2015 Cohort				£9,270	£9,270	£9,270	2016 Cohort					£9,550	£9,550	2017 Cohort						£9,840
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## 5YR forecast key assumptions

	Key assumption
Costs	<ul style="list-style-type: none"> <li>❑ Staff costs increase year-on-year by 2.5%: 1.5% for increments and 1% pay award</li> <li>❑ Bursary costs and Fee Waivers peak at £3.8M in 2013 / 14 and fall to a new normal of 2.3M per year</li> <li>❑ Inflation on OPEX 3%</li> <li>❑ Estate costs have increased mainly as a result of the new Student centre £0.5m in 12/13, Enterprise centre £0.7m in 13/14 partly offset by savings related to the termination of the Eileen house lease £0.9m.</li> <li>❑ Depreciation reduces from £8.2m in 12/13 to £7.9m in 17/18; being the net impact of depreciation of both new investments and existing assets phasing out.</li> <li>❑ Investment fund in 12/13 is £2.0m but normalises to £1.5m from 14/15 onward. This includes £0.5m specifically aimed at improving retention.</li> <li>❑ Provisions for restructuring reduce from £2.3m in 11/12 to £1.5m going forward.</li> <li>❑ Interest decreases from £5.0m in 12/13 to £4.6m in 17/18 as a result of the change in pension interest from RPI to CPI</li> <li>❑ No other cost efficiencies have been assumed in the base case</li> <li>❑ Total CapEx for the period £107m.</li> </ul>
Other income	<ul style="list-style-type: none"> <li>❑ Assumed £16m pa new income by 2017/18 at surplus 20%</li> </ul>

## Key Areas of Focus

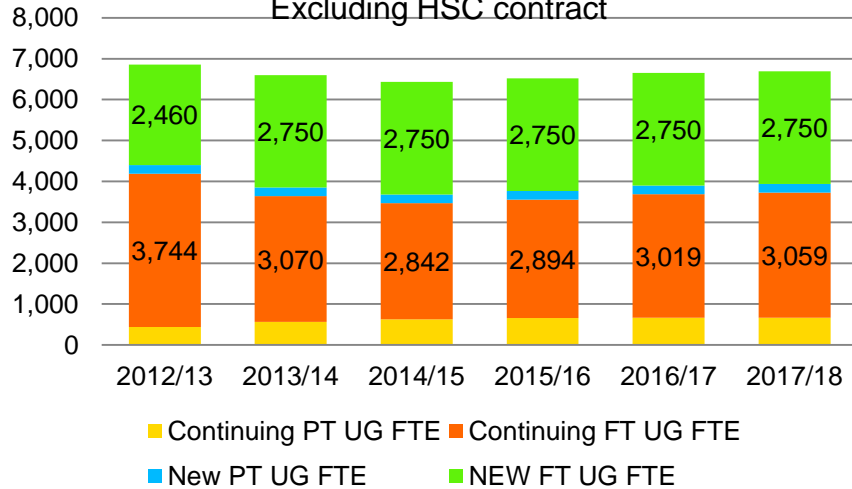
- Short term alignment of LSBU cost base with reduced student numbers in 2012/13
- Developing a clear plan for growth in student numbers (assumed to grow from 2,500 in 2012/13 to steady state SNC 2,750 from 2013/14 onward)
- Improving Progression (YR1 to YR2 target 65% by 2015/16)
- Investing as necessary to deliver required outcomes (£110m assumed over life of forecasts to 2017/18)
- Diversifying and increasing income. Assumed delivery of additional £16m pa income by 2017/18 at surplus 20%. This includes enterprise income and additional income from overseas students
- Maintaining HSC income

# London South Bank University

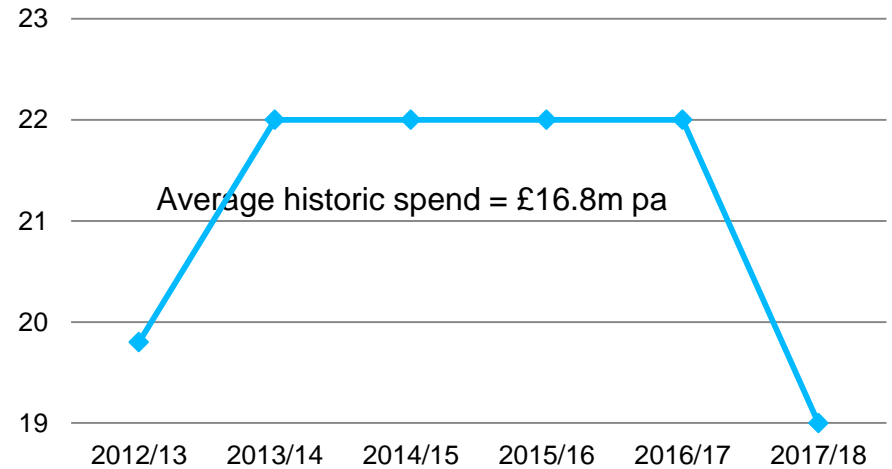
## Profile of key assumptions

### Undergraduate FTE

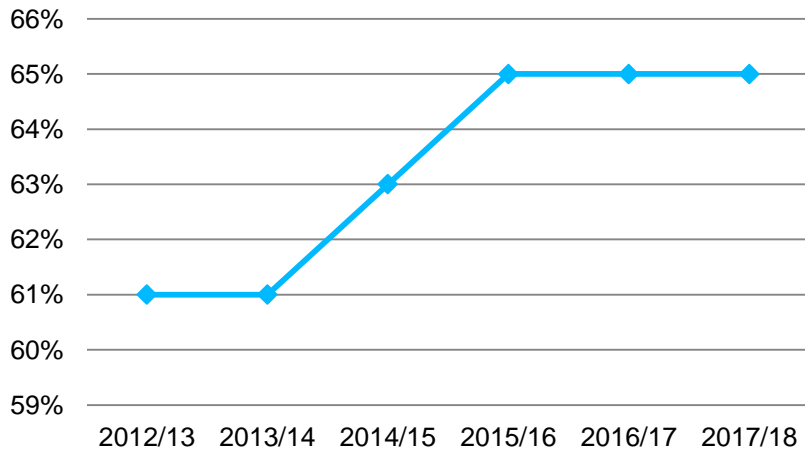
Excluding HSC contract



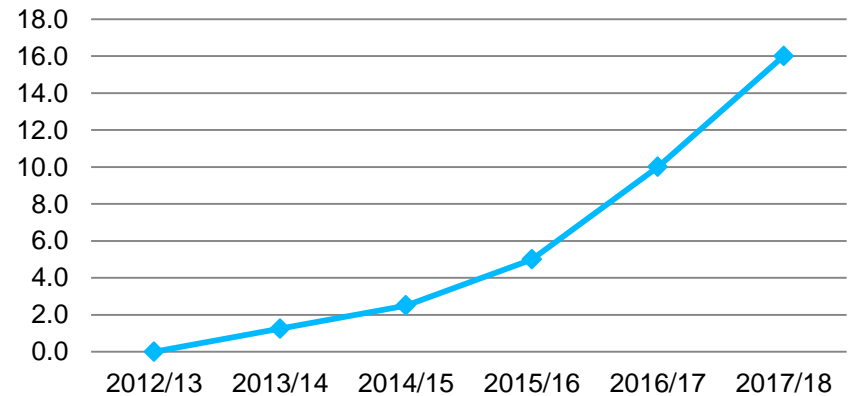
### Capital Investment £m



### UG Progression



### Scenario A new Income £m



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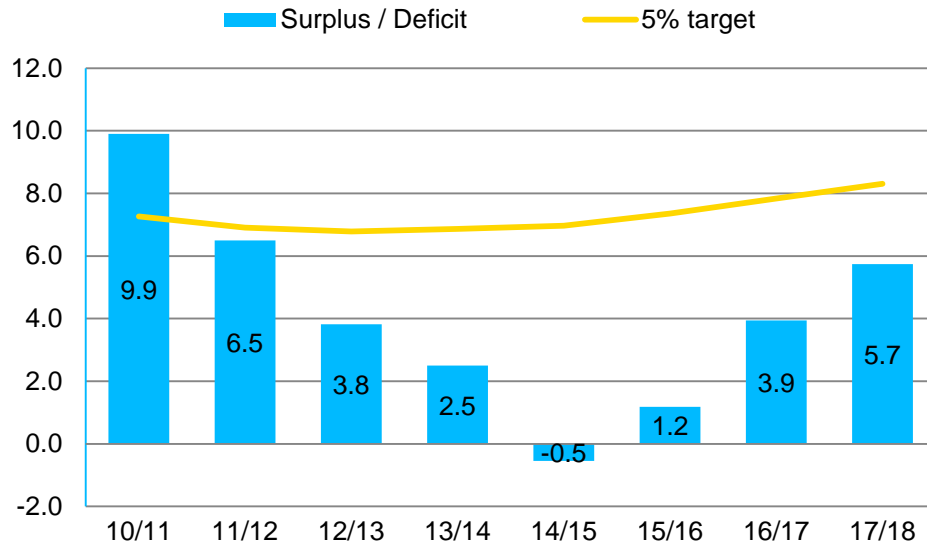
## Income scenarios and impact on contribution

Income	Additional income £m in 17/18			
	Frcst 12/13	Scenario	Scenario	Scenario
		A	B	C
Home/EU PG	£5.1m	4.0	5.0	6.0
International income	£8.9m	6.0	8.0	10.0
Enterprise income	£7.6m	6.0	8.0	10.0
<b>Total additional income</b>		<b>16.0</b>	<b>21.0</b>	<b>26.0</b>

Surplus	Assumed additional surplus @20%			
		Scenario	Scenario	Scenario
		A	B	C
On all activity after allowing for overhead		3.2	4.2	5.2

# Target case

Projected Surplus for target case



In the target case:

- LSBU will deliver an average annual surplus of £2.6M, (1.5%)
- 2017/18 surplus is £5.7m (3.4%)

## Key differences to the original base case

- SNC growth to 2,750 (base case = 2,500)
- Progression rises to 65% (base case = 59%)
- Cap Ex = £107M (base case = £29M), Dep'n = £52M (base case = £41M)
- Income as Scenario A, phased over 5 year period with 20% surplus (base case no additional income)
- Cost savings of £1M in 13/14 (assumed structural and roll forward)
- Increased Bursaries of £1M pa from 14/15

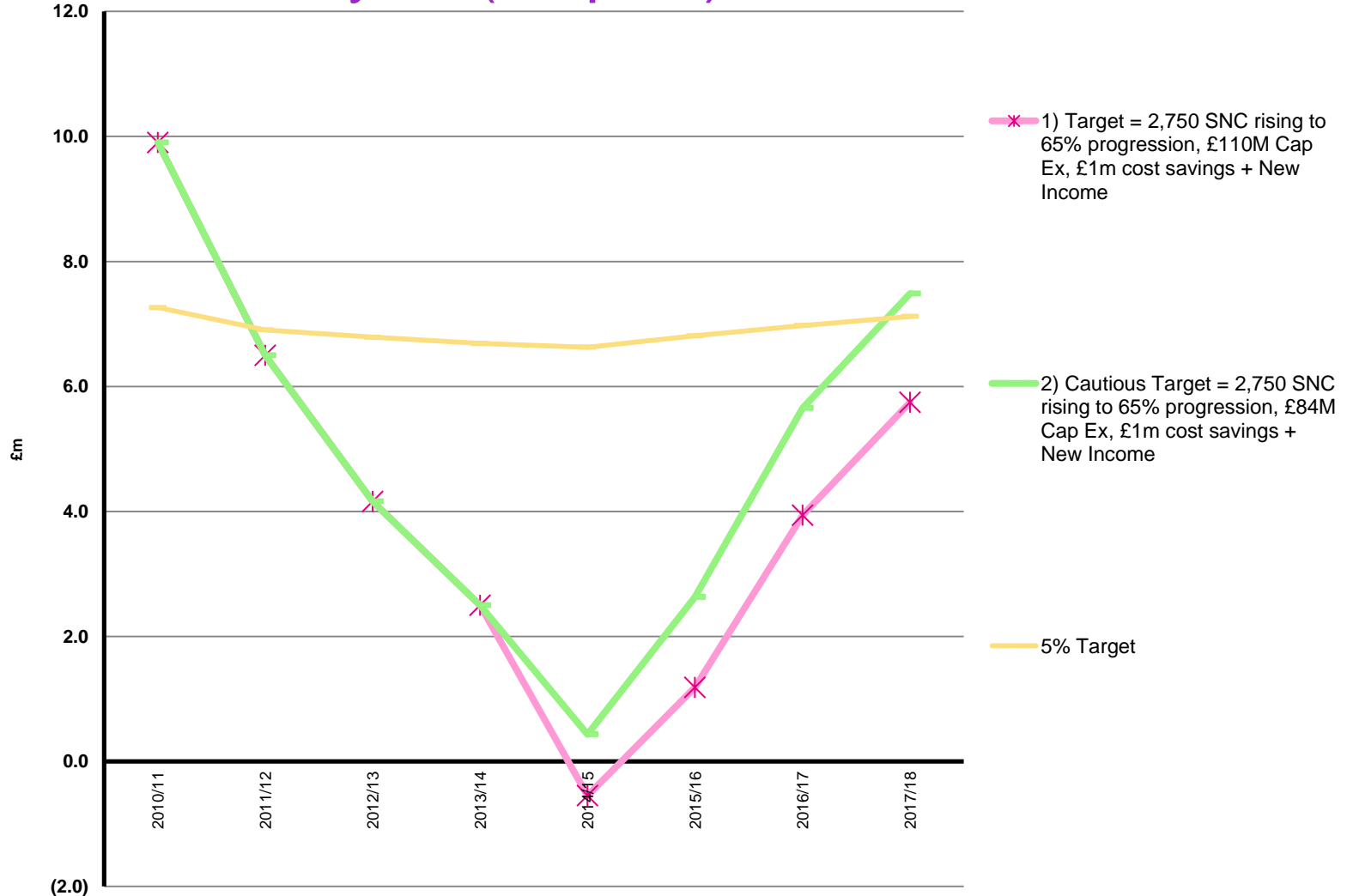
# Target case profile

The U shaped profile is driven by the following factors:

- Principally by student numbers. We lose total student FTEs in the next 2 years because of bulge in current YR2 and YR3 numbers
- This is compounded by current cohort of 2500FTE working way through system at fee of £7,450
- Continued decline in HEFCE funding
- HSC income reduces over the next 2 years but associated staffing reductions do not begin until 2016/17
- We do not benefit from the new regime until 2015/16. By then we have 3 cohorts of 2750, 2 of which are paying £9k in fees
- From 2016/17 the contribution from new enterprise income helps drive profitability back up

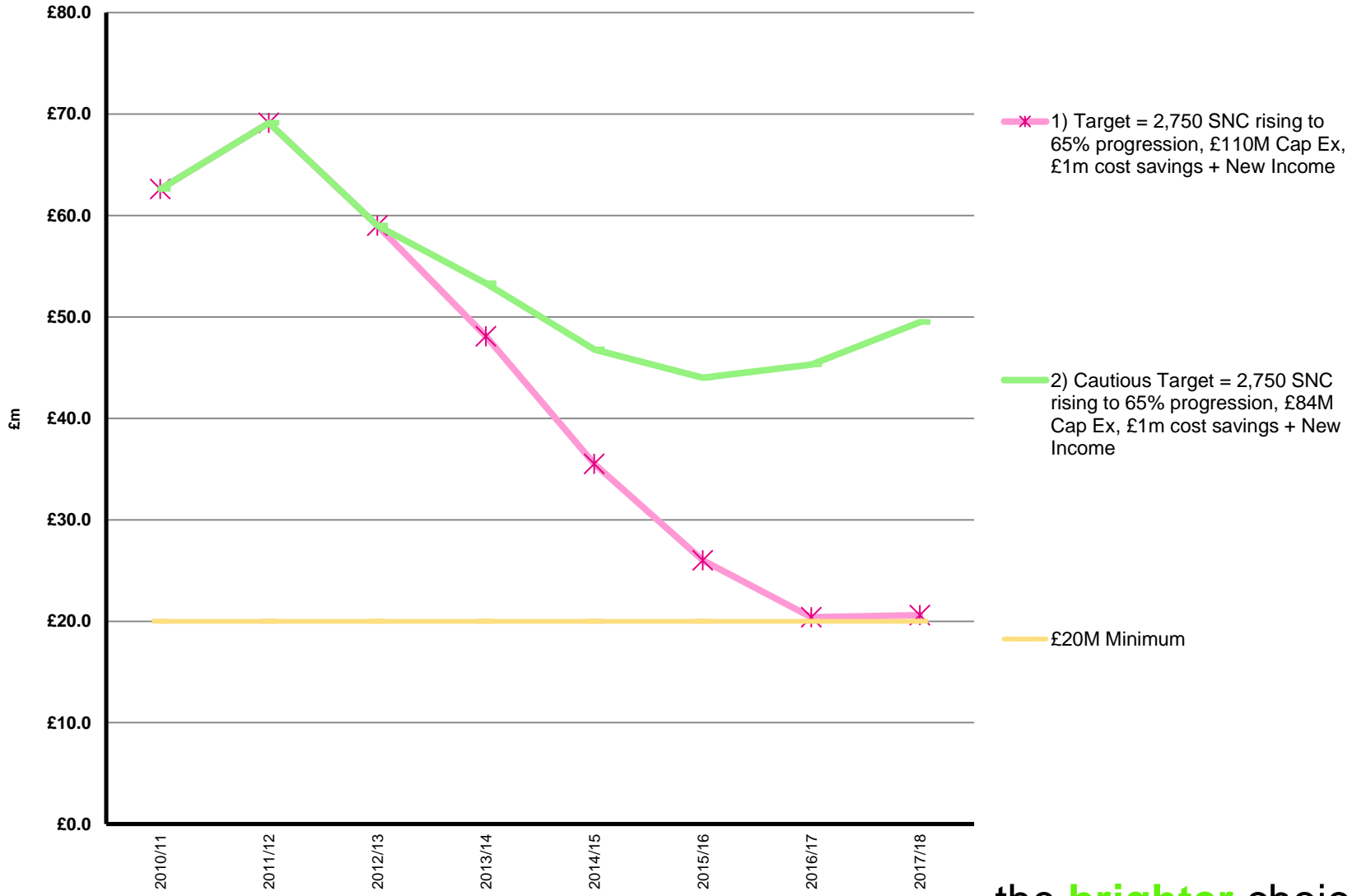


## Scenario Analysis (surplus)



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## Scenario Analysis (cash at bank)



## Risks, uncertainties & impact

- Continuation of HEFCE funding remains a risk in particular for PG taught provision, London allocation, WP and TESS for which funding totals £9.9m p/a.
- Maintaining current SNC at 2,500 students. The impact on income of every 100 students is £1.9m over a 3 YR period.
- Student Progression varies significantly by faculty. 1st year to 2<sup>nd</sup> year UG progression 2012 / 13 is AHS 67%, BUS 61%, ESBE 55%, HSC 58 %, LSBU average 61%. 5 year forecast assumes LSBU progression rate of 59%.
- Most NHS contracts needed to be retendered in 12/13. The outcome is still uncertain but the 5 year forecast uses the most recent data from the faculty of HSC (16 Jan 2013) .
- The assumption in the base case is that PG income grows by 4% from 14/15 onwards. Should this prove unachievable the impact is estimated at £0.6m over the forecast period.
- Some uncertainty exists regarding the price sensitivity of HE to allow for fee inflation y-o-y. We have assumed no Fee inflation for each Cohort. The impact for every 1% change in fee is estimated at £0.5m over the forecast period.
- Scenarios on growth of Overseas, UGPT and PG on average will lower the average teaching contribution as these are more resource intensive. The extent of the impact is unknown and a working assumption is applied of 35% margin compared to a current average on teaching of 39%.
- Inflation on OPEX has been assumed at 3%. The impact of every 1% change in inflation is estimated at £0.4m per year.

Factor	Δ Income in 2017/18
Δ +/- 100 SNC (see table below)	£1.9 m
Δ +/- 1% UG Fee inflation	£0.5 m
Δ +/- 5% PG &UGPT income	£1.2m

£'M	Yr 1	Yr 2	Yr 3	Total
Δ <b>Students</b>	100	60	48	208
Δ <b>fee</b>	£8,450	£8,450	£8,450	£8,450
Δ <b>grant</b>	£700	£700	£700	£700
<b>Total impact</b>	£915,000	£549,000	£439,200	£1,903,200

Factor	Δ Contribution per year
Δ £1m New Enterprise income	£0.20 m
Δ £1m additional Overseas income	£0.35 m
Δ £1m additional PG Home	£0.35 m
Δ £1m additional UGPT income	£0.35 m

	PAPER NO: BG.34(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	Strategic Proposals for the University	
Author:	Professor Martin Earwicker, Vice Chancellor	
Executive sponsor:	Professor Martin Earwicker, Vice Chancellor	
<b>Recommendation by the Executive:</b>	That the Board approves the creation of three schools: <ul style="list-style-type: none"> <li>• Creative Industries</li> <li>• Engineering</li> <li>• Business</li> </ul>	
Aspect of the Corporate Plan to which this will help deliver?	N/A	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	N/A	

### **Executive summary**

The world of higher education is evolving rapidly towards a more open competitive market. The University needs to respond to the opportunities in the market place in a way that is more responsive than current structures allow, recognise the different growth trajectories of different subjects, and encourage and give freedom to the subject leaders to grow their subject areas within a light framework of University support. Without a change in approach we risk substantial decline. There are some specific areas where

action is needed urgently. Our proposals aim to ensure the University's future growth and success.

The Board is requested to discuss and approve the proposals.

## Enterprising University

*School centric model of enterprise to encourage innovation, respond to the rapidly changing market and promote growth.*

### Introduction

1. Since the last Corporate Plan, the University has made good progress in putting in place the foundations for success and is now in a position to be able to plan confidently for the next steps in its development. But the market is changing rapidly driven by the economy and competition between education providers. LSBU needs to respond to these changes and take action now if we are not to suffer the consequences.

### Our Mission and market

2. Our mission is firmly about creating opportunity for all who can benefit. Most of our students are local and a significant number are from disadvantaged backgrounds. We accept that many of our students need additional support to achieve success in their university education. This needs managing and the proposals below describe an approach to separating those students in need of additional support from their fellow students who are already ready for degree level study.
3. Our students' aspirations are overwhelmingly to become successful in getting employment in their chosen career. They do not come to us to become academics, but rather to become practitioners. For many their career choices are in the professions such as health, law, engineering and accounting, but for an increasing proportion who aspire to create their own businesses. Our primary success criterion is how many of the students who enrol achieve graduate level employment.
4. Our market consists of local students from our geographical community which form a large proportion of our undergraduates. However, there are specific areas of the curriculum that tend to recruit from a wider geographical area: creative subjects; engineering and Health. These form communities of interest, rather than of geography.

### Our community

5. Our graduates go on to become successful in their careers and in doing so provide role models for their successors. They also help lift the aspirations and economic life of their communities. The University is inextricably linked to its community. Its primary responsibility is to the students and their success. But it can also add value through its research and enterprise activities; through sharing its expertise to help

address community issues, both economic and social, and by helping develop the feeder schools and colleges. Without this productive engagement with its community it is only fulfilling part of its role. We need to lead a programme of urban regeneration working with local authorities and employers. Although our community will be defined in many cases by geography, it also includes communities of interest that may have no geographical boundaries.

### School centric growth

6. The world of higher education is evolving rapidly towards a more open competitive market. The University needs to respond to the opportunities in the market place in a way that is more responsive than current structures allow, recognise the different growth trajectories of different subjects, and encourage and give freedom to the subject leaders to grow their subject areas within a light framework of University support. This will allow academic heads to be freed from unnecessary bureaucracy and allow them to become more enterprising and empowered. Without a change in approach we risk substantial decline. There are some specific areas where action is needed urgently.

### Creative industries

7. The Creative Industries present a real opportunity to respond to the good demand from students as well as our geographical positioning in London and the South Bank as centres for the arts, design, culture and performance. This is an area that we risk losing if we do not create improved facilities for the students, fail to create a coherent academic grouping and fail to promote a strong, relevant, external brand. In addition, we currently have Design incongruously positioned as part of Engineering, rather than as part of the creative subjects. We need to create an academic group focused on the applied creative industries which brings together our media, creative writing performance and design together.

### **Recommendation**

- **To create a new school of Creative Industries, incorporating the current Arts and Digital Media, Creative Writing and Performance and Design (from ESBE) departments. This needs to become a distinctly separate group under strong leadership to promote its role and achievements externally. The new leader needs to be appointed in autumn 2013 concurrently with the formal formation of the new school.**

## Engineering

8. Engineering is an area where we have strengths but we lack subject-specific leadership. We also failed to promote a coherent culture internally and equally promote engineering as a coherent subject externally. The result is that we appear, and are, fragmented and fail to realise our potential. Engineering is a potential growth area for us as we are one of the few post-92s that have a substantial engineering focus and good research. In common with our overall approach we teach engineering for practicing engineers.

### **Recommendation**

- **To bring our existing engineering areas together in a new school under a strong leader able to realise the considerable synergy between engineering disciplines and promote the school of engineering more effectively externally. The new leader needs to be appointed in autumn 2013 concurrently with the formal formation of the new school.**

## Business

9. The third area where we need to take urgent action is Business. The current Business faculty is at serious risk. The faculty does not have a business school accreditation, its students tend to be those with the lowest entry qualifications and as a consequence we lack a meaningful market position and hence brand. It is essential that we create a core business school that can begin to build its quality and reputation without delay. The proposal is to separate out those students that are following courses at HND and below, including our foundation programmes, and move them into a separate “preparatory college”. The Business school would then only accept students undertaking Bachelors, Masters or Doctorate provision. This would create a clear expectation about standards and a clear positioning as a serious business school for professionals.

### **Recommendation**

- **To split the current business faculty in order to move those students following HND and below into a new “preparatory college”, and create a new rebranded business school accepting only those undertaking Bachelors, Master and Doctoral programmes. The new business school needs to achieve a suitable accreditation, such as EPAS. It needs to be established for the new academic year 2013/14 together with the appointment this autumn of a new leader of the new Business School.**



10. The establishment of the three new schools is not just about focusing on their rapidly evolving markets, but critically about giving them greater freedom to develop and grow than is currently the case with academic departments. Although the three changes, above, are the principal and urgent changes there are inevitably some consequential changes in other areas.
11. In AHS the social sciences are an area of weakening demand. It has significant research strengths but as a subject it is not well matched to our vocational ethos and whilst it has been an area of strength, it is no longer an area for growth, but rather weakening demand. It is proposed that Social Sciences and Education are brought together with Housing and Planning to form a school of Social Sciences; time will tell if this has a positive future. Tourism is a buoyant subject and has much synergy with business and so will be transferred to the new Business School along with Law. Psychology is a growth area and we need to give it freedom to expand. The proposal is to make it an independent school within the University.
12. In ESBE, following the formation of the new School of Engineering and the move of Design to the new school of Creative Industries, the other parts of ESBE are Applied Sciences, Architecture and the Built Environment. In the latter case there is no proposal to change the current grouping; it is academically coherent and well matched to the market. However, we need to do more to raise its profile externally. Applied Sciences will have lost Chemical and Petroleum Engineering to the new Engineering School but will gain the National Bakery School which sits well alongside the Food Science area. Sport and Forensic sciences will remain as they are as part of Applied Sciences.

#### Health and social care

13. Health and social care will benefit from a similar analysis about focus and devolved responsibility to academic areas, but at present these changes, unlike those above, are not seen as urgent.
14. The proposals contained in the three 'recommendations above' are fully supported, and not seen as contentious, by the PVCs and Deans, and plans are in hand to ensure a speedy implementation immediately following Board approval.

*Martin Earwicker*

*Vice Chancellor and Chief Executive*

## **Empowered Schools: market focused, academically coherent and empowered**

Schools will be much freer to develop their own growth strategy with support from central University teams.

### **Business School**

Bachelors, Masters and Doctoral only; accredited (EPAS); professional

Business; law; tourism

### **Preparatory College (separate entity)**

HND and below including foundation programme.

Prepares students to be able to transfer to Business or Engineering School to undertake a Bachelors course.

Business and Engineering

### **Creative Industries**

Creative Writing and Performance; Arts and Digital Media

Design (from ESBE)

### **Social Sciences**

Social Policy; Education; Planning; Housing.

### **Psychology**

Unchanged, but a separate school to give it more freedom to grow.

### **Engineering**

Civil; Mechanical; Chemical; Electrical, Petroleum

### **Applied Science**

Sports Science; Food Science; Forensic Science, National Bakery School

### **Architecture and Built Environment**

Unchanged.

### **Health**

Not seen as urgent need for change. To be reviewed again later.

	PAPER NO: BG.35(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	"16-20" project update	
Author:	Tim Gebbels, Director of Enterprise	
Executive sponsor:	Bev Jullien, Pro Vice Chancellor (External)	
<b>Recommendation by the Executive:</b>	That the Board discuss and note the report	
Aspect of the Corporate Plan to which this will help deliver?	London's Enterprising University	
Matter previously considered by:	Executive	On: 9 July 2013
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	N/A	

### **Executive Summary**

1. The Executive has established a standing item on its agenda to assess ideas and approve business plans as they develop to deliver the additional £16m revenue at 20% surplus in 2017/18, over and above "business as usual", as shown in the 5 year forecasts approved by the Board.
2. The secretariat is provided by the Enterprise team, which is also leading on a significant number of projects, working with the central Finance team, to ensure that there is no double counting and that numbers as approved are baked into future forecasts.
3. The portfolio includes a range of programmes across Enterprise, International and Post graduate – some requiring extra resource, others deliverable within existing teams.

4. Attached is the latest view of the pipeline, which, un-risk adjusted, currently gives potential maximum income of £27.4 m in 2017/18.
5. Sufficient programmes have been identified and included in the budget for 2013/14 to meet the first year target.
6. The Board is requested to discuss and note the report.

Area / Title (Owner)	Description	Project progress	Indicative value £m in year 5*	Next Gateway stage	Target Date and changes
<p><b>International</b> International partnerships to provide Edexcel top ups  (Jenni Parsons)</p>	<p>Targeting of less mature international colleges with standardised top ups in engineering, business, tourism. Blended teaching model delivers innovative online resources and framework for supporting local teaching delivery</p>	<p>Since Executive approval of £110k funding for 2013-14 project tasks to next stage have been agreed and agency with expertise in online educational strategy and design development briefed to develop initial concept demonstration.</p>	<p>£4.9m</p>	<p>Gateway 3-4 Submission of business plan and implementation for funding</p>	<p>October 2013 (Change from Jan 2014)</p>
<p><b>International</b> Nursing programmes in Malaysia (Judith Ellis)</p>	<p>Led by the Faculty</p>	<p>First cohort will start in 2013/14. Manageable within Faculty resourcing at this stage</p>	<p>£1m+</p>	<p>n/a</p>	<p>Faculty to come back to Exec if additional resource required to maximise potential</p>
<p><b>International</b> Sponsorship of international cohorts (Jenni Parsons)</p>	<p>e.g. Qatar petroleum UG</p>	<p>Manageable within existing resource. First cohort with Qatar delivering 40 students+ at £10k pa each in 13/14.</p>	<p>£1m+</p>	<p>n/a</p>	<p>Ongoing</p>

**London South Bank**  
University

Area / Title (Owner)	Description	Project progress	Indicative value £m in year 5*	Next Gateway stage	Target Date and changes
<p><b>Enterprise</b> Knowledge Transfer Collaboration  (Yvonne Mavin)</p>	<p>Redevelopment of programme originally targeted at clients unable to qualify for KTP, based primarily around Masters Learning by Contract</p>	<p>Draft outline completed.  No requirement for significant additional spend to implement so will proceed with development when outstanding issues resolved.</p>	<p>£0.3m</p>	<p>Gateway 4 Submission of business plan for formal agreement (not funding)</p>	<p>September 2013</p>
<p><b>Enterprise</b> CPD  (Yvonne Mavin)</p>	<p>Development of significant portfolio of courses over and above our standard full cost courses. The scope includes professional and other qualifications and structured management training to local councils, police etc.</p>	<p>Team membership agreed from all Faculties  Initial meeting has agreed project scope and set of initial actions required to define landscape and identify primary opportunities and determine university strategy.</p>	<p>Professional qualifications £0.5-2m  Other 3 faculties to match health £3.6m for CPD</p>	<p>Gateway 2 Approve resources to progress to outline business plan</p>	<p>October 2013</p>

**London South Bank**  
University

Area / Title (Owner)	Description	Project progress	Indicative value £m in year 5*	Next Gateway stage	Target Date and changes
<p><b>Enterprise</b> Summer Schools (Yvonne Mavin)</p>	<p>Summer schools (over and above those targeted at students who need support before joining LSBU) forms part of the overview of better utilisation of the campus.</p>	<p>Initial market research suggests this area is of interest. Team is agreed but has not met. Timing is important given the need for advance promotion.</p>	<p>£0.5-1m</p>	<p>Gateway 3-4 Submission of business plan/ implementation for funding</p>	<p>September 2013</p>
<p><b>Enterprise</b> Medico-Digital (Yvonne Mavin)</p>	<p>Development of tools and technologies that support an improved patient experience and save the NHS time and money through the provision of digital solutions to clinical issues</p>	<p>Business Development Managers from FHSC FESBE have drafted initial concept paper for internal review within Enterprise</p> <p>Two qualifying projects Per Cent and underground navigation also underway.</p>	<p>£1m</p>	<p>Gateway 1-2 Submission of request for resources to progress to outline business plan</p>	<p>October 2013</p>

**London South Bank**  
University

Area / Title (Owner)	Description	Project progress	Indicative value £m in year 5*	Next Gateway stage	Target Date and changes
<p><b>Enterprise</b> Development of blended / online health programmes  (Yvonne Mavin)</p>	<p>Development in new health sectors of online and blended learning programmes</p>	<p>Cross-disciplinary team verified core area of interest in leadership around integrated care to create differentiated market position  This project is closely linked to CPD and will also be a beneficiary from the work generating online developments in top ups</p>	<p>£0.5-1m</p>	<p>Gateway 2 Approve resources to progress to outline business plan</p>	<p>TBC</p>
<p><b>Enterprise</b> Exam Centre  (N/A)</p>	<p>One stop shop for professional exams, paper- based and online</p>	<p>Initial research indicated low margins with a business model needed of large scale recruitment supported by effective low cost delivery systems. The poor match to University competences was not compensated by added value, so closed</p>	<p>£0.5-£1m</p>	<p>Deleted</p>	



**London South Bank**  
University

Area / Title (Owner)	Description	Project progress	Indicative value £m in year 5*	Next Gateway stage	Target Date and changes
<p><b>Enterprise</b> Work-based learning  (TBC)</p>	<p>Corporate degrees, higher apprenticeships development and funding</p>	<p>Initial market research indicates this is an area of interest but complex and requires significant effort to define the opportunity.</p>	<p>£1.2m</p>	<p>tbd</p>	<p>Assessment progressing from August</p>
<p><b>Enterprise</b> Concepts to be developed for Gateway1  (TBC)</p>	<p>Exploiting university capital assets; film locations; Quizslides; Tenders ; US Community University top-up programme; enhanced international partnerships programme</p>	<p>Work to start from Q4 2013</p>	<p>£3m</p>	<p>Gateway 1</p>	<p>TBD</p>
<p><b>Enterprise</b> Economic Gardening portfolio to support SMEs  (Yvonne Mavin)</p>	<p>Creation of a set of defined frameworks through which supervised student consulting services can be offered to SMEs</p>	<p>Cross-faculty team agreed.  Currently including within projected ERDF 8 bid</p>	<p>£0.5-1m</p>	<p>TBC</p>	<p>TBC</p>

**London South Bank**  
University

Area / Title (Owner)	Description	Project progress	Indicative value £m in year 5*	Next Gateway stage	Target Date and changes
<b>Post Graduate</b> Targeted sponsorship of PG programmes  (Lynn Grimes)	Industry/international. Indicatively, 150 students @ £7k each	First proposals submitted to client for tailored programme for HR	£1m+	n/a	Ongoing
<b>Post Graduate</b> Improve recruitment to PG programmes and study abroad from EU (non SNC) (Tere Daly)	Feedback from Y1 activity within EU is very promising – need to develop further	Extra resource approved for 13/14 by Exec , May 2013. Business case to be developed to scope long-term potential and resource to deliver	£0.5-1m+	Stage 4 by Jan 14	
<b>Post Graduate</b> Enhanced Facilities from 2014/15 for Engineering and Creative industries ( M Molan / R Bhamidimarri)	Extension of programmes / launch of new programmes for PG and international ( in addition to strengthening position in UG)	Business Cases reviewed at Exec, July 2013. To be finalised within overall capital programme to enable works completion for Sept 2014 recruitment	£2m+	Stage 4 finalisation by Sept 13	

# London South Bank University

Area / Title (Owner)	Description	Project progress	Indicative value £m in year 5*	Next Gateway stage	Target Date and changes
<b>Core Business Improvement</b> Increased student progression rate (Phil Cardew)	From 65% per plan to 75%. Equates to 270 students in to year 2 @ £9k	Part of ongoing improvement projects . Level 4 project in progress within existing resource	£2.4m	n/a	n/a
<b>TOTAL</b>			£23.9-£27.4+		

\*Income is either estimate or from business plans submitted to Executive. The later the gateway the more accurate the income estimate is likely to be.

## Reconciliation of potential income £m:

April maximum total	£26.2	July maximum total	£27.4m+
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### Changes

Exam centres	£(1)	Pre gateway 1 projects	£3.0
International top-ups	£(5.1)		
Medico-digital	£1.0		
KTC	£0.3		
Improved EU PG recruitment	£1m+		
Facilities enabled increased PG/internat recruitment	£2m+		

	PAPER NO: BG.36(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	Vice Chancellor's report	
Author:	Dr Markos Koumaditis, Executive Assistant to the Vice Chancellor	
Executive sponsor:	Professor Martin Earwicker, Vice Chancellor	
<b>Recommendation by the Executive:</b>	The Board is requested to note the report which provides a progress update on University business.	
Aspect of the Corporate Plan to which this will help deliver?	N/A	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	N/A	

### **Executive summary**

The Board is requested to note this report which provides a progress update on University business not covered in the agenda. The Vice Chancellor would welcome knowing whether there are specific topics that the Governors would like him to address in future updates.

The Board is also requested to note:

- The KPI report in appendix 1
- The Vice Chancellor's review of the year in appendix 2

- An update on the Office of the Independent Adjudicator's Annual Report

## **Vice Chancellor's Report**

### **Spending Round 2013 headlines**

1. This was a relatively good settlement for BIS, 5.9% is one of the smallest cuts outside of protected departments. The science and research ring-fence has been maintained into 2015-16 and will be protected in cash terms at £4.6 billion (but real terms cuts). Further savings of at least £45 million will be required from the HEFCE teaching grant in 2015-16, a large part of which is currently allocated in support of widening participation and improving retention; this could mean cuts for us in due course.
2. The National Scholarship Programme will continue into 2015-16 but with £50 million rather than £150 million. It will also be re-focused to support disadvantaged postgraduate students. The National Scholarship Programme was originally established to provide financial support for undergraduate students entering under the new fee regime. We welcome this shift from undergraduate to postgraduate.

### **Employee survey 2013 highlights**

3. We have just received the results of our 2013 employee engagement survey. Overall, 1043 employees responded which equates to a response rate of 52%.
4. The report identifies areas of strength such as:
  - employees gain a sense of personal accomplishment from their work
  - employees have flexibility in how they approach their work
  - the culture of recognising good work
  - opinions of pay are higher than the sector
  - employees have the opportunity for training to improve their skills
5. And areas for action include:
  - reducing bureaucracy
  - matching pay to performance
  - need to deal more effectively with poor performance
  - enabling staff to contribute more before changes are made that affect their jobs.

6. All the results have been made available to staff and we are running briefing sessions too. The Executive has conducted an initial review and we will be identifying actions which we will report to staff in the autumn. The action plans from the 2011 survey have led to a programme of staff groups who have been addressing the issues raised. In addition, we have produced a new Organisation Development strategy that addresses many of the issues raised (a copy will be available at the Board meeting).

### **Improved campus catering service**

7. I am pleased that LSBU has secured a five-year contract with corporate caterer Elior to manage and operate the catering facilities across the University portfolio. Following a comprehensive tendering competition, which required seven catering providers to present how they would move the catering to another level across the Southwark and Havering campuses, Elior were selected as the University's partner. The new contract begins in September and to kick start the launch LSBU in conjunction with Elior has invested in an exciting refurbishment project of the current refectory in the London Road building creating a new restaurant space. The restaurant will be changed into a multi-zoned contemporary dining space with a newly designed food hall offering a variety of new brands that are comparable to high street food offers such as: Go! SASA, Wrap Bam Boo, Love Joe's, Umami, Heavenly Burger, British Kitchen and more will be rotated in the restaurant to keep the food choices fresh and interesting. The brands will also be available in selected catering outlets across the campus.

### **Enhancing corporate services**

8. Our Corporate Plan promised to create an environment in which excellence can thrive. Over the last few years, we worked hard to optimise our underpinning processes, systems, policies and investments in order to create an environment that enables success. At the same time we assisted our staff to develop their skills and competencies for their own benefit and for that of the university to enhance the student experience.
9. We have made real progress in improving efficiency and concentrating on our core business. We can do more. To this end, the Executive agreed to create a coherent group of corporate services that incorporates Estates, Human Resources, ICT and Residences & Catering in order to be able to provide an integrated service of excellence to internal customers.

10. Professional leadership will be a key contributing factor towards the success of the new structure and therefore we have decided to create a new post, an Executive Director of Corporate Services, who will be the executive lead for these areas. I have asked Ian Mehrtens to act as an interim Executive Director with immediate effect whilst the recruitment for this role is finalised. The new post holder will be recruited by open competition. I believe that this is an exciting opportunity to create a high quality integrated customer service which will drive excellence and ensure continuous improvement in our corporate services.

### **New Student Centre opening**

11. I am delighted to report that our Chancellor Richard Farleigh officially opened the new Student Centre, which was marked with an evening of celebrations for staff and students. Simon Hughes MP and business partners from the local Southwark community attended and the Centre was officially opened when a commemorative plaque was revealed. Students and staff were then treated to an evening of fun, which included a barbeque and special student displays and exhibitions. The £7.42 million development offers a dynamic central location where students can easily access support services and find out more about employment opportunities, as well as providing a space where they can socialise and relax. I am pleased that the state of the art design of the building by the London based architecture practice, Hawkins\Brown, was shortlisted for a RIBA and a Design Week award.

### **Deputy Mayor of London visits LSBU**

12. Kit Malthouse, Deputy Mayor of London, visited the University to find out how we engage with students and the local community through business and outreach activities. The Deputy Mayor for Business and Enterprise got a sneak peak of the new Enterprise Centre and was able to see how the previously vacant Grade II listed buildings are being transformed into a valuable resource for local businesses, opening in September. To further showcase the enterprising culture fostered at the University, the Deputy Mayor was given a product demonstration from three of LSBU's Enterprise Associates, who have developed their lines with support from LSBU's Enterprise Associate Scheme (EAS) which provides incubator space and funding for 12 months.

### **Sir Andrew Witty's review of universities and growth.**

13. I attended a meeting with Sir Andrew Witty, along with some 8 or so other Vice Chancellors, to provide inputs to his review of Universities and Growth. I made a



strong case for rebalancing the Government's policy towards recognising the importance of university support for SMEs and their local communities. I am delighted, although cannot claim credit, that the initial findings of his review place a much greater emphasis on "improving SME access to universities, including a stronger role for university business schools to provide support to SMEs". This of course reflects our own strategy.

## **Lord Ahmad**

14. I met Lord Ahmad at the House of Lords recently following an earlier meeting at one of our alumni social events. Lord Ahmad is the Conservative spokesman in the Lords on justice, local government and international development. He is an alumnus of South Bank Polytechnic.
15. He was very interested in my views on Higher Education reforms as I am generally positive and welcoming towards a more open and competitive market and the positive progress the University is making in the light of the changes. He was particularly interested in hearing about our drop in law centre and asked for more information so he could promote it. He was very supportive of what we were doing and his advice was for us to publicise ourselves more externally; we should.

## **Student success**

### *LSBU student designer wins prestigious Milan award*

16. Diana Toth, an LSBU product design student, received an award at Milan Design Week for designing a stormwater drain that will create cleaner urban environments by doubling as a receptacle for cigarette butts. Her design, 'Drain Away', is a distinctive purple colour with the familiar smoking symbol for easy recognition. The reverse incorporates a series of steep-sided gullies to catch cigarette butts whilst water can run through the integral drain holes. Road sweeper vehicles then produce enough suction power to lift up cigarette butts from the bottom of the gullies. The judges commended Diana for a design "perfectly integrated into the language and logic of the city".

### *London's Young Brightest Young Tech Entrepreneurs*

17. Anthony Francis, who graduated from LSBU with a 2:1 in Business and Administration, has been featured on the list of London's Brightest Young Tech Entrepreneurs, for the creation of the application 'Peek'— an application to meet

people using Google Campus London. Anthony discovered his entrepreneurial talent whilst studying at LSBU, which he nurtured through co-founding the student entrepreneurship society, of which he was also president.

### **Guardian league table 'added value' measure – clarification at the request of P&R Committee**

18. The Guardian 'value added' score is a weighted count of 'good degrees' (1sts and 2:1s). Institutions which award many 1<sup>sts</sup> and 2:1s score well. The University of St Andrews is top scorer on 'value added' again this year, Oxford is top ten, as are SOAS and UCL. The measure is not designed to recognise a 2:2 or 3<sup>rd</sup> degree, no matter how limited the entry qualifications of the student who gained it. In general, if you award fewer 1<sup>sts</sup> & 2:1s then unless your entry standards have correspondingly shifted to admit students with lower attainment prospects you will see you 'value added' scores come down.

### **Key Performance Indicators report**

19. The KPIs are attached in Appendix 1.

### **Vice Chancellor's Review of the Year**

20. The Vice Chancellor's review of the year is attached in Appendix 2.

### **Annual Report of the Office of the Independent Adjudicator**

21. An update to the Board on the Annual Report of the Office of the Independent Adjudicator is attached in Appendix 3.

**Appendix 1 – Key Performance Indicators Report**

## LSBU Corporate Key Performance Indicators (2010/11 - 2012/13)

Report date: 12/06/2013

### Financial Sustainability (Check all targets with RF)

KPI	2010/11 Actual	2011/12 Actual	2012/13 (Target)	Current Performance (RAG)	YoY up down
<b>Student Numbers &amp; Contracts</b>					
1 Recruitment against HEFCE contract	Within tolerance band	Within tolerance <i>(prediction)</i>	Within tolerance band	Within tolerance <i>(prediction)</i>	➔
2 Recruitment against NHS contract	Within 5%	On target	+/-5%	On target	➔
3 International student income	£10.2m	£9.6m <i>(year end result)</i>	£9.2m	£8.6m <i>(may forecast)</i>	➘
<b>Income</b>					
4 Total Income (£)	£144.0m	£138.7m <i>(year end result)</i>	£136.4m	£136.5 <i>(may forecast)</i>	➘
5 Research (non-HEFCE) income (£)	£3.4m	£2.3m <i>(year end result)</i>	£2.0m	£2.1m <i>(may forecast)</i>	➘
6 Enterprise income (£)	£8.5m	£9.2m <i>(year end result)</i>	£8.3m	£7.6m <i>(may forecast)</i>	➘
<b>Surplus</b>					
7 Total Surplus (% of income)	7.0%	4.7% <i>(year end result)</i>	1.8%	3.06% <i>(may forecast)</i>	➘
<b>Other Financial Indicators</b>					
8 Cash Balance (£)	£62.6m	£69.1m <i>(Year end result)</i>	£59.1m	£69.7 m	➔
9 Gearing Ratio	0.34	0.31 <i>(Year end result)</i>	0.37	*due at year end	
10 Days liquidity	179	203 <i>(Year end result)</i>	137	*due at year end	

### The Student Experience

KPI	2010/11 (Actual)	2011/12 (Actual)	2012/13 (Target)	Current Performance (RAG)	YoY
<b>Student Satisfaction</b>					
11 Overall Student Satisfaction - UG (NSS) *	77%	80% <i>(2011/12)</i>	90%	*due Nov	
12 Overall Student Satisfaction - PG	75%	78% <i>(2011/12)</i>	90%	*due Nov	
<b>Student Retention &amp; Progression</b>					
13 FTUG Year 1 Progression (%)	60%	63% <i>(2011/12)</i>	70%	*due Nov	
14 Graduating in intended period (FTUG 3/4yrs) (%)	53%	52% <i>(2011/12)</i>	65%	*due Nov	
<b>Value Added</b>					
15 Employment of graduates (DLHE return)* (Employed, or studying, or both)	82.4%	78.1% <i>(2010/11 cohort)</i>	90%	77.4%	➘
16 No. of first degree students obtaining 1st or Upper 2nd class degrees *	52%	56% <i>(2011/12)</i>	60%	*due Nov	
17 No. of first degree students obtaining 1st or 2nd class degrees	89%	90% <i>(2011/12)</i>	80%	*due Nov	
<b>Resource Measures</b>					
18 Spend per student (£) * (Academic Services)	£841	£940 <i>(Complete UG 2013)</i>	£1,000	£900 <i>(CUG 2014)</i>	➘
19 Spend per student (£) * (Services & Facilities)	£1,021	£1062 <i>(Times GUG 2012/13)</i>	£1,000	*due Sep	
20 Staff:student ratio *	23.3:1	22.4:1 <i>(2011 HESA)</i>	21:1	*due Sep	

### Brand Profile

KPI	2010/11 (Actual)	2011/12 (Actual)	2012/13 (Target)	Current Performance (RAG)	YoY
<b>League Table Ranking</b>					
21 The Sunday Times	120 (of 121)	118 (of 122) <i>(2012 Table)</i>	Out of bottom 5	114 (of 122) <i>(2013 Table)</i>	➔
22 The Guardian	100 (of 119)	104 (of 120) <i>(2013 Table)</i>	Out of bottom 5	113 (of 119) <i>(2014 Guide - June 13)</i>	➘
23 The Complete University Guide	116 (of 116)	109 (of 116) <i>(2013 Table)</i>	Out of bottom 5	119 (of 124) <i>(2014 Table - April 13)</i>	➘
24 The Times	113 (of 116)	111 (of 116) <i>(2012/13 Table)</i>	Out of bottom 5	*due Sep	
<b>Subject League Tables (The Guardian)</b>					
25 No. of subjects in top 75% nationally	5 (of 18)	5 (of 17) <i>(2012/13 Tables)</i>	5 (of 15)	3 (of 21)	➘
26 No. of subjects in top 50% of post-1992	4 (of 18)	3 (of 17) <i>(2012/13 Tables)</i>	5 (of 15)	2 (of 21)	➘
27 No. of subjects in top 50% of post-1992, London	6 (of 18)	3 (of 17) <i>(2012/13 Tables)</i>	5 (of 15)	4 (of 21)	➔
<b>Student Perceptions</b>					
28 Early : late applications (% of FTUG enrolments arising from early/late applications)	75:25	74:26 (2011/12)	80:20	*due Nov	
29 Financial support from donors (cash received, £)	£2.5m	£1.5m (2011/12)	£1.6m	£1.35m <i>(2012/13 forecast)</i>	➘
<b>Staff Perceptions</b>					
30 Staff Satisfaction survey participation	NEW	62%	70%	52%	➘

\* Key league table measure

<b>KPI Notes: Measure Overview</b>	<b>Data date &amp; Source</b>	<b>Notes</b>
1-10 Financial performance	Nov to Sep: LSBU Management Accounts	Forecast data updated after each month end period Final figure provided after audit & year end in Sep.
<b>Student Satisfaction</b>		
11 Overall Student Satisfaction - UG (NSS)	Oct/Nov: Ipsos Mori National Student Survey	
12 Overall Student Satisfaction - PG	Oct/Nov: LSBU PG Taught Survey	
13 FTUG Year 1 Progression (%)	Oct/Nov: LSBU Cognos PAT Reports	
14 % Graduating in intended period (FTUG 3/4yrs)	Oct/Nov: LSBU Registry Analysis	
<b>Value Added</b>		
15 Employment of graduates (% Employed, Studying, or both)	July: Hefce DLHE survey	LSBU has fallen by just over half a percentage point, to 77.4% of graduates in work or study
16 No. of first degree students obtaining 1st or Upper 2nd class degrees *	Oct/Nov: LSBU Registry Analysis	
17 No. of first degree students obtaining 1st or 2nd class degrees	Oct/Nov: LSBU Registry Analysis	
<b>Resource Measures</b>		
18 Spend per student (£) * (Academic Services)	April/May: 'Complete University Guide'	
19 Spend per student (£) * (Services & Facilities)	June/July: Times 'Good University Guide'	
20 Staff:student ratio *	June/July: HESA data publication	
<b>League Table Ranking</b>		
21 The Sunday Times	September: The Sunday Times Newspaper	
22 The Guardian	June: The Guardian Newspaper	LSBU has moved down to 113 in the 2014 table & the total number of universities is now back to 119. Released 4 June 2013.
23 The Complete University Guide (formerly <i>The Independent</i> )	April: Complete University Guide website	LSBU is still outside the bottom 5, but # of institutions included has increased to 124 in the 2014 guide, released in April 13.
24 The Times	Sep: The Times Newspaper	
<b>Subject League Tables (The Guardian)</b>		
25 No. of subjects in top 75% nationally	June: The Guardian Newspaper	Top 75% in 'Nursing & Paramedical Studies', 'Social Work' and 'Sports Science'
26 No. of subjects in top 50% of post-1992	June: The Guardian Newspaper	Top 50% of post-1992 in 'Nursing & Paramedical Studies' & 'Sports Science'
27 No. of subjects in top 50% of post-1992, London	June: The Guardian Newspaper	Top 50% of post-1992, London in 'Architecture' 'Social Work' & 'Sports Science' & 'Nursing & Paramedical Studies'
<b>Student Perceptions</b>		
28 Early : late applications (% of FTUG enrolments arising from early/late applications)	Oct/Nov, Registry Analysis	
29 Financial support from donors (cash received, £)	Oct/Nov, Development Office	
<b>Staff Perceptions</b>		
30 Staff Satisfaction	Survey: May 2013 3rd Party	Result indicates the percentage of staff that took part in the survey

## **Appendix 2**

### **Review of the year 2012/13**

#### **Introduction**

1. We faced a difficult year with the introduction of higher fees and the inevitable uncertainty that caused. The sector was expecting a fall in applications particularly compared to the previous year when students applied in greater numbers than normal to avoid the higher fee regime. The actual consequence was much as expected for full time undergraduates with a drop in numbers below normal, but we performed better than the sector average. However, the drop could have been much worse and it is clear that the increased fees did not unduly dissuade students from poorer backgrounds; something we had in fact believed would be the case. Nevertheless, we did not expect to see such a significant drop in part time students considering the new fees policy did allow them to obtain a loan for the first time. We believe that the weak economy has put off mature students from increasing their debt whereas we had thought that the new loan for part time students would increase numbers.

#### **Finance**

2. After three years of high surpluses we were expecting, as a result of the drop in new students and the fall-off of previous large cohorts, to see a substantial drop in our surplus for the year. In part this has happened but we have managed to claw back our position to one where we expect to achieve a respectable surplus.
3. We have also been able to prepare a compliant budget for 2013/14 which includes adequate contingency, and our balance sheet remains strong.
4. The latest HEFCE benchmarking is showing that we are in the top third of universities for financial performance.

#### **League tables**

5. We have seen a drop in our league table positions in the Complete University Guide and the Guardian; the former due to new specialist colleges entering above us and the latter due to a drop in our good honours performance and student satisfaction not increasing as much as the competition. These are disappointing but we remain out of the bottom five places and many of the weaknesses are factors we have already addressed; employability, student satisfaction, etc. Some factors are

determined by our mission. We remain the top modern university in London for graduate prospects.

## **Employability**

6. Employability is a key outcome for us. In terms of getting graduates into graduate level jobs we do reasonably well. But the DELHE survey just counts any job, and in that we are at the bottom. Some of this is due to the makeup of our student body, some owing to the fact that we are not counting employability figures to our benefit, and some because we need to strengthen our employability programmes. This year we have introduced new employability programmes. The 'Job Shop' and 'Career Gym' in the new Student Centre opened for business at the beginning of the month and are already attracting employers into the University to meet with current students and recent graduates.
7. The 'Job Shop' is focused not only on advertising vacancies, but also on increasing take-up of volunteer roles and internships, of which we are attracting a growing number. The 'career gym' is focused on CV enhancement, and on growing the necessary 'additional' skills for students seeking employment. We are attracting employers in to deliver workshops and to run model interview and assessment panel days as well as increasing awareness of the range of opportunities available to individual courses and their graduates. We will see activity building towards two employer sessions per week during the new academic year (in term time).
8. The Students' Union is working in partnership with Student Services to focus more student attention on employability and volunteering. A key aspect of this strategy will be to have more student-led sessions and to encourage experienced students (and alumni) to act as mentors to less-experienced students. All UK undergraduate students will have a mentor by their final year of study, and will have work experience opportunities organized for them within 6 months of graduation.
9. Lastly, our 'Skills for Learning' team is being focused more strongly on developing the core skills that aid employability, particularly with regard to written communication and numeracy. We have been discussing the opportunity to develop some areas of this work in the delivery of generic MOOCs (massive open on-line courses) which would support activity across the entire student body, and increase the profile of skills development for all students.

## **Estates**

10. The Student Centre opened last November and has proved to be a great success particularly through bringing together the student union and student support services in one place. The students now have a place of their own to be proud of.
11. The terraces restoration is nearing completion with a high build standard and will significantly improve the look and feel of the campus as well as providing an excellent home for the Enterprise Centre.
12. We have out-sourced, from the 1st August, the catering at both Southwark and Havering to Elior. As part of the contract they are investing some £500k in modernising the main London Road canteen as well as guaranteeing a financial return to the University and a much improved catering offer.
13. As part of our strategy to improve sports provision we have secured substantial external funding to build a new public entrance to our London Road sports centre. This will allow our centre to be open to the public and in exchange our students will be able to use the new sports facilities in the Borough, which will increase the range of facilities available to students.
14. We have developed longer term plans for the rebuilding of the campus on the north-west corner of the campus. This could potentially replace the library, Technopark and London Road and provide in addition a new creative arts centre. The only part of the site we do not own is Hugh Astor Court, and the owners, the Peabody Trust, are very positive about selling the freehold to the University. This will remove the last obstacle to realising our longer term plans.
15. The library is currently undergoing major modifications to give a modern and more effective entrance and book return facilities as well some 90 extra social study places.

## **Enterprise**

16. Commercially, we have seen some strong progress. Following a lull in activity caused largely by external factors outside our control, we have now successfully re-launched our KTP programme through an active campaign of marketing, events and targeted business engagement. The response has been very positive and we are confident that we will be able to rebuild our position of success in the KTP programme. The new structure of the team integrates business development of KTP with the business development of our wider portfolio of commercial research and consultancy even more tightly than previously allowing us more cost effectively to identify opportunities across our offer. This is already bringing commercial benefit.



Elsewhere, we have now successfully completed two semesters of the new ACCA programme, generating income of over £100k for the University. We have just launched recruitment for September in the second year of the programme and anticipate continued growth in numbers. We have also expanded the offer to include the AAT (accounting Technician) qualification, and are also recruiting the first intake to this programme to begin in September.

17. Moreover, we have started developing the 16-20 Challenge programme to identify opportunities across which, over 5 years, have the potential to generate up to £24m in additional income. We have begun to priorities these opportunities and are already working to deliver the highest priority ones which include delivering top-ups to first degree to colleges in international markets offering Edexcel HND and similar qualifications and developing a comprehensive portfolio courses for both professional qualifications and for CPD across the University.
18. In Student Enterprise, we have expanded our schemes to increase our reach into the student population, doubling the size of our bursary schemes. We have also significantly expanded our guest lecture series, aiming to reach 60% of our student population. In addition, we have created an Enterprise Network of local businesses that are increasingly becoming engaged in our student enterprise activity. For example, we have successfully launched a series of guest lectures, featuring high profile external speakers, which provide an effective opportunity for our student entrepreneurs to network with local business leaders. We have additionally sponsored Institute of Directors' membership for all our student entrepreneurs and they have been active in exploiting the opportunities this affords them to meet successful business leaders from across London.

## **Academic**

19. During the year we launched our strategy for 'Technology Enhanced Learning' which was approved by the Academic Board at its recent meeting. This will build on our commitment to a new virtual learning system called Moodle, which will replace the current Blackboard system which lacks the ability to meet the needs of modern students, and will be introduced for the 2014 academic year. Moodle allows students to access their academic content on any platform they choose. This will increase students' ability to study in ways that fits in with the constraints of their private lives. This is part of meeting the changes signalled in the Corporate Plan to a more flexible style of learning.
20. We have also been exploring innovative mode of delivery such as the Saturday only degree in business.

## **Student recruitment**

21. I am pleased that this year we are seeing a strong performance with applications ahead of the sector for Full Time Undergraduates coupled with substantial increase in EU applications. More encouraging still is that the firm acceptances are up for full time undergraduates by 23%. Our current expectation is that we will be going into clearing with a much reduced recruitment target, half that of last year.
22. Part time Postgraduate is the only area of weakness with firm acceptances down 10% (20 students down on this time last year). It is interesting that the Government has announced it is reducing the National Scholarship Programme for UG and moving to support disadvantaged postgraduate students, a plan we strongly support.
23. International firm acceptances are also significantly up on last year by over 53%. We have definitely turned the corner on international recruitment.
24. Both EU and International improvements have been driven by the new strategy introduced last year.

## **Academy School**

25. I am pleased to report that our Academy School is now formally established as a trust and we have appointed the new principal. The school will be called the University Engineering Academy South Bank and will open in September 2014.

*Martin Earwicker*  
*Vice Chancellor and Chief Executive*

## **Appendix 3**

### **Annual report of the Office of the Independent Adjudicator**

The Office of the Independent Adjudicator (OIA) is an independent body set up to review student complaints. The service is free to students. The OIA deals with individual complaints against Higher Education Institutions in England and Wales. Under the the Higher Education Act 2004, LSBU is required to participate in the OIA Scheme and comply with the Rules of the OIA Scheme.

The OIA published its annual report on 13<sup>th</sup> June 2013, which contained the following reference to LSBU:

#### **“London South Bank University**

At its 41st meeting on 22 March 2013 the OIA Board agreed unanimously with the Independent Adjudicator’s recommendation to publish details of non-compliance by London South Bank University.

The Independent Adjudicator’s decision relates to the University’s management of an appeal brought by a student on grounds of extenuating circumstances. In its Formal Decision the OIA had found the student’s complaint to be Partly Justified on procedural grounds. The University had not provided the student with information presented by the Faculty to the appeal panel and had not given the student the opportunity to attend in person.

We recommended that the University re-hear the appeal within a specified time frame, and that the student be given the opportunity to attend the appeal hearing in person. The University did not follow the formal Recommendations included in the OIA’s decision on the case. The student attended an initial re-hearing but was not given the opportunity to attend when this was reconvened. Information presented by the Faculty following the initial re-hearing was not provided to the student. Furthermore the re-hearing was not set up within the specified time frame.

The repetition of failures identified in the OIA’s Formal Decision served to compound the failure of the University to comply with our Recommendations.”

The OIA's report relates to one undergraduate law student who was enrolled at LSBU in 2005. The executive considers that the particular case is an unfortunate and highly exceptional matter.

In brief, facts of the particular case relate to a sequence of attempts by the student, starting in July 2006, to complete one of the modules on the undergraduate law degree. The question for the academic appeals panel is whether an allowance should be made on the ground of "extenuating circumstances". The student has attempted and failed the module six times.

The student lodged two complaints to the OIA about the case. The OIA found both cases to be "partly justified". In its second decision, the OIA recommended that LSBU re-hear the appeal. LSBU re-heard the appeal. Unfortunately, LSBU's material non-compliance was to not have invited the student to a re-convening of the panel as part of this re-hearing.

LSBU's primary concern has been that of the student. LSBU has never intended to wilfully ignore the OIA's recommendations.

The particular case is still in progress and the academic appeal is "part-heard", with the final part of the hearing to be arranged shortly in co-operation with the student. The executive believes that the re-heard appeal will comply fully with the OIA's requirements.

The particular case must be viewed in the context of LSBU's overall OIA caseload and student population.

The following statistics are from the OIA's first annual letter dated 21<sup>st</sup> September 2012, which relates to the calendar year 2011. The following matters are relevant:

- i) LSBU is in OIA "band F" with 24,280 students (23,225 in 2010).
- ii) LSBU issued 292 (band average 101.7) (238 in 2010) "completion of procedures letters" to students (these letters are issued by LSBU to the student once they have completed their academic appeal or the internal complaints procedure).
- iii) OIA received 53 complaints (band average 18.8) (40 in 2010) from LSBU students, with completion of procedures letters dated that year.

iv) OIA closed 52 complaints (band average 17.3) (30 in 2010) which were decided as follows with the university band average in brackets:

- o not eligible 2 (2.4)
- o justified 3 (0.8)
- o partly justified 9 (2.1)
- o not justified 26 (10.0)
- o settled 9 (1.1)
- o suspended or withdrawn 3 (0.9)

The executive regrets that a technical procedural oversight has occurred in the particular case. It has assured the OIA and HEFCE that LSBU takes its responsibilities in relation to the OIA extremely seriously.

The following action is being taken:

- a. The Vice Chancellor is meeting the OIA's Chief Executive and Deputy Adjudicator at LSBU on 18<sup>th</sup> July 2013 to discuss LSBU's aim for continuous improvement in this area and general points of best practice.
- b. The Pro Vice Chancellor (Academic) is conducting a review of the process for academic appeals so that changes may be incorporated into the Academic Regulations in force for the next academic year 2013/14.
- c. The internal auditors, PriceWaterhouseCoopers, will review the academic appeals and OIA processes. A scoping meeting will take place on 16<sup>th</sup> July 2013.
- d. At its meeting of 9<sup>th</sup> July 2013, the executive will discuss the treatment of "extenuating circumstances" in the Academic Regulations.
- e. The Audit Committee and the Educational Character Committee will be updated on progress.

At the board meeting on 18<sup>th</sup> July 2013, the Vice Chancellor will provide a verbal update on the discussion with the OIA taking place earlier that day.

	PAPER NO: BG.37(13)	
Board	Board of Governors	
Date:	18 July 2013	
Paper title:	Student Recruitment Update – September 2013	
Author:	Tere Daly, Head, Student Recruitment and Partnerships (UK and EU) Jennifer Parsons, Director, Internationalisation	
Executive sponsor:	Bev Jullien, Pro Vice Chancellor (External)	
Recommendation by the Executive:	To discuss and note the progress towards achieving recruitment targets for the September 2013/14 intake	
Aspect of the Corporate Plan to which this will help deliver?	Student choice	
Matter previously considered by:	Policy and Resources Committee	On: 3 July 2013
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	N/A	

### Executive Summary

- Recognising that LSBU is a late recruiting University, and that we expect to recruit a significant proportion of our students through Clearing, all the signs so far are that we are tracking to achieve the recruitment of full time undergraduates up to the top of the SNC Band – 2900. Currently, firm acceptances are +24% compared to this time last year, and it is forecast that we will go into Clearing offering some 1000 places, compared to 1800 last year
- This improved performance is driven partially by an improved volume of applications, but largely by a significantly enhanced conversion rate
- Post graduate recruitment full-time is progressing steadily, showing growth compared to last year
- International firm acceptances year to date are up 62% on the same period last year. Whilst the uncertainties around UKBA policies remain, all the indications are that growth in new student numbers will be achieved this cycle
- Part-time recruitment, both undergraduate and post-graduate, remains slow
- Looking across all recruitment sectors, numbers indicate that overall LSBU is on target to achieve its objectives for 2013/14
- An update with the latest figures will be given at the meeting.



## Performance to Date – Home and EU

LSBU continues to track ahead of the national trend and competitor group for applications for undergraduate fulltime, although the rate of growth has slowed:

	2011	2012	2013	% Change 2011/2013	% Change 2012/2013
LSBU Applications	23,808	21,629	22,306	-6.31%	3.13%
UCAS Applications (Nationally)	2,825,253	2,615,429	2,686,453	-4.91%	2.75%
Competitor Applications	173,477	154,025	147,117	-15.20%	-4.48%

What is encouraging is that the level of firm acceptances is significantly ahead of this (+24%), indicating significant improvement in conversion, and there is growth in post graduate full-time:

Level	Firms (UF and CF) - CYTD	Firms (UF and CF) - LYTD	% Change	Offers (UO and CO) - CYTD	Offers (UO and CO) - LYTD	% Change	Total Applications (CYTD)	Total Applications (LYTD)	% Change
UNDERGRADUATE (FULL-TIME)	797	599	33%	18	26	-31%	9638	8990	7%
UNDERGRADUATE (FULL-TIME - SNC Only)	1695	1367	24%	322	321	0.3%	10741	10337	4%
UNDERGRADUATE (PART-TIME)	131	132	-0.8%	110	110	0%	524	492	6.5%
POSTGRADUATE (FULL-TIME)	469	457	2.6%	206	269	-23%	3355	3255	3.1%
POSTGRADUATE (PART-TIME)	154	166	-7.2%	53	69	-23%	358	397	-9.8%

Growth in applications from the EU continues to be strong, following the increased focus last year:

	2011	2012	2013	% Change 2011/2013	% Change 2012/2013
UK Applicants	21,847	19,984	20,329	-6.95%	1.73%
EU Applicants	1,082	838	1,126	4.07%	34.37%



- If our current performance in undergraduate full-time continues, this suggests we will enter clearing with a significantly reduced number of places available (we are estimating 1,000 places will be available moving into Clearing, in comparison to approximately to 1,800 last year) and we will be on track to deliver to the upper end of the permitted SNC number (2900) compared to 2500 new starters last year
- **Performance by programme:**
  - BA (Hons) English with Creative Writing and BA (Hons) Film Studies have maintained their increase in Firm acceptances (over 100% in comparison to last year)
  - Law continues to see both applications and acceptances increase – anecdotal feedback from the recruitment team suggest that this has been widely welcomed and prospective students can make more sense of the programmes because of the new naming convention
  - BA (Hons) Accounting And Finance is seeing a resurgence with applications and acceptances up across the board
  - BA (Hons) Architecture is still progressing slowly against last year, however had a significant number of offers pending decisions
  - Undergraduate business studies continues to be problematic
- **Postgraduate** . The cycle is later than for undergraduate. Full-time growth is encouraging, but part-time is below this time last year. An active campaign started in April, and the Faculty of Business have also invested to add two additional resources to work alongside the recruitment team with postgraduate conversion activities.

## Ongoing Action plan – all programmes

The main recruitment period for undergraduate programmes was in 2012 and now our focus is now on conversion activities in conjunction with faculties. Activities to build the undergraduate full time applicant pool for 2014/15 started this month, with record attendance at the Open Day.

The EU market is an area for continuing development, based on the success so far. Detailed analysis has been conducted on each market, and a tiered approach developed, with 60% of resource invested in Tier 1 countries, which include Bulgaria, France, Germany, Ireland, Italy, Romania and Sweden. In addition, there is a programme of work ongoing with Tier 2 countries, which include : Austria, Belgium, Cyprus, Denmark, Hungary, Netherland, Poland, Portugal and Spain.

Postgraduate activities increased from April 2013 with the launch of the new Postgraduate campaign.

Other ongoing Activities include:

- Open days and events, with the introduction of “Applicant Days” for students who have already applied and “Head Start” days for students who have already accepted, with a focus on conversion
- Employer sponsor contact and follow up is being conducted systematically by the Faculty and / or central team, focusing on part-time students. A university-wide strategy is being prepared to ensure a fully coordinated approach is maintained and supported
- The “keep warm” programme is ongoing, and includes telephone contact with all students potentially eligible for the scholarship programme
- A Clearing Steering Group has been created and lead by the Marketing and Student Recruitment team, to ensure that early preparation for this significant recruitment period is exploited

- Preparation is well advanced to launch an increased programme of second semester starts, which will include undergraduate business programmes suitable for both home and international students
- A Saturday only 3 year degree for business has been launched, which will count as a part-time programme. Recruitment for this is expected towards the end of the cycle
- The local community programme aimed at mature and part-time students has not had the hoped for uptake – the team is reviewing the programme, and it is likely that we will further reduce resource in this area, to focus more strongly on younger students

## International

Year to date, there is a very strong increase in firm acceptances, up 62% compared to last year:

Level	Firm Acceptances (CYTD)	Firm Acceptances (LYTD)	% change	Unconditional and conditional Offers (CYTD)	Unconditional and conditional Offers (LYTD)	% change	All Offers/ Acceptances (CYTD)	All Offers/ Acceptances (LYTD)	%
<b>TOTALS</b>	<b>904</b>	<b>558</b>	<b>62</b>	<b>1,152</b>	<b>967</b>	<b>19</b>	<b>2,056</b>	<b>1,525</b>	<b>35</b>
UG	161	98	<b>64</b>	439	341	<b>29</b>	600	439	<b>37</b>
PG	725	458	<b>58</b>	712	625	<b>14</b>	1,437	1,083	<b>33</b>
OTHER	18	2	<b>800</b>	1	1	<b>0</b>	19	3	<b>533</b>

This is across all Faculties, including Business and ESBE, which represent higher value students than AHS, which generated the majority of new student growth in 2012/13. This suggests that for new students the forecast increase in revenue for 13/14 is credible.

The increase is due to a significantly improved engagement programme with agents, enhanced and more targeted marketing and a revision of agent terms

There is a good mix of countries, with Nigeria and India, having been prioritised, coming through as well as UK based international students.

Over the next 2 months there is an extensive visit programme to markets, to generate conversion, and a strong programme of “keep warm” activities

An enhanced programme has started with China, including a much more extensive agent network and priority for Tier 2 and Tier 3 cities. The main benefit of this programme is expected to come through from 2014/15

The biggest risk remains the uncertainty around UKBA activity

	PAPER NO: BG.38(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	Management Accounts summary to 31 May 2013	
Author:	Ralph Sanders, Financial Planning Manager	
Executive sponsor:	Richard Flatman, Executive Director of Finance	
<b>Recommendation by the Executive:</b>	The Board is requested to note the current financial position and full year outlook	
Aspect of the Corporate Plan to which this will help deliver?	Financial Performance	
Matter previously considered by:	Policy & Resources Committee	On: 3 July 2013
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?		

### **Executive summary**

This paper provides an update on both the Management Accounts summary for the period ending 31 May 2013 and the forecast financial outlook for full year 2012/13.

As a result of changes in both the Undergraduate funding regime and the introduction of a new visa regime for overseas students, this year has been challenging in terms of recruitment for both this University and the wider sector. This was not unexpected and as previously reported, in addition to the baseline budget, the University reported 2 scenarios to the Board, 'Possible' and 'Pessimistic'. In terms of surplus the University is currently trending ahead of Scenario A with a forecast surplus of £4.2m.

The Board is requested to note the revised full year outlook.

## 2012 / 13 Budget

1. The original 2012/13 budget as presented to the P&R Committee assumed as a baseline that the University would achieve its student recruitment targets. It was however recognised that there was a high level of recruitment risk this year due to the introduction of a new funding regime for Home & EU Undergraduate students and the introduction of a new Tier 4 visa regime by the UK Border Agency during 2011/12.
2. The University recognised the risk in this year's recruitment cycle by outlining 2 potential alternative recruitment scenarios as follows:

	<b>Description</b>	<b>Income (£'M)</b>	<b>Surplus (£ 'M)</b>
Baseline Budget	Optimistic	£142.4	£7.2
Scenario A	Possible	£137.6	£3.4
Scenario B	Pessimistic	£135.8	£1.6

3. At the time of review in July 2012, approval was on the basis that there would be a mid- year review when there was more clarity on student numbers and likely income flows.

## Revised Income Forecast

4. After the mid-year review, our forecast income from academic fees, after adjusting for fee waivers, had reduced by a net £6.7M compared with baseline budget. As previously indicated there was still an element of risk in our forecast due to assumptions about the number of students starting in the second semester.
5. In March 2013 we received notification from HEFCE in terms of our block grant settlement for 2012/13. This was £0.5M favourable compared to the expected position due to additional funding for better than expected level's of progression from 'old regime' undergraduate students. The faculty of Health has generated additional income particularly from CPPD contracts and the faculty of Business had some success particularly with additional Overseas Postgraduate recruitment and so our income forecast is now £136.9 for the year which places us ahead of scenario B.

6. There continues to be an element of risk in our income forecast particularly with regard to students withdrawing and we are active in our management of credit control to ensure that this due income is received. We are now fully provided with regard to fee waivers and are confident that our average fee for new regime undergraduate students will be just below £7,500

### Revised Surplus Forecast

7. Our income is £5.6M behind budget and that has a direct impact on the surplus that the University is now forecasting. Our surplus however is now trending towards £4.2M which is £3.0 M below target.
8. This represents a saving of £2.6M in expenditure compared to budget.
9. Given the risk still inherent within our income streams the University will continue to look for actions to improve our financial outturn but without impacting our long term gains in student retention and NSS scores.
10. These have included:
  - reducing the in year Investment fund from £3M to £2M (in previous years the investment fund was set at £1m for the year although it was increased this year to £3m. The level of funds committed YTD in 2012/13 is approximately £1.5m)
  - identifying immediate actions to capture savings in excess of £2M that will not impact the student experience.

Forecast Changes		£ 'M
Original Budgeted Surplus		£7.2
Reduction In Fee income	(£7.5)	
Increase in other income	£1.9	
Reduced investment fund	£1.0	
Other savings to date	£1.6	
Reforecast Surplus		£4.2

11. In terms of short term viability we are in a surplus position overall but recognise that this year's forecast level of surplus at 3.1% of income will not be enough to finance future capital investment and maintain our long term sustainability. As a result, our continuing focus is to identify actions that can be taken to generate savings or revenues that will not impact the student experience.
  
12. In the longer term, our focus will continue to be on other areas of income generation and on ensuring that our portfolio of programmes and courses is suitable for the emerging marketplace.

## May 2013 Executive Summary

This Executive Summary reports on the Financial position of London South Bank University as at May 2013 and summarises the changes since the April Forecast

1

The Full Year Forecast as of May 2013 continues to trend towards a contribution of £4.2M. This is broadly in line with the April Forecast and keeps us just ahead of the December 2012 Full Year Forecast which had a forecast surplus of £4M. The key drivers for the change in surplus this month are the release of additional funds from HEFCE for the National Scholarship Programme, an increase in Forecast income from the Faculty of Health & Social Care relating to CPPD income and an increase in forecasted Post Graduate income following a review within the faculty of Business. In terms of expenditure, we have increased our Bursary provision to ensure that Graduation Bursaries are fully provided for.

2 In terms of income, the University is £5.6M short of budget and this shortfall is driven by under recruitment particularly with regard to undergraduates. As per Appx 3B the shortfall against budget is £4.6M for Home / EU and £0.5M for Overseas undergraduates. There is also a significant shortfall against Home / EU Postgraduate income of £2.1M against budget. Overseas Postgraduate Income is ahead of budget after a review led by the Faculty of Business. Our Income forecast is now fairly robust since we have passed the final trigger point for SLC moneys for new regime students. The key potential impact on income will be the level of additional Fee Waivers required to keep our average UG Fee income below £7,500

3 The forecast reflects the commitment to the Board that we would look for opportunities across the organisation for increased revenue and potential savings, without reducing capability or NSS scores. The University is still trending towards savings against budget of £3.0M primarily driven by staff savings against budget and a reduction of £1M in our investment pot. The Staffing forecast in May represents an increase of just 0.5% against our 2011 /12 out turn. The monthly movement of £0.2M from exceptional represents investments from the investment pot that now appear in other budget lines

In order to ensure comparability with previous years, we are currently moving the fee waivers from the centre to the faculties. This will not impact the overall levels of profitability but may depress the % contribution. We are currently hold a remaining provision of £875k for new regime Fees. We have now confirmed with HEFCE the appropriate methodology for calculating the average fee and are confident that this provision will be adequate.

### 4 Table 1: Full Year Forecast vs. Budget

Financial Summary in £'m					Monthly Move	11 / 12			12 / 13			variance to YTD Budget
	11 / 12 Actual	12/13 Budget	Apr 12 / 13 FYF	variance to Budget		Actual YTD	Budget YTD	Actual YTD	variance to Budget			
Funding Council Grant	45.4	33.2	34.2	1.0	0.4	34.6	1.4	36.3	27.7	28.7	1.0	
Academic Fees & Support Grants	74.7	92.3	85.0	-7.3	-0.1	84.8	-7.5	70.2	87.5	81.1	-6.4	
Research Grants & Contracts	4.1	3.9	3.0	-0.9	0.0	3.0	-0.9	3.5	3.3	2.6	-0.7	
Other Operating	13.9	12.7	13.9	1.1	0.1	14.0	1.3	11.0	11.1	12.3	1.3	
Endowments & Interest	0.7	0.3	0.4	0.1	0.0	0.5	0.1	0.4	0.3	0.4	0.1	
<b>Income</b>	<b>138.7</b>	<b>142.5</b>	<b>136.5</b>	<b>-6.0</b>	<b>0.4</b>	<b>136.9</b>	<b>-5.6</b>	<b>121.4</b>	<b>129.7</b>	<b>125.1</b>	<b>-4.6</b>	
in £'m												
Staff Costs	74.9	77.4	75.4	2.0	-0.1	75.3	2.2	61.6	64.5	62.0	2.5	
Depreciation	8.0	8.7	8.0	0.7	-0.0	8.0	0.7	6.8	7.3	6.5	0.7	
Operating Expenses	42.3	40.9	41.5	-0.6	0.8	42.3	-1.3	28.7	31.2	29.7	1.4	
Interest Payable	4.0	4.9	5.0	-0.0	0.0	5.0	-0.0	3.4	4.1	3.0	1.1	
Exceptional Items	2.9	3.2	2.4	0.8	-0.2	2.2	1.0	0.0	2.6	0.0	2.6	
<b>Expenditure</b>	<b>132.2</b>	<b>135.3</b>	<b>132.3</b>	<b>3.0</b>	<b>0.4</b>	<b>132.7</b>	<b>2.6</b>	<b>100.4</b>	<b>109.7</b>	<b>101.3</b>	<b>8.4</b>	
<b>Surplus for the year</b>	<b>6.5</b>	<b>7.2</b>	<b>4.2</b>		<b>0.0</b>	<b>4.2</b>	<b>-3.0</b>					
<b>Surplus as % of income</b>	<b>4.7%</b>	<b>5.1%</b>	<b>3.1%</b>			<b>3.1%</b>		<b>82.2%</b>	<b>83.4%</b>	<b>82.4%</b>	<b>YTD % Staff Costs</b>	
<b>Staff cost as % of income</b>	<b>54.0%</b>	<b>54.3%</b>	<b>55.3%</b>			<b>55.0%</b>		<b>67.7%</b>	<b>76.1%</b>	<b>70.4%</b>	<b>YTD % Opex</b>	

## 5 Risks and Contingencies

The Full Year Forecast contains a number of risks particularly with regard to old regime bursaries. We have made a provision of £2.7M for old regime bursaries and are confident that this amount will be adequate. In terms of additional contingencies, we are still holding a £0.5M Opex contingency, a restructuring provision of £1.5M and an FRS 17 contingency of £1M. In terms of the investment pot we have currently made revenue awards totalling £1.5M and have £500K remaining. This month, we have also taken a provision of £480K for bad

In terms of staff costs, these are currently running at 82.4% of forecast which is better than the position at the end of April 2012. In terms of operating expenses however, we have spent 70.4% of our full year forecast, this is significantly ahead of the same position last year where we had spent just 66.6% of our final year out turn at this point. We are currently monitoring expenditure to ensure that departments do not overspend against budget.

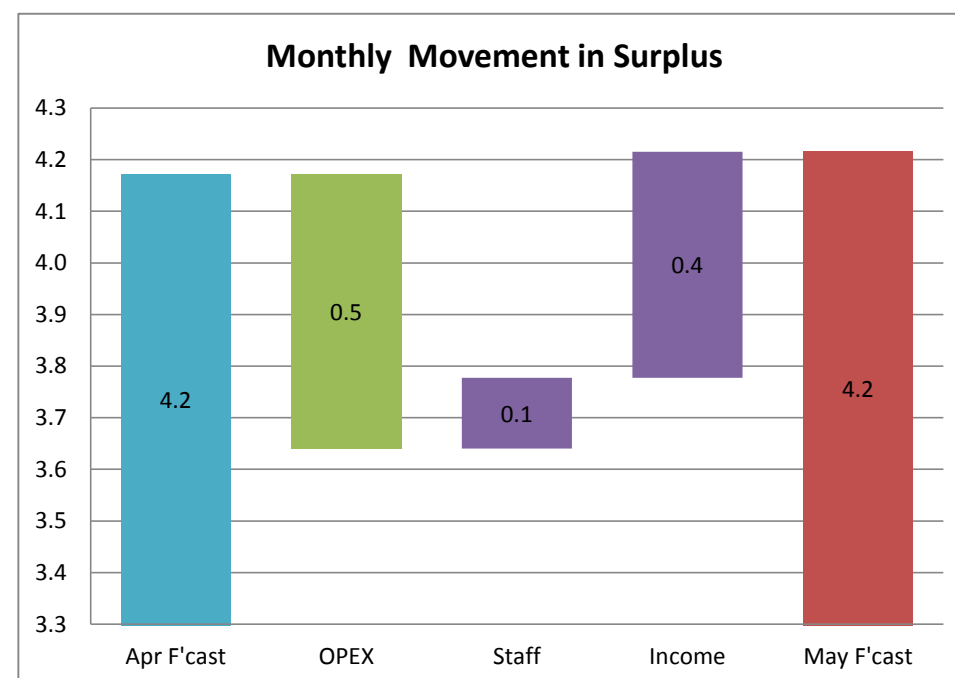
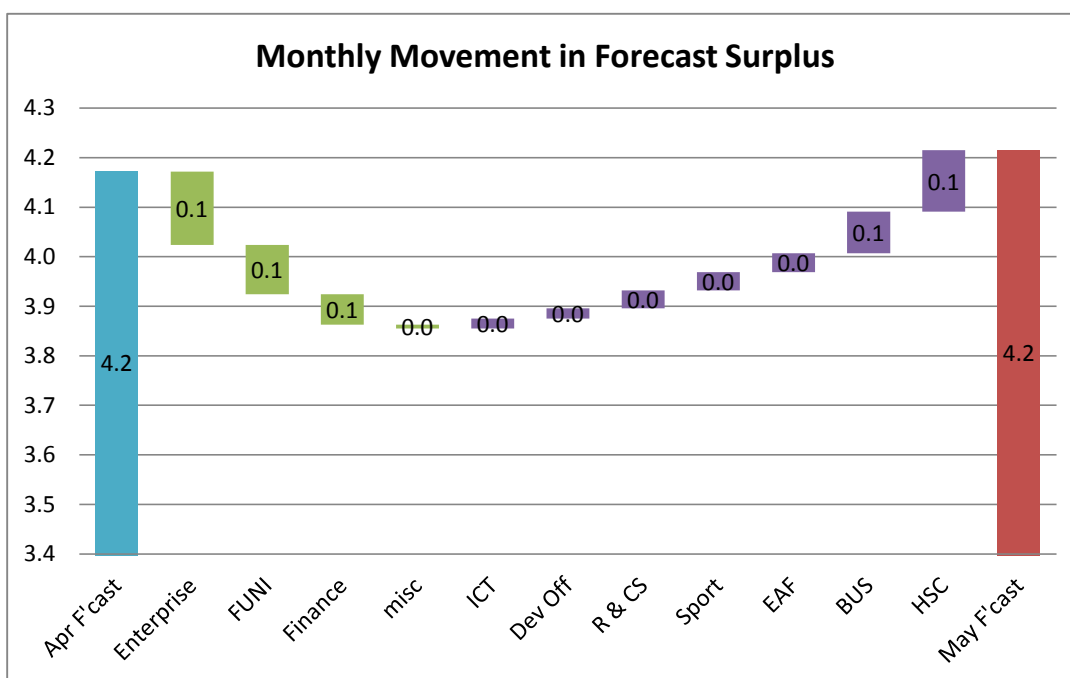
## 6 Academic Fees analysis

in £'m	11 / 12 Actual	12/13 Budget	Apr 12 / 13 FYF	Monthly Move	May 12 / 13 FYF	variance to Budget	in £'m	11 / 12 Actual	12/13 Budget	Apr 12 / 13 FYF	Monthly Move	May 12 / 13 FYF	variance to Budget
Home & EU Fees - UG	26.8	41.6	37.6	-0.5	37.0	-4.6	Overseas Fees - UG	6.4	5.8	5.4	0.0	5.4	-0.5
Home & EU Fees - PG	4.9	9.4	7.1	0.2	7.3	-2.1	Overseas Fees - PG	3.2	3.4	3.2	0.2	3.4	0.1
<b>Total Home &amp; EU Fees</b>	<b>31.8</b>	<b>51.0</b>	<b>44.7</b>	<b>-0.4</b>	<b>44.3</b>	<b>-6.7</b>	<b>Total Overseas Fees</b>	<b>9.6</b>	<b>9.2</b>	<b>8.6</b>	<b>0.2</b>	<b>8.8</b>	<b>-0.4</b>

Student numbers are included in Appendix 1. The University continues to decline in terms of student headcount, however in terms of Full Time Equivalents the numbers are broadly comparable with the 2011 / 12 out turn. This potentially represents a decline in the number of students studying on a part time basis and a switch towards a more full time mode of study.

In terms of fees, the level of undergraduate income is skewed by the move to the new fee regime, in terms of postgraduates we are forecasting a 48% increase in the level of fees from Home and EU students as compared to the 2011 / 12 out turn. There is a slight increase in the level of post graduate fees from Overseas students and our overall level of Overseas income is approximately 8% down on our 2011 / 12 out turn. This decline is particularly marked in the faculty of Business.

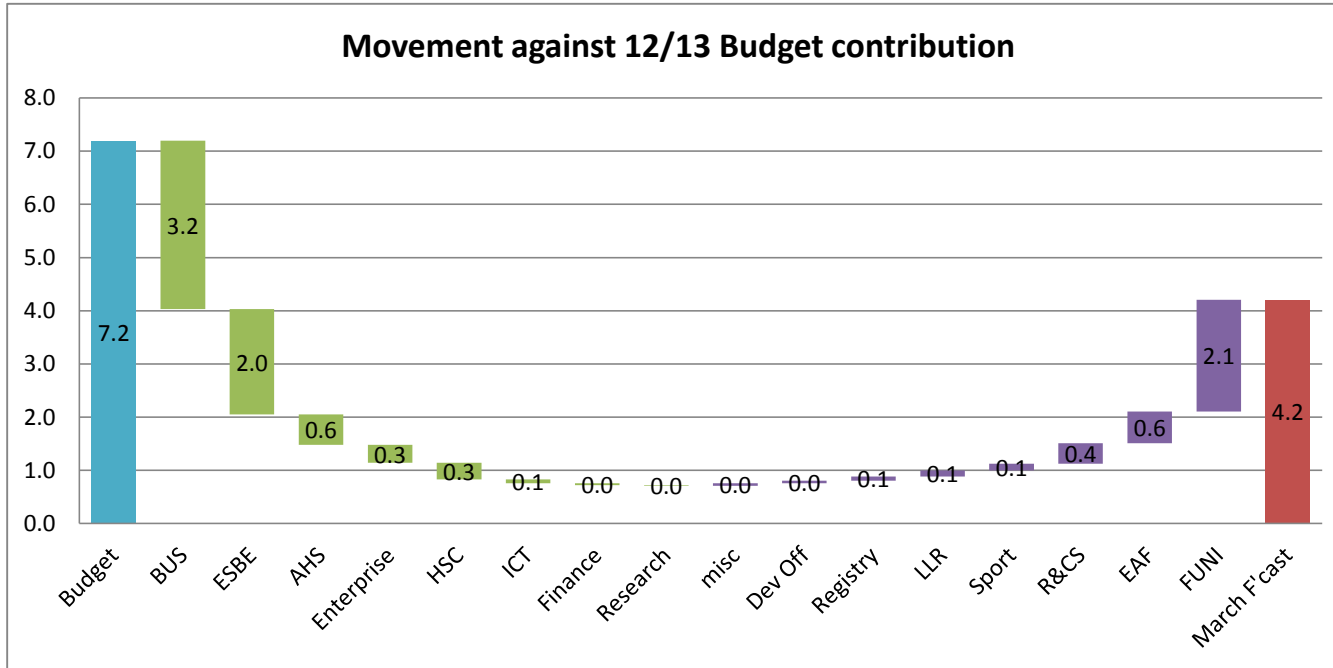
## 7 Variance Analysis on surplus





With regard to the movement in this months surplus and with reference to Appx 4b the key driver for this months move is increasing income from the Faculties of Business and HSC, increased NSP income, reduced Enterprise Income and an increase in the provision of Bursary expenses within FUNI.

## 8 Contribution Analysis



Once we include the Fee Waivers held centrally, which should be charged to the faculties, the average Faculty contribution has remained steady year on year at 39% of income but has decreased by £800K compared to the 2011 / 12 outturn.

## Contribution by Faculty

	10 / 11 Actual	11 / 12 Actual	Jan 12 / 13 FYF
<b>AHS</b>			
Income	26.9	27.6	28.1
Expenditure	16.2	16.1	15.6
Contribution	10.7	11.5	12.6
	40%	42%	45%
<b>BUS</b>			
Income	24.5	22.3	21.8
Expenditure	15.8	14.2	13.6
Contribution	8.7	8.1	8.2
	36%	36%	37%
<b>ESBE</b>			
Income	35.5	33.5	34.4
Expenditure	23.1	21.9	22.1
Contribution	12.4	11.7	12.3
	35%	35%	36%
<b>HSC</b>			
Income	37.2	37.3	35.6
Expenditure	22.5	21.4	21.5
Contribution	14.7	15.9	14.1
	40%	43%	40%
<b>Total Income</b>	124.1	120.8	119.1
<b>Total Expenditure</b>	77.7	73.6	72.8
<b>Total Contribution</b>	46.5	47.2	46.4
	37%	39%	39%

# London South Bank University

	PAPER NO: BG.39(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	Reports from committee meetings	
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors	
Executive sponsor:	James Stevenson, University Secretary and Clerk to the Board of Governors	
<b>Recommendation by the Executive:</b>	That the Board note the reports and approves the setup of online banking with Bank of Scotland	
Aspect of the Corporate Plan to which this will help deliver?	N/A	
Matter previously considered by:	As indicated	On:
Further approval required?	No	On:
Communications – who should be made aware of the decision?	Redacted minutes of committee meetings are published on the University's website	

## Executive summary

A summary of Committee decisions is provided for information. Minutes and papers will be available on the governors' sharepoint.

A number of items are on today's agenda. Key items to note from the Audit Committee meeting of 13 June 2013 are:

- the extension of PwC's contract as internal auditors for one year;
- the ICT security internal audit report which was rated as high risk; and
- approval of the external audit plan for 2012/13.

The Board is requested to approve the setup of online banking with Bank of Scotland Plc. Bank of Scotland stipulates a resolution from the Board of Governors to initiate this service. This has been considered by the Policy and Resources Committee.

The Board is requested to note the reports.

## Summary of Committee decisions

### Audit Committee – 13 June 2013

The committee approved:

- The extension of PwC's contract for a further year as the internal auditors. PwC were initially appointed for a three year term with the opportunity to extend on an annual basis for a further two years. The contract will be reviewed again in one year;
- The internal audit plan for 2013/14, which was based on a rolling plan of work and risks identified on the risk register;
- The external audit plan for 2012/13;
- The transparent approach to costing (teaching) return to HEFCE;
- Annual debt write off of £411,000 of tuition fee debt more than six years' old; and
- Minor amendments to the Anti Fraud Policy

The committee discussed the following internal audit reports:

- **IT Security and Phishing** which was given a high risk rating. Areas of weakness were identified in the controls relating to the physical security of the campus server locations, management authorisation for the creation of administrators on the University phonebook system and password security. The committee expressed their concern at the report and requested the Chief Information Officer to attend the next meeting to update the committee on the background to the report, actions being taken to address the findings of the report, current controls in place for information security and key challenges for the future.
- **Financial forecasting** which was given a medium risk rating. It was noted that no issues were found relating to the accuracy or completeness of the data provided in the management accounts but that there was a lack of formal detailing of the procedures followed by the Business Support Managers and concerns around the treatment and reporting of research and capital expenditure. The committee requested the executive to review capital reporting.
- **University Enterprise** which was given a medium risk rating. A focus on engaging academic areas would be necessary to mitigate the risk.
- **Key information sets** which was given a low risk rating.

- Implementation of the new payroll system.

The committee noted:

- Risk register – paper **BG.45(13)**
- HEFCE Assessment of Institutional risk – this was noted at the Board meeting of 23 May 2013
- Anti-fraud, bribery and corruption report
- Speak up report
- Annual review of the Financial Regulations would be carried out by the Policy and Resources Committee at its meeting of 3 July 2013.
- AOB item: Office of the Independent Adjudicator (OIA) annual report – the committee discussed reference to LSBU and follow up by the Executive and internal audit.

### **Policy and Resources Committee – 3 July 2013**

The committee recommended to the Board for approval:

- The budget for 2013/14 – paper **BG.32(13)**
- HEFCE annual accountability mid-year return – paper **BG.33(13)**
- Tuition fees for 2014/15 – paper **BG.40(13)**
- Revised articles of association – paper **BG.44(13)**
- Setup of online banking with Bank of Scotland

The committee approved:

- Amendments to the Financial Regulations – summary of changes is provided in **BG.47(13)**
- Insurance renewal for 2013/14

The committee discussed:

- Student recruitment update – paper **BG.37(13)**
- Management accounts to 31 May 2013 – paper **BG.38(13)** (summary)
- Key performance indicators – paper **BG.36(13)** (in appendix)
- Treasury management report

### **Human Resources Committee – 8 July 2013**

The committee discussed:

- Employee engagement survey results – paper **BG.43(13)**
- An update on performance management

- HR department workplan
- Staff cost benchmarking analysis

	PAPER NO: BG.40(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	Tuition Fees for 2014/15	
Author:	John Baker, Corporate & Business Planning Manager	
Executive sponsor:	Bev Jullien, Pro Vice Chancellor (External)	
<b>Recommendation by the Executive:</b>	The Executive recommends that the Board approve the proposed fees for 2014/15.	
Aspect of Corporate Plan this will help deliver?	The competitive pricing of fees at undergraduate and postgraduate level should facilitate meeting recruitment targets for the university that have been set in the Corporate Plan.	
Matter previously considered by:	Executive Policy and Resources Committee	On: March 2013 3 July 2013
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	n/a	

### **Executive summary**

The Executive recommendation for the fees for new students in the 2014-15 academic year is as set out in the attached report. The Policy and Resources Committee has considered and recommends approval to the Board.

This is to increase fees for new full time undergraduate students, but to hold fees for new international, postgraduate and part time students.

Market Research has been completed to support this position for postgraduate courses, and a summary of this research is also attached.

### **Two Attachments:**

1. 14-15 Fees proposal paper
2. PG Fees market research report summary

## Proposal for Fees for New Students: 2014/15 Academic Year

Purpose of Paper:

To gain approval for the fees for different groups for 2014/15

### **A. New Undergraduates:**

1. *Home and EU Undergraduate Full Time: Recommendation - £9,000 (from £8,450 in 13-14).*

This is as previously approved by the Board during discussions on the OFFA agreement. See separate update on the dialogue with HEFCE following their communication discussed at the May Board meeting

2. *Home and EU Undergraduate Part Time: Recommendation - £6,500 (for 100 credits, an increase from £6,200)*

The maximum student loan available is £6,750 ( or £67.50 per credit) so this remains within the amount fully fundable by loan. An increase is proposed, because there is no evidence that this level of increase will be a further disincentive to part-time study

No bursaries are proposed, because this rate remains below the equivalent for a 3 year full time degree ( £23,400 compared to £27,000), and is comparable with competitor positioning

3. *International Undergraduate Full Time: Recommendation: hold at 2013-14 levels.*

The fees in 2013/14 represented a significant increase over 2012/13. At a time when LSBU is aiming to build its international student body strongly, the recommendation is that it is most appropriate to hold at what is now a competitive headline fee, with a continuation of the national scholarship discounts, to grow the volume.

### **B. New Postgraduates:**

1. *Home Post Graduate: Recommendation – Maintain Credit band prices as in 2013-14 for all Faculties.*

As with International undergraduates, the recommendation is to hold prices to drive volume growth. Market research indicates that this is a competitive position

2. *Overseas Post Graduate: Recommendation – hold as 2013-14 for all Faculties.* Again, the priority is to drive volume growth, and the pricing is supported by market research data



**C. Other New Student Categories:**

1. *Research & Doctoral: Recommendation – increase by 3%.*
2. *Placement fee: Recommendation - hold at 2013-14 fee (£750)*  
We are seeking to increase the volume of students going on placement, to strengthen their employability – so do not wish for the fee to be a disincentive

**D. Continuing students:**

1. *2012-13 Home/EU Undergraduate students: average fee at £7,500 (headline £8,450)*  
No choice in this due to Access agreement.
2. *2013-14 Home/EU Undergraduate students - same fee as Y1 (£8,450)*  
No choice in this due to Access agreement.
3. *Old Regime Home/EU students: Inflationary uplift by 3%.*
4. *International UG and PG students : Keep their fee at the level of their first year. This is common practice and ensures that students can plan for the fees for the full period of study*
5. *Research and doctoral students: Increase by 3%*

## LSBU Market Research Overview: Post graduate fees & Scholarships 2014:15

Summary of findings: June 2013\*

### AHS

Largely on par with competitor group for UK & EU pricing (in some areas e.g. Arts we are priced towards more "affordable end") - many competitor courses are a similar / higher fee for UK&EU, but are much higher for Intl students, where our fee is set at one rate for all students

LLM priced at lower end

Social Sciences competitively priced

### BUS

Within a similar range to our competitors (if a little more towards the 'affordable' end). University of West London is the only institution with lower UK, EU & Intl fees for every course area

MBA - towards lower end of fee spectrum, on a par with West London

Marketing - competitively priced in relation to competitors

IT courses on a par with competitors

### ESBE

**Engineering** course fees vary considerably – the range of competitor's engineering courses included in the spread sheet demonstrate the variance in courses and fees. At £7,560 for UK and EU students, LSBU is largely on a par with some competitors (Lon Met, City) but more expensive than others (Kingston, Greenwich), but for Intl fees, we are priced slightly higher than UEL, UWL, LMU, Greenwich and one Middlesex course

### Scholarships and Bursaries

A variety seen between the 9 London modern universities in terms of general scholarships and subject specific scholarships

Westminster University seemed to have the largest number of scholarships/bursaries available

No information for Postgraduate scholarships/bursaries could be found on London Met's website.

3 of the 9 institutions offer the Santander scholarships to PGT students from Spanish speaking countries (although the amounts offered did vary by institution)

7 of the 9 institutions offered alumni fee discounts - typically a 10 or 20% discount of a PG fee if students had studied their UG at the same institution

University of West London has yet to update their site with 2013/14 offers. Only their Law school had an up to date offering.

\*Detailed analysis can be supplied on request

	PAPER NO: BG.41(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	Educational Character Committee annual report	
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors	
Board sponsor:	Steve Balmont, Chairman of the Educational Character Committee	
<b>Recommendation:</b>	That the Board note the report	
Aspect of the Corporate Plan to which this will help deliver?	Creating an environment in which excellence can thrive	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?		

## **Executive Summary**

### *Why is the paper coming to the Board?*

The Educational Character Committee receives reports on educational issues such as progression and retention and student satisfaction. It considers the sub-reports of the Academic Board annual report throughout the year and reports annually to the Board in parallel with the Academic Board annual report (paper BG.42(13)). This is its first annual report.

### *What particular issues does the Board need to give its attention?*

The Board are asked to note the reports discussed at the committee which form part of the Academic Board annual report and the faculty visits which the committee has undertaken this year.

**London South Bank**  
University

The Board is requested to note the report.

## **Introduction**

1. The Educational Character Committee was established in 2011 in order to influence deliberations of the Board on academic strategy and educational character and allow independent governors to gain further insight into the academic life of the University.
2. Its duties include discussing educational issues such as student recruitment, retention, progression and success rates; considering LSBU's teaching and research portfolios; and reviewing student satisfaction.
3. The committee met three times during the academic year 2012/13. It consists of four independent governors.

## **Committee business**

4. During the year the committee receives reports which will form part of the Academic Board annual report to the Board. The committee has therefore discussed the key issues (set out in paragraphs 5-7 below) in this year's Academic Board annual report (paper BG.42(13). Oversight of academic quality and standards remains with the Academic Board who report this to the Board of Governors in their annual report.
5. In December 2012 the committee discussed:
  - National Student Survey (NSS) results
  - Destination of Leavers of Higher Education (DLHE) survey results
  - Validations report
  - Progression and achievement data for 2011/12
6. In February 2013 the committee discussed:
  - Undergraduate faculty monitoring reports
  - Annual report on external examiners
  - Report on student demographics
  - Report on complaints and the Office of the Independent Adjudicator (OIA)
7. In May 2013 the committee discussed:
  - HESA performance indicators
  - Postgraduate faculty monitoring reports
  - Report on appeals and academic misconduct

8. The committee also recommended an Educational Character statement to the Board (approved by the Board in March 2013) and reviewed the Academic Strategy as approved by the Academic Board.

### **Faculty Visits**

9. Before each meeting the committee visits a faculty in order to better understand the scope and nature of each faculty. During 2012/13 the committee visited the Faculty of Business (6 December 2012), Faculty of Health and Social Care (13 February 2013) and the Student Union (9 May 2013).
10. The committee has worked with the faculties to devise a briefing document for each faculty which includes the following information:
  - Key staff
  - Academic departments
  - Research centres
  - Course portfolio by department
  - KPIs including NSS results, DLHE results and level 4 progression
  - Faculty SWOT analysis
  - Faculty deliverables
  - Key risks
11. The faculty briefing documents will be updated prior to the committee's visit to the faculty and form the basis of the presentation and discussion.

	PAPER NO: BG.42(14)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	Academic Board Report to the Board of Governors	
Author:	Jo Ellett, Academic Quality Project Manager	
Executive sponsor:	Phil Cardew, Pro Vice Chancellor (Academic)	
<b>Recommendation by the Executive:</b>	The Executive recommends that the Board notes the report.	
Aspect of the Corporate Plan to which this will help deliver?	N/A	
Matter previously considered by:	Academic Board	On: 10 July 2013
Further approval required?	N/A	On:
Communications – who should be made aware of the decision?	No decisions to be noted. Action Plan goes to relevant committees and operational areas.	

### **Executive summary**

This report sees the first year of our new process of reporting, working through the Educational Character Committee to the Board of Governors.

This has aimed to mitigate a characteristic criticism of this report – that a great deal therein was of a somewhat ‘historical’ nature once agglomerated for the final report to the Board – by engaging with Education Character Committee to discuss the individual elements that make up this report, as and when they are ready through our annual processes of assurance and review. This has not only meant that the Educational Character Committee sees more up-to-date reports, but also that there has been increased opportunity for discussion (including discussion with Students’ Union Officers who sit on the committee) which has been of great benefit to the University.

The core messages for the Board to take from these reports are:

1. The systems that underlie the management of standards in the University continue to operate effectively. Academic Board is able to report to the Board of Governors that there are no concerns with the standards of awards (as evidenced through reports by external examiners, and through the annual monitoring processes at course level) and that all faculties have fulfilled their obligations within the quality processes of the University (as evidenced through the 'quality guarantee' delivered each year through their reports).
2. Particular areas of operation continue to put increased strain on University processes, and we are implementing a full review of these processes – particularly as they impact upon the management of appeals and complaints – as a matter of urgency, so that the next set of academic regulations can reflect these changes. There is a necessary 'lag' in the system here (as it is extremely unwise to change regulations within an academic year – as students 'sign up' to these regulations through enrolment and re-enrolment, which increases their contractual nature) and we will, at the same time, increase levels of resource to support current process and further reduce risk.
3. The area of operation which has had the most significant impact upon the University during 2012/13 has undoubtedly been the opening of the Student Centre, which has provided a true 'point of focus' for student engagement. This has not only supported the further development and enhancement of the Students' Union – giving us an excellent starting point for increased activity in 2013/14 – but had a significant impact on the provision of advice and guidance to students, before engaging in the 'core processes' of complaint and appeal. This work will be further strengthened during 2013/14.

The Board is requested to note the report.



**London South Bank**  
University

**Annual Report from the Academic  
Board to the Board of Governors:  
2013**

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The core messages for the Board to take from these, agglomerated, reports are:

1. The systems that underly the management of standards in the University continue to operate effectively. Academic Board is able to report to the Board of Governors that there are no concerns with the standards of awards (as evidenced through reports by external examiners, and through the annual monitoring processes at course level) and that all faculties have fulfilled their obligations within the quality processes of the University (as evidence through the ‘quality guarantee’ delivered each year through their reports).
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## Introduction

This annual report from the Academic Board of London South Bank University to its Board of Governors reflects on the Academic Year beginning in September 2011 and ending in September 2012 and represents the culmination of the monitoring and reporting processes required by Academic Board and managed, on its behalf, by the Quality and Standards Committee (QSC) of the University. The information contained in this report has also been considered throughout the year by the Educational Character Committee, a sub-group of the Board of Governors.

This annual cycle, begins with the preparation of reports at course and departmental level and their approval within faculties (subject to a Random Audit process by QSC). These reports reflect on the operation of our courses, on their evaluation by external examiners (to each of whom a response is made), by students (through Course Boards and through evaluation questionnaires completed at the end of each unit/module), and on the statistical data relating to student progression (from one level of a course to another) and achievement (whether by completing the terminal award level within a course or by achieving a lower-level qualification). Reports contain action plans, signalling issues which require addressing both within the course team, but also more widely within the University (at faculty and University levels). This activity takes place during July-November each year, culminating in scrutiny within Faculty Academic Standards Committees (FASCs).

Faculties then compile from these more widely-ranging reports, which feed debate and reflection within QSC (and which are summarised later in this report). These reflect that all due process has been completed at a faculty level, and that QSC may be assured that quality systems have operated effectively. These reports are compiled in January and, together with the Random Audit information, discussed and approved by QSC in late February.

Alongside this activity, the University receives additional information through the National Student Survey (NSS), the survey on the Destinations of Leavers in Higher Education (DLHE), performance indicators produced by returns made to the Higher Education Statistics Agency (HESA) and the Higher Education Funding Council for England (HEFCE) (which are not available until April in the year following the returns). These are reported to Academic Board, and to relevant sub-committees, and form another part of the overall data by which we measure ourselves (impacting, for example, upon the Key Performance Indicators reported to the Board at each of its meetings) and are measured externally, not least through the various league tables published each year.

At the same time, support departments are engaging in a process of reflection upon their operation during the year, gauging progress against action plans and evaluating data received through internal customer surveys and the National Student Survey. This results in business plans which reflect on performance, set mid-term (as well as shorter-term) goals and inform the planning and budgeting process for the coming academic year.

This report is contributed to by a number of key individuals across the University, and compiled by the Academic Quality Project Manager on behalf of the Pro Vice Chancellor (Academic).

## Quality Guarantee

The Academic Board of the University hereby confirms that it has properly exercised the powers conferred upon it in safeguarding the standards of academic awards and the quality of student learning opportunities within London South Bank University. In particular, the Board affirms that in 2011/12 all validation and review procedures were properly carried out, and that all External Examiners' reports were received and properly acted upon.

## Quality Assurance and Enhancement within Faculties

All faculty academic standards committees (FASCS) fulfilled their obligations to Academic Board (through Quality and Standards Committee) by ensuring that all courses delivered monitoring reports to a pre-determined schedule and responded adequately to points made by external examiners. These reports informed a faculty-level report to QSC in February, which summarised key areas of interest arising from the monitoring process. In general, reports confirmed that where issues arose within course delivery (raised through external examiners' reports, student feedback or review processes – either internal or external) these were responded to appropriately and within a prescribed timescale. Reports also identified many areas of good practice within the University and it will continue to remain a significant challenge to learn from this good practice and disseminate it in a useful and meaningful manner.

## Faculty of Arts and Human Sciences

### Undergraduate

#### Faculty Annual Overview

The Faculty of Arts and Human Sciences assures the Quality and Standards Committee that it has fulfilled all functions required of it with respect to the annual monitoring of academic standards and quality at undergraduate course level during the academic year 2011/2012. All courses in the Faculty have engaged appropriately with external examiners and reference is made in this section to external examiner comments of particular significance and to the responses to these comments.

Where courses have been reviewed, and new courses validated, the Faculty Academic Standards Committee has retained appropriate oversight of the responses to the conditions imposed and recommendations made during these processes and has ensured that they have been addressed to the satisfaction of review and validation panels. The FASC has maintained oversight of proposals for collaboration with partner institutions, both in the UK and overseas, and has ensured that all conditions imposed by approval panels have been met, and approved Memoranda of Cooperation are in place, before the commencement of courses to be delivered collaboratively.

The Faculty of Arts and Human Sciences comprises seven Departments: Arts and Media, Culture, Writing and Performance, Education, Law, Psychology, Social Sciences, and Urban, Environment and Leisure Studies. Subject categories (13) in the Faculty under the Joint Academic Coding System (JACS) are Cinematics and Photography, Design Studies, Drama,

English Studies, Imaginative Writing, Initial Teacher Training, Law, Media Studies, Planning and Housing, Politics, Psychology, Sociology, Tourism, Transport and Travel. Deployment of JACS in the National Student Survey (NSS) enables analysis of results by subject and provides an overall sector score benchmark, for comparison. JACS scores are referred to below.

2011/12 saw the Faculty-wide rolling out of 20 credit modules consequent upon the previous year's Curriculum Modernisation Programme (CMP). The transition overall has been a smooth one. The Faculty's Action Plan for the year focused upon the promotion of clear, timely and consistent student feedback, raising the profile of the NSS to final year undergraduates and increasing NSS scores, the provision of training within the Faculty for Student Representatives to enhance the effectiveness of the student voice and ensuring student representation on Faculty committees. Below is an overview of the Action Plan's implementation.

### Quality Assurance at Faculty Level

The year's NSS results showed improvement in assessment and feedback with eight of the Faculty's JACS subject areas exceeding their respective overall sector JACS scores. In terms of student response rates to the survey, two of the Faculty's Departments met or exceeded the benchmark NSS response rate of 70%. The Faculty's Action Plan for 2012/13 seeks to extend this to all other Departments. AHS saw a general improvement in NSS scores and seeks further progress in the coming year via the 2012/13 Action Plan. Overall AHS student satisfaction has increased.

An enhanced student orientation programme has been developed to include more constructive liaison with the Officers of the Student Union (SU), building upon the student representatives training delivered jointly by the Faculty and the SU. The sessions were well attended and feedback was very positive. In consequence, designated Faculty Committees had student representatives.

The Faculty has aligned itself more extensively with enhancing the student experience and improving student satisfaction with Faculty processes, initiatives and facilities in response to Course Board action points and in order to increase NSS scores in these areas. This is taken forward in the Faculty's Business Plan. Below is commentary on specific initiatives:

- **Electronic log-in and tracking of coursework submissions**, (launched September 2012) supports delivery of standard practice throughout the Faculty and Faculty-wide promulgation of agreed submission deadlines and timescales for feedback to students. This in turn has encouraged Departments to develop standardised feedback sheets in support of detailed and structured feedback to students.
- **Improvement of learning resources and dedicated spaces**, e.g. Edric Hall improvements, new rehearsal space and upgrading of audio-visual facilities.
- The Extenuating Circumstances (EC) Committee has sought to ensure greater clarity of documentation (forms and guidance) and robustness of procedures in **dealing with EC claims** from students in line with the changes to University practice and regulations. This is intended to make the EC claim process clearer and more user friendly for students and to ensure consistency of decision-making, at a time when the Faculty is

dealing with increasing numbers of EC claims. The initiative is complementary to the 2010/11 Faculty initiative to ensure consistency in relation to Course Board paperwork and procedures.

- The Faculty's engagement of **external contractors to process module evaluation questionnaire (MEQ) returns** has produced high quality data analysis to inform action plans more effectively.
- The use of **external invigilators** for Faculty examinations has resulted in shorter turnaround times for students' marks and feedback. There is evidence that the Faculty's external invigilators' training programme has promoted consistency in the application of examination regulations and resulted in higher detection levels of cheating.

The Faculty's overall findings from its annual undergraduate programme monitoring and scrutiny process are that the majority of courses merit a finding of broad confidence with conditions attached. The Faculty Academic Standards Committee (FASC) continues to monitor those programme monitoring reports (PMRs), those with scrutiny conditions and those that have otherwise not been signed off.

The majority of stipulated conditions resulting from the scrutiny process related to the need for course reports to provide clearer and more detailed action planning in response to data from the National Student Survey (NSS) and Destination of Leavers in Higher Education Survey (DLHE) and to actions identified from the University's own Module Evaluation Questionnaires (MEQs) completed by students. More specific and detailed action planning to improve retention and progression particularly, though not exclusively, where these fell below benchmark was also identified in the reporting and scrutiny process. In other cases, a more extensive commentary as regards progress on the previous year's action plan was required. It was evident also that some PMRs required strengthening in terms of the articulation of action plans at both course and year levels. The Faculty's Action Plan for 2012/13 (below) addresses these issues in Action Points: 2 (increasing NSS scores); 3 (alignment of Departmental Plans and PMR action plans); and 4 (meeting progression benchmarks). The Faculty has developed an initiative to record and track progress on key activities related to enhancement of NSS scores, the NSS Action and Enhancement Plan (NSSAEP). Embedding the Faculty's NSSAEP for the next PMR round (an outcome explicitly desired in relation to Action Point 3 is intended to be a support in these respects for PMR authors.

External examiners' reports, responses thereto and course board minutes had generally been used constructively by PMR authors to inform action plans. The most robust PMRs were supported by well-focused responses to the issues raised by external examiners (EEs) and at course boards. EEs' reports continue to confirm satisfaction with standards set overall and that those standards were in line with other similar institutions. A number of reports identified areas of good practice and acknowledged improvements and innovations in terms of module delivery and assessment.

Several PMRs highlighted a limited amount of DLHE data upon which to comment due to a poor student response rate. This issue is addressed in the Faculty Action Plan 2012/13 (Action Point 5) and also supported by the Faculty's NSSAEP.

### Recruitment, Retention and Progression

In 2011-12 1,214 Year 1 full-time undergraduate students were recruited.

There has been a decline in progression at Level 4 (Year 1) for full-time students, while Level 5 (Year 2) full time progression has increased and exceeds benchmark and Level 6 (Year 3), awards to full time students, remains reasonably constant but does not meet the benchmark, as indicated by the table below (2010–2011 figures in brackets, initial and updated).

FT	Benchmark	Average progress rate
L4	70%	61% (64% updated from 62%)
L5	75%	81% (77% updated from 76%)
L6 (awards)	90%	86% (87%)

The table below indicates overall attainment of AHS part-time students against university benchmarks. Progression at Levels 4 and 5 is down from the previous year but awards at Level 6 are up, although not meeting the benchmark. AHS undergraduate part-time numbers are very small.

PT	Benchmark	Average progress rate
L4	70%	53% (56% updated from 38%)
L5	75%	71% (78% updated from 71%)
L6 (awards)	90%	85% (82% updated from 67%)

Issues to explore from these Year 1 progression trends and profiles vary for the Departments and no single progression profile is common to all. All Departments need to address progression by specific ethnic groups but the particular ethnicities vary between Departments, as does the mature student age band requiring attention. Progression for male students is an issue for 2 Departments, which themselves present with a significantly different gender breakdown, one 67% male and the other 65% female. Students with qualifications other than A-Levels, in particular BTEC, are an issue for most but not all Departments. Progression data regarding students with disabilities, and EU, overseas and home students present particular Departments with issues to reflect upon and take action as appropriate. Progression and retention remains a key element of the 2012/13 Faculty Action Plan.



## Postgraduate

### Quality Assurance at Faculty Level

The Faculty's Action Plan for the year focused upon the provision of appropriate levels of student support regarding academic writing and referencing, research methods, coursework briefing and feedback, access to Dyslexia and Disability Support (DDS), access to and understanding of extenuating circumstances (EC) procedures.

The Faculty's annual postgraduate course monitoring and scrutiny process is underway with the majority of courses meriting findings of broad confidence, with or without conditions. The Faculty Academic Standards Committee (FASC) continues to monitor those programme monitoring reports (PMRs), those with scrutiny conditions and those that have otherwise not been signed off.

External examiners' reports continue to confirm satisfaction with standards set overall and that those standards were in line with other similar institutions. A number of reports identified areas of good practice and acknowledged improvements and innovations in terms of module delivery and assessment.

### Overview of Faculty Progression and Attainment

There has been a small decline in progression for full-time postgraduate students and a larger drop regarding awards to full time students, as indicated by the table below (2010–2011 updated figures in brackets). While below benchmark, the Level 7 Year 1 progression rate for full-time students is higher than the University's overall full-time progression rate (76%). This is not the case for awards to full-time postgraduate students, however (84%).

PG FT	Benchmark	Average progress rate
L7 Yr 1 (progression)	90%	85% (87%)
L7 (awards)	90%	59% (75%)

The table below (2010–2011 updated figures in brackets) indicates overall attainment of AHS part-time postgraduate students against university benchmarks, with progression in Years 1 and 2 and awards at Year 3 down from the previous year. Only the Year 2 progression rate falls below the University's overall part-time progression rate, however (76%).

PG PT	Benchmark	Average progress rate
L7 Yr1 (progression)	90%	64% (76%)
L7 Yr2 (progression)	90%	67% (82%)
L7 (awards)	90%	63% (68%)

### Overview of Faculty Recruitment

In 2011-12, AHS enrolled more Year 1 PG FT students than in 2010-11 (447 up from 430). In 2011-12, Year 1 PG PT student numbers continued to decline (278 down from 457). The differences between the FT PG student profile and the PT PG student profile are few.

## Faculty of Business

### Undergraduate

#### Annual Overview

The Faculty of Business confirms the academic standard of the awards made within the Faculty and highlights any issues requiring action by the Faculty.

The Faculty contains a broad range of courses including IT, Accounting, Business and Management and there is also HE provision within the National Bakery School. Having undertaken a very significant curriculum modernisation process (CMP) during 2010-11, the remaining elements of Faculty provision were reviewed during 2011-12 and this included the HE provision of the National Bakery School. In addition the Faculty took the opportunity to validate its part-time undergraduate provision in the departments of Business Studies, Accounting and Finance, and Informatics within the university's Flexible Delivery Framework.

Other significant developments included the end-of-cycle reviews of Accounting and Finance and also Management, the approval of an undergraduate double award in Business, Management and Marketing (with International Business Academy, Kolding, Denmark) and a new postgraduate award, the MSc Business Project Management. The Faculty Academic Standards Committee (FASC) will continue to monitor the operation of the new undergraduate curricula as they continue to be phased in this year and next.

No issues of standards or quality were raised by External Examiners or Professional Statutory and Regulatory Body (PSRB) representatives although Faculty quality monitoring processes did reveal an issue with the level of delivery of two modules on the BA Accounting Top-up. After investigation, the issues with that course, and its predecessor, were resolved (see below) and although there was confusion as to the recorded credit structure of the course, there was no risk to the academic standards of the awards made on the course concerned.

#### Quality Assurance at Faculty Level

FASC met according to its agreed schedule and changes to its operational processes have now been introduced as a consequence of the CMP and the issues relating to the BA Accounting Top-up. Specifically the FASC now maintains a record of all programme and course level protocols which detail any specific variations to LSBU Academic Regulations, for example as a result of PSRB accreditation. Any amendments to the protocols must be agreed by FASC and they are reviewed annually. FASC has also reviewed the operation of its subcommittees. Although these have been operating successfully for a number of years given the extent to which both full-time and part-time provision will be changing over the next three years (due to CMP and the university's desire to move towards greater flexibility of study) FASC needs to ensure that all Faculty approval and documentation of changes to modules and courses is undertaken effectively and efficiently.

The Faculty has now completed all of the course and programme reviews relating to the CMP process and has also validated its part-time undergraduate courses within the Flexible Study Framework. No general issues relating to quality and standards have been raised in relation to either the full-time or part-time curriculum.

One issue of note has been raised by Exam Board Chairs and this is the number of Chair's Actions that seem to be required as a result of exam boards in March, July and September. FASC will be reviewing the cases originating at the various exam boards to try and identify common causes and take appropriate action.

### **Quality Assurance at Programme Level**

Across the undergraduate courses we are pleased to report that External Examiners confirm that appropriate standards are established for courses and modules at all levels in the Faculty, and that the appropriate external benchmark standards are in evidence. This is particularly important in the case of the Department of Accounting and Finance since issues arose regarding the credit structure of the BA Accounting Top-up and the subsequent End-of-Cycle Review of the subject area was only able to express limited confidence in the management of the quality of learning opportunities within the Department. However no threats to the academic standards of current courses within the department were identified in either the investigation of the BA Accounting Top up, or the End-of-Cycle Review and both concluded that taught courses were located securely at the appropriate levels of the Framework for Higher Education Qualifications. Five actions were identified for the Faculty as a result of the investigation into the BA Accounting Top-up and these are substantially complete. The Programme Monitoring Report for Accounting and Finance addresses the departmental issues.

Two minor issues were raised which cut across subject groupings: the first of these related to the marking of undergraduate dissertations and how we might encourage students to engage with the supervision process and ensure that the final mark awarded is supported by the report and its content; the second relates to the highly variable levels of English proficiency among students, which is potentially confounding efforts to improve retention and progression through the CMP process. In those subject areas where this issue has been specifically identified staff will work with the available resources such as the Academic Writing Group to embed best practice within their courses and programmes.

Student satisfaction as measured by the NSS showed a greater level of variability than in previous years. The Department of Accounting and Finance had some outstanding results with improvements in scores across nearly all areas with most notably 88% of students on the BA Accounting and Finance and 100% of students on the FdA Accounting expressing overall satisfaction. The Department of Informatics also reported significant improvements in many areas with overall satisfaction being raised to 84%. Last year's report commented on responses from the National Bakery School which were very poor and this prompted action from the Faculty. Results for this year are significantly improved in all areas although with an overall satisfaction of 71% (the lowest in the Faculty) there is still further work to be done. On the negative side the results for the Department of Business Studies have shown a significant drop in nearly all key areas. Subsequent investigation has revealed that this was probably related to some specific issues of module delivery with one group of students and although these were resolved it was, naturally, reflected in the NSS results. Business Studies students generally were most dissatisfied with promptness of feedback (56%) and although the issue of feedback is still a weakness in most subject areas, other departments have made considerable improvements in this area.

## Recruitment, Retention and Progression

Student recruitment for 2011-12 was relatively strong and the Faculty raised entry tariffs where possible. However the adjusted course targets have meant that compared to previous years the total number of students recruited to full-time courses was significantly reduced when compared to 2010-11 and 2009-10. Recruitment to part-time courses had dipped considerably in 2010-11 and remained low in 2011-12. The changing age profile of students on the full-time degree courses noted in last year's report has continued to move in favour of students aged 21 or under so that now for the first time this grouping makes up more than half of our undergraduate students. The ethnic profile of students has not changed significantly and neither has the gender balance.

Analysis of undergraduate progression data gives the cross-Faculty progression statistics shown below. These figures are abstracted directly from the University system and so should be regarded as indicative only since no account has been taken of the subtleties of student progression between and within courses. The data shows improvement in progression rates across all courses at levels 4 and 5. This is encouraging and while the overall improvements may be small in some cases, there are courses where great improvements have been made. The BA Business Studies for example has seen very significant improvement in level 4 progression from 50% in 09/10 to 74% this year due, in part, to increased entry tariffs and tighter entry processes but also to the effects of CMP. It is particularly pleasing to see also improvements in HND and Foundation Degree award statistics. In summary, the data does seem to confirm improving trends in retention but nevertheless further improvements are required and improving progression remains a priority for the Faculty.

Course and Level	09-10 (%)	10-11 (%)	11-12 (%)	Average (%)
All F/T Hons Degree – Level 4	49	54	59	54
All F/T Hons Degree – Level 5	72	70	75	73
All F/T Hons Degree – Level 6 (award) (Years 3 and 4)	86	86	85	85
Foundation Degrees- Level 4	54	60	63	58
Foundation Degree-Level 5 (Award)	78	74	87	81
HND – Level 4	44	52	54	51
HND – Level 5 (award)	68	76	85	78

The University Foundation Course underwent a planned decrease in recruitment this year although with 111 students it is still a significant course at this level. Coupled with the decrease in recruitment was a tightening of entry qualifications and as a result the percentage of students progressing on to other courses has shown a considerable improvement this year and stands at 68% (last year 39%). The International Foundation Course is very much smaller with just 16 students enrolled. Progression on to other courses is at 63% and this is very similar to the figure for last year (62%) which itself was an improvement on the previous year (58%). Thus both courses are showing an improving trend in progression. The ethnic profile of the courses remains broadly unchanged although the age distribution of students has seen a considerable increase in younger students (age 21 or under).

All courses and programmes held board meetings as required although student attendance has sometimes been patchy. Issues raised include inconsistency in the use of the VLE across different modules, and the allocation of lecture and tutorial time on 10 credit modules. Although the Faculty has discouraged the use of 10 credit modules in some cases complex course structures have required their use so it is important that best use is made of the limited contact time associated with these modules. Issues relating to the consistent use of the VLE will be addressed through the introduction of the new VLE (to go live in September 2013) and associated minimum standards and staff training. Generally speaking though student feedback has been overwhelmingly positive of courses in general and of the new 20 credit curriculum in particular.

## **Postgraduate**

### **Annual Overview**

With the exception of the Bakery School, all departments within the Faculty of Business have some postgraduate provision although the numbers of students enrolled onto these courses is far smaller than for the equivalent undergraduate provision. Having undertaken a very significant curriculum modernisation process (CMP) during 2010-11, the remaining elements of Faculty provision were reviewed during 2011-12 so that, unless there were professional body restrictions in place, all courses are now operating within the 20 credit framework. Other significant developments included the end-of-cycle reviews of Accounting and Finance and also Management, and a new postgraduate award, the MSc Business Project Management. The Faculty Academic Standards Committee (FASC) will continue to monitor the operation of the new postgraduate curricula as they continue to be phased in.

No issues of standards or quality were raised by External Examiners or PSRB representatives in relation to our postgraduate courses and awards were found to be securely located within the QAA Framework for Higher Education Qualifications.

### **Quality Assurance at Faculty Level**

The postgraduate courses that operate across the faculty offer a range of courses and tend to have relatively small cohorts of students although module sharing between the courses makes them efficient to run. This gives students an excellent choice of specialist provision within the subject areas and allows us to be somewhat fleet-of-foot in the way we can respond to market changes. The Faculty's postgraduate courses also benefit from extensive links with the relevant Professional Bodies and we offer a range of delivery styles with blended and distance learning opportunities complementing the more traditional learning styles.

Given the complex nature of the provision and the requirement to meet Professional Body requirements we are pleased to note that there have been no significant issues of quality arising through quality assurance processes either with our home provision or at partner institutions.

### **Quality Assurance at Programme Level**

Across the postgraduate courses we are also pleased to report that External Examiners confirm that appropriate standards are established for courses and modules at Levels 7 and 8 within the Faculty, and that the appropriate external benchmark standards are in evidence.

The faculty has been working to improve its assessment processes and we have made significant progress in this area. External Examiners have identified areas of excellent practice in the provision of feedback to students and in the way that assessments are set, marked and moderated. The challenge now is to ensure that this good practice becomes embedded across all courses and is reflected in the full range of assessment methods that we use.

Two minor issues have been raised by the external scrutiny process which cut across subject groupings and are mirrored also at undergraduate level: the first of these relates to the marking of dissertations, how we might encourage students to engage with the supervision process, ensure that all students experience a consistent level of supervision and the development of their work is documented; the second relates to the highly variable levels of English proficiency among students which is potentially confounding efforts to improve retention and progression through the Curriculum Modernisation Process. In those subject areas where this issue has been specifically identified staff will work with the available resources such as the Academic Writing Group to embed best practice within their courses and programmes.

Student satisfaction with postgraduate courses is generally good as evidenced by end-of-module questionnaires, Course Board meetings and other feedback processes. Coupled with this, comment from External Examiners and students has been overwhelmingly positive of the new 20 credit curriculum that is now in operation.

### **Recruitment, Retention and Progression**

Recruitment to postgraduate courses remains challenging as has been recognised by most postgraduate courses across the university. Within the Faculty of Business the number of postgraduate students has dropped over the last 3 years but this has been partly compensated for by increased retention and progression rates.

In responding to the challenges of the postgraduate market for students the Faculty has been keen to refresh its course portfolio so that the changing needs of employers and students can be met. For example, in 2012 we validated a new MSc in Business Project Management which is distinctive in that it focusses on the management of business projects, by which is meant projects which are situated within the business environment and bring together resources, skills, technology and ideas to deliver business benefits or achieve business objectives. In addition to the development of project management skills, the course also develops skills in information analysis, the evaluation of risk, quality standards and the development of research skills for both personal development and the enhancement of project management practice. This course will be complemented by an equivalent undergraduate curriculum that will offer project management training at all levels.

All courses and programmes held board meetings as required although student attendance has sometimes been patchy. Issues raised include inconsistency in the use of the Virtual Learning Environment (Blackboard) across different modules, and the process for allocating dissertation supervisors in some areas. Issues relating to the consistent use of the VLE will be addressed through the introduction of the new VLE (Moodle to go live in September 2013) and associated minimum standards and staff training. Postgraduate course teams will be exploring ways of making the transition from the taught part of our Masters courses to the

dissertation component as seamless as possible for students, and this will include ensuring that the research methods modules provide the appropriate mix of research and technical skills required for research planning and implementation.

## **Faculty of Engineering, Science and the Built Environment**

### **Undergraduate**

#### **Faculty Annual Overview**

The Faculty of Engineering Science and the Built Environment assures the Quality and Standards Committee that it has fulfilled all functions required of it with respect to the annual monitoring of academic standards and quality at undergraduate programme level during the academic year 2011-2012 for all programmes. All courses in the Faculty have engaged appropriately with external examiners and reference is made below to external examiner comments of particular significance and to the responses to these comments.

#### **Quality Assurance at Faculty Level**

The Faculty has implemented all courses that were reviewed as part of the Curriculum Modernisation Project (CMP). This involved implementing the changes in one year at all levels of our courses. The much improved progression and retention figures are good evidence that the changes made have been beneficial. There is some evidence that this large level of change may have had some impact on the NSS outcome for some courses.

The Faculty has placed Programme Specifications and Module Pro-Formas along with other quality assurance (QA) documentation on SharePoint which is accessible to all ESBE staff. We will be working with the University to make this available to students, applicants and external bodies as appropriate.

Student access to timetables improved in 2011-12. However personalised timetables are still not available.

There were no other significant faculty-wide issues raised in the annual cycle of review at undergraduate level.

#### **Quality Assurance at Programme Level**

The Faculty has monitored its courses and programmes in a number of ways. These include End of Cycle reviews, validations, professional body visits and the Programme Monitoring Report (PMR) review process.

During 2011-12 there were five End of Cycle reviews which all received Broad Confidence. A number of staff led these activities for the first time and the high quality of submissions was a welcome outcome.

Also during 2011-12 there were three external accreditation visits and all were successful.



## National Student Survey - ESBE overall satisfaction

	<b>2012</b> Overall I am satisfied with the quality of the course	<b>2011</b> Overall I am satisfied with the quality of the course
<b>EAS</b> (n = 118) (r = 62)	79 ▼	82 ▼
<b>EBE</b> (n = 134) (r = 56)	68 ▼	73 ▼
<b>EED</b> (n = 179) (r = 66)	79 ▲	68 ▼
<b>EUE</b> (n = 144) (r = 63)	69 ▼	72 ▼

A summary of the NSS for ESBE is given above. These figures show no significant improvement when they are compared with the 2011 figures. A more detailed analysis shows that our degree level NSS scores are comparable with our competitors. However for many, but not all, of our HNC, HND and Foundation Degree programmes the student satisfaction scores are low, in some cases very low. The Faculty's Departments have put in place detailed plans to improve the student satisfaction. These plans have been developed and implemented with support from the Student Centre and also other faculties. We are confident our scores will be substantially higher this year.

## Recruitment, Retention and Progression

The Faculty had a shortfall in recruitment of 200 students when compared to last year's recruitment. However our all years' student numbers were similar to last year because of improved progression. The Faculty will be reviewing its recruitment processes to increase recruitment for 2013-14.

## ESBE recruitment summary 2012/2013

<b>Course Level and Mode</b>	<b>Actual Recruitment 2011/2012</b>	<b>Target Recruitment 2012/2013</b>	<b>Actual Recruitment 2012/2013</b>
First Degree FT	687	837	570
First Degree PT	196	196	121
Other UG FT	226	226	224
Other UG PT	195	195	217
PG FT	274	274	251
PG PT	168	168	145

\*Semester 2 recruitment to be added

\*Semester 2 recruitment to be added

The Faculty identified that BTEC students in their first year of study had a significantly lower progression rate than other student backgrounds, typically around 50% compared with 65-70%. The Faculty is reviewing its first year curriculum/admission requirements to identify ways of resolving this problem.



## 1<sup>st</sup> Year Undergraduate Progression

		08/09	09/10	10/11
Applied Sciences	FT	58%	61%	68%
	PT	50%	100%	100%
	Total	58%	62%	69%
Built Environment	FT	53%	60%	67%
	PT	64%	92%	68%
	Total	56%	64%	68%
Engineering and Design	FT	43%	60%	63%
	PT	61%	79%	74%
	Total	45%	63%	65%
Urban Engineering	FT	63%	68%	68%
	PT	87%	72%	82%
	Total	69%	69%	73%
ESBE Faculty Total		<b>55%</b>	<b>60%</b>	<b>69%</b>

Undergraduate full time progression has been rising at the Faculty level for the last three years.

## Postgraduate

### Quality Assurance at Faculty Level

The Faculty has implemented all courses that were reviewed as part of the Curriculum Modernisation Project (CMP). This involved implementing the changes in one year at all levels of our courses. The improved progression and retention figures are good evidence that the changes made have been beneficial.

The Faculty has placed Programme Specifications and Module Pro-Formas along with other QA documentation on SharePoint which is accessible to all ESBE staff. We will be working with the University to make this available to students, applicants and external bodies as appropriate.

Student access to timetables improved during 2011-12. However personalised timetables are still not available.

There were no other significant faculty-wide issues raised in the annual cycle of review at postgraduate level.

### Quality Assurance at Programme Level

The Faculty has monitored its courses and programmes in a number of ways. These include End of Cycle reviews, validations, professional body visits and the Programme Monitoring Review process (PMR).

During 2011-12 there were five End of Cycle reviews.

Also during 2011-12 there were three external accreditation visits and all were successful.

## Recruitment, Retention and Progression

The Faculty had a shortfall in recruitment of 132 students at postgraduate level in 2012-13 when compared to the previous year's recruitment. This was predominately under recruitment in part time student numbers. The Faculty will be reviewing its recruitment processes to increase recruitment for 2013-14.

### ESBE Recruitment Summary 2012/2013

Course Level and Mode	Actual Recruitment 2011/2012	Target Recruitment 2012/2013	Actual Recruitment 2012/2013
PG HOME/EU FT	226	226	193
PG OS FT	85	85	99
PG HOME/EU PT	242	242	140
PG OS PT	15	15	4

Most full time postgraduate courses are completed in one calendar year. Hence progression does not happen on most of these courses. The main exception is PgD Architecture which is a 2 year full time course. All part time courses last either two or three years depending on their intensity.

### 1<sup>st</sup> Year Postgraduate Full Time Progression

		09/10	10/11	11/12
Built Environment	PgD Architecture	65%	67%	74%

### 1<sup>st</sup> Year Postgraduate Part Time Progression

		09/10	10/11	11/12
Applied Sciences		68%	79%	94%
Built Environment	Masters Degrees	75%	78%	92%
	PgD Architecture	44%	58%	57%
Engineering and Design		83%	76%	79%
Urban Engineering		79%	59%	71%
ESBE Faculty Total		<b>70%</b>	<b>70%</b>	<b>79%</b>

Progression and retention have generally improved in ESBE in the last 3 years.

The data summarising awards provided by the central system (PAT Data) does not provide sufficient data to robustly monitor trends. The limited evidence we have is that the proportion of students achieving their intended award in the expected time period is improving. This statement is based on local PMR statistics, which are not directly comparable between courses, and no summary data is presented.

## Faculty of Health and Social Care

### Undergraduate

#### Faculty Annual Overview

The Faculty of Health and Social Care assures the Quality and Standards Committee that it has fulfilled all functions required of it with respect to the annual monitoring of academic standards and quality at undergraduate course level during the academic year 2011-12. All courses in the Faculty have engaged appropriately with external examiners and responses to the comments of individual examiners have been included in the annual monitoring reports.

Measures have been taken to improve staff awareness and student awareness of the DLHE survey, although results need to be more easily available for staff.

All modules now have a proportion of blended learning within student contact hours. Generally feedback from students has been positive: this has been explicit within module evaluation questionnaires. However, a greater focus is needed on consistency in the articulation of blended learning in the module guides.

The use of the new template for Programme Monitoring Reports (PMR) has improved consistency and a format for course board agendas and minutes is now in use in the Faculty to improve consistency.

The assessment shared drive is working well and most external examiners have welcomed the introduction of scrutiny days. Where this has not proved feasible for the external examiner other arrangements have been made.

Progress has been made on agreeing slower track pathways for some part time students to allow greater flexibility for students that will fit with the university's systems.

Progression Analysis Tracking (PAT) data accuracy shows some improvement however there are some students who have late completion dates for a number of reasons, such as delayed placements, that then reflect poor completion rates at the time of completion of the PMR.

The strategy for blended learning has been implemented within the Faculty and a number of e-learning study days have been set up throughout the year facilitated by the Principal Lecturer (E-learning). Stilwell Virtual Learning Community has also been purchased and training in its use has been delivered however its implementation was delayed whilst IT issues were resolved. Moodle is planned to be the VLE from September 2013.

#### Quality and Standards at Programme and Faculty Level

All reports are scrutinised by FASC members using the same form. All the reports achieved broad confidence or broad confidence with conditions. The latter mostly reflected that one or more supporting documents were missing and these were corrected prior to sign off by FASC. The vast majority of external examiner reports were very positive and where any issues have been raised by external examiners these were addressed in the template response to the external examiner. There have been some very positive comments for example:

- The work presented by students is of a very high standard generally and the moderation and marking are appropriate and robust. (Dr Gary Barrett, Pre-registration Children's Nursing)
- I have had no concerns regarding any aspect of the assessment procedure within any module reviewed. The variety outcome and rigour was of a high standard and staff are to be commended on the effort put in to providing an interesting and dynamic approach. (David Marshall, Pre-registration Learning Disability Nursing and Social Work)
- For the samples I saw there were clear varieties in the assessment process for the courses as a whole. I agreed the outcomes and marks in the samples and commend the feedback of the markers in general. This feedback was of a high standard and markers managed to personalise each script, which is no easy job especially on the larger units. (Dr Sandra Wallis, Social Work)

LSBU was selected as one of 16 HEIs to be reviewed by the Nursing and Midwifery Council during 2012-13. The Nursing and Midwifery Council Programme Review took place on 9-10 January 2013 and confirmed that courses of Nursing and Midwifery continue to be delivered in accordance with NMC standards. It examined the systems in place to ensure that NMC Key Risks are controlled and that quality assurance processes are effective in maintaining and enhancing course delivery in both theory and practice. A judgement of 'good' was received for all areas. The review covered all pre-registration nursing courses but particularly focused on adult nursing and midwifery.

### **Recruitment, Retention and Progression**

Progression is normally good in the courses and meets or exceeds the university benchmarks. As this is a key monitoring criteria for NHS London, much effort has been made in reducing attrition and improving progression. PAT data continues to be complex. For many courses this is however complemented by very robust NHS London monitoring data. Our courses, particularly post-qualifying courses attract a large number of students who have senior roles and often need to undertake the courses in a slower route or need to interrupt.

### **Postgraduate**

#### **Faculty Annual Overview**

Key issues related to the need to have a more flexible approach to Masters courses with pathways slower than the normal part time route achieved over 3 years to dissertation. In April 2013 a sub group of FASC was convened and developed a set of criteria for considering the development of slower pathways. So far 4 Masters courses have been approved to have slower pathways and this was approved at FASC. As each pathway will have a different course code it is envisaged that this will improve the student experience in a number of ways not least by enhancing the enrolment and fees processes but also by reducing the academic burden on students who are usually in very senior roles in the Health Service.

## Quality and Standards at Programme and Faculty Level

All reports are scrutinised by FASC members using the same form. Currently all postgraduate reports have been through the scrutiny process and authors have been given feedback and are making amendments where necessary. All the reports achieved broad confidence or broad confidence with conditions. Some of the conditions related to absence of some documents and it would be helpful if PAT data could be embedded in the report and for all other necessary documents to be uploaded to one report. Some scrutiny reports requested a more evaluative approach from PMR authors.

The vast majority of external examiner reports are very positive and where any issues have been raised by external examiners these are addressed in the template response to the external examiner. There was one external examiner report that raised some quality issues and this was the second year that issues have been raised. A full investigation into the external examiner's concerns was undertaken after the first report and the investigation revealed a lack of clarity about where the external examiner had issues about the quality of the work given that he also made very positive comments. The action plan instigated a number of activities designed to further support student academic development. Although this has been actioned the external examiner still made similar comments in his final report this year and the course team continue to enhance the recruitment process of students (all of whom have a first degree), ongoing tutorial and academic support and learning sets for students. Some of the problems are that students are unable to attend at any other times due to full time work commitments so support through the VLE is also a part of the strategy. Some of the external examiner comments have been very positive:

- LSBU ranks well alongside other institutions. This is highlighted by some of the work based developments in other parts of the country which are highly regarded and are likely to increase in popularity. Other HEIs have been slower to develop this. (Alan Lewis, Careers Guidance and Education)
- The work produced by students on the masters course is very good and is comparable to students I have worked with at Durham University. (Dr Sandra Wallis, Social Work)
- The assessments, the quality of the work, the marking and feedback are of a high standard and comparable to other HEIs. (Styliani Gkika, MSc Cognitive Behavioural Therapy)

## Recruitment and Progression

The Postgraduate PMRs show good progression and award levels. So far the increase in fees does not appear to have a noticeable effect on recruitment however it is likely that NHS CPD budgets will be cut for 2013-14 so it is unknown if this will impact on recruitment.

## External Examiner Reports

### Scope of External Examiners Summary Report

Each year Academic Board and the Quality and Standards Committee receive a report which includes:

- an analysis of the, (approximately 200), external examiner reports received over the course of the year;
- identification of any emerging issues relating to any aspect of the University's external examining processes;
- external examiners' comments on what LSBU does well and suggestions for how processes can be further improved.

External examiner reports are divided into two sections; Part A which is a questionnaire requiring Yes/No answers to each aspect of the external examining process and Part B which asks for written comments. The annual summary report for Academic Board & QSC includes a detailed statistical breakdown of the collated answers for each of the questions in Part A and an analysis of the key issues raised in Part B.

The report also summarises any changes to the external examining process during the preceding year.

### The External Examining Process

The external examining system, whereby subject experts from the University sector scrutinise the standards of the awards of their peers, is critical to the degree awarding processes of UK HEIs. The Quality Assurance Agency sets out its expectations for the operation of the system in Chapter B7 of the UK Quality Code for Higher Education. The way in which LSBU manages this process is, therefore, closely linked to the 18 indicators described in Chapter B7.

Although external examiners are appointed to look at both modules and courses, the detailed part of their work is at the module level. Each external examiner is allocated approximately 15 modules within their subject area and is expected to:

- make an overall judgement on the standards required to pass modules;
- comment on the appropriateness of the coursework briefs and exam questions to ensure that they challenge the student appropriately in terms of subject knowledge and the level of the award;
- scrutinise student work to ensure that it is marked fairly and accurately;
- comment on whether students are receiving appropriate feedback on their assessments.

The other key aspect of the external examiner role is to participate in exam boards and to confirm that the students' marks are appropriate, (at Subject Area Boards) and that the overall award or progression decision is fair and accurate for each student, (at Award and Progression Boards).

After the exam board, the external examiner completes their report, (as described above). Reports are submitted to the Academic Quality Development Office, (AQDO), where they are read and distributed to the relevant Faculty. The external examiner receives a formal

response to their report from the Faculty, using a standard template, so as to ensure that responses are complete and consistent.

If an external examiner raises a serious concern, particularly with regard to standards, the report is sent to the PVC (Academic), who will require that specific action is taken.

The procedures for external examining and for exam boards are set out in the LSBU Quality Code and the Academic Regulations for Taught Programmes respectively. To ensure that the external examining role remains 'external' and thus independent, there are strict criteria governing their appointment and the length of time that they can fulfil the role at one University.

External examiners are provided with written guidance on these procedures and, for newly appointed examiners particularly, invited to attend induction events.

## **Key Outcomes of the External Examining Process in 2011/12**

### **External examiners reports – Part A**

Responses to Part A are generally positive with over 90% answering 'Yes' to most of the questions. This paints a similar picture to previous years. Although forming only a small percentage of the total, the 'No' and 'For some modules' responses are always of concern to QSC and Academic Board and, therefore, form the focus of a Faculty's response to an external examiner.

### **External examiners reports – Part B**

For 2011/12, the key issues raised by external examiners in the written comments section of their reports were:

- the clarity and consistency of internal moderation procedures (the process for checking that marking is fair and consistent across a group of assignments);
- the quality and completeness of the feedback given to students on their assessments;
- the amount of time that externals have to scrutinise student work;
- students' standard of written English, (although most external examiners comment that the same issue arises in their own institutions);
- the allocation of individual marks for group work;
- the clarity and the level of the learning outcomes for some modules.

### **Features of Good Practice:**

External examiners also identify and comment on areas of good practice. In the 2011/12 reports the features of good practice highlighted related mainly to the specific methodologies adopted by a Faculty or an individual course in providing feedback to students on their assessments.

### **Changes in the External Examining Process in 2011/12**

AQDO, on behalf of the External Examiners Committee, reviewed the current external examining procedures in the light of the new Chapter B7: External Examining of the UK Quality Code for H.E. The Committee has consequently amended the procedures relating to the

period of tenure of external examiners and the grounds for terminating an external examiner's appointment.

Additionally, in response to the new Chapter of the UK Quality Code, the external examiner's report has been expanded to include questions about students' learning opportunities and, for external examiners in their final year, their overall view of their period of tenure with LSBU.

QSC commissioned an audit of the completeness and consistency of the responses made to external examiners reports. The Committee agreed that this had been a very useful exercise and one which will be repeated regularly in future.

## Course Review and Validation

### Volume and Type of Validation Activity

The table below sets out the number of validation and review events, which took place in 2011/12. These are classified by the type of event.

Validation of new courses	11
Validation of new course – involving collaboration with another institution	2
Major modification of existing courses, including those delivered in collaboration with another institution	3
Major modification of existing courses with professional body involvement	1
Development of new collaborative link for existing courses, (with new or existing partner)	5
Periodic (6 yearly) review of courses by subject area	9
<b>Total</b>	<b>22</b>

### Key points relating to the volume and balance of activity:

- a) The Curriculum Modernisation Project meant that most courses went through approval events for major modifications in 2010/11 resulting in fewer such events in 2011/12.
- b) The two validation events involving a collaborative link with another institution, relate to courses that were developed and approved for sole delivery by existing partner institutions and at the partner's request. As in previous years, the Faculty of Business accounted for most of the collaborative approval events undertaken.
- c) Most of the new awards validated were for Masters courses in subject areas that are well-established at undergraduate level and which are now expanding into postgraduate study. New awards were approved in the following subject areas:
  - Criminology; Social Policy & Social Research Methods; Gender & Sexuality
  - Development & Urbanisation
  - Creative Media Industries
  - Organisational Change & Facilitation



- Business Project
  - Biomedical Engineering & Instrumentation
  - Neonatal Nursing
- d) All courses, grouped into the relevant subject area, are submitted to review and re-approval through a 6 year cycle review schedule. The University has now embarked on its second cycle of these reviews with 9 subject areas, (including the 5 engineering disciplines), being scrutinised in 2011/12. The remaining subject areas will be reviewed over the next two academic years.

#### Timing of Validation Events

The deadline for holding a course approval event with a September start date is the end of May in the preceding academic year but, ideally, these should be held earlier than this. However, about a third of events were deferred until May. Academic Board has noted and discussed this issue.

#### Key points relating to the timing of course development and approval:

- a) The late sign-off of new courses has a negative impact on successful marketing and recruitment to the new award.
- b) Successful course approval involves thoughtful course planning, which requires a commitment of academic staff time.
- c) Employers, professional bodies and external organisations often expect a speedy response to requests for new curriculum development.

#### Outcomes of Validations and Reviews

The purpose of course validations and reviews is to confirm that the course is fit for purpose and can recruit or continue to recruit students. In doing this the approval panel needs to be assured that the course meets the required standards, in terms of its level and content and that appropriate measures are in place for the management of the quality of the students' learning experience. In approving courses, panels often set conditions or make recommendations in relation to either of the above.

#### Key points relating to the outcomes:

- a) One of the courses submitted for validation was not approved, although the panel agreed that the course team could, having done more work on the proposal, request a second validation event.
- b) The panels expressed confidence in the standards of the awards for all of the courses scrutinised through periodic review. However, for one of the 9 reviews the panel found only limited evidence of a systematic and strategic approach to the enhancement of the quality of student learning at a course level. Each of the subject areas reviewed is now required to produce an action plan in response to issues raised in the review.
- c) All but one of the courses approved by the validation panel had conditions attached to the approval. These conditions were addressed satisfactorily and the courses approved to run.

- d) The types of conditions set by panels vary according to the nature of the course being approved but, not surprisingly, these, most commonly related to issues with individual modules. Panels are also commonly concerned with the appropriateness of the assessment methods used for modules and with the entry requirements for the courses.
- e) Panels also identify areas for commendation in courses. For 2011/12 validations these mainly related to:
- the professional integrity of LSBU teaching staff
  - responsiveness to student feedback
  - responsiveness to changing professional standards
  - innovative course design.

## Progression and Completion Statistics

### Student Profile

This section presents a summary of demographic statistics on enrolled LSBU students in the years 11/12.

#### LSBU Enrolment Statistics 2011/12

<b>Gender</b>	<b>Count</b>	<b>%</b>
Female	12600	57%
Male	9525	43%
<b>Ethnicity</b>		
Asian	1821	8%
Black African	4768	22%
Black Caribbean	1706	8%
Chinese	570	3%
Not Known	326	1%
Other	2591	12%
Refused	825	4%
White	9518	43%
<b>Age Bands</b>		
21 or under	4569	21%
22 to 24	4087	18%
25 to 39	9171	41%
40 and over	4298	19%
<b>Level</b>		
First Degree	10175	46%
Other Undergraduate	7444	34%
Post Graduate	4506	20%
<b>Disability</b>		
Disability (Disabled Student Allowance unknown)	200	1%
Disability (No DSA)	939	4%
Disability (In receipt of DSA)	1196	5%

No Disability	19790	89%
Not Known	-	-
<b>Student Fee Status</b>		
EU	1543	7%
Home	18709	85%
Overseas	1873	8%

The majority of our students are female. This is typical of the HE sector as a whole: female students are the majority in almost all institutions and at all levels of study, although they remain a minority in certain disciplines, as is clearly shown in the faculty breakdown for ESBE in particular.

### Gender Statistical Breakdown by Faculty 2011/12

Faculty	GENDER	Count	%
Arts and Human Sciences	<b>Female</b>	<b>3105</b>	<b>63%</b>
	Male	1820	37%
Business	Female	2354	48%
	<b>Male</b>	<b>2529</b>	<b>52%</b>
Engineering, Science and the Built Environment	Female	1129	22%
	<b>Male</b>	<b>4074</b>	<b>78%</b>
Health and Social Care	<b>Female</b>	<b>5930</b>	<b>85%</b>
	Male	1021	15%

There is no ethnic majority on campus, although White students are the largest single group. There are disciplinary differences between faculties, although these are less marked than with respect to gender. Business in particular has fewer White students and more Black and Asian students. This level of ethnic diversity is not typical of the sector as a whole, but is not untypical of the London new universities, which do tend to be very diverse in their ethnic mix, reflecting the diverse population of London itself.

### Ethnicity Statistical Breakdown by Faculty 2011/12

Faculty	Ethnicity	Count	%
Arts and Human Sciences	Asian	431	9%
	<b>Black African</b>	<b>892</b>	<b>18%</b>
	<b>Black Caribbean</b>	<b>549</b>	<b>11%</b>
	Chinese	33	1%
	Not Known	38	1%
	Other	525	11%
	Refused	198	4%
	<b>White</b>	<b>2259</b>	<b>46%</b>
Business	<b>Asian</b>	<b>585</b>	<b>12%</b>
	<b>Black African</b>	<b>1247</b>	<b>26%</b>
	Black Caribbean	302	6%
	Chinese	383	8%
	Not Known	85	2%
	Other	750	15%

	Refused	217	4%
	<b>White</b>	<b>1314</b>	<b>27%</b>
Engineering, Science and the Built Environment	Asian	476	9%
	<b>Black African</b>	<b>976</b>	<b>19%</b>
	Black Caribbean	289	6%
	Chinese	75	1%
	Not Known	58	1%
	Other	708	14%
	Refused	219	4%
	<b>White</b>	<b>2402</b>	<b>46%</b>
Health and Social Care	Asian	323	5%
	<b>Black African</b>	<b>1591</b>	<b>23%</b>
	Black Caribbean	552	8%
	Chinese	78	1%
	Not Known	142	2%
	Other	581	8%
	Refused	190	3%
	<b>White</b>	<b>3494</b>	<b>50%</b>

Our students cover a broad age range. There has been a significant increase in the proportion of students aged 21 or under, reflecting a real national trend in applicants to full time undergraduate courses. Application rates from older applicants have fallen since 2009 across the sector as a whole.

About ten per cent of students consider themselves disabled, and we report which students are in receipt of Disabled Students Allowance because the DSA data are the data used to compare institutions in HESA performance indicators. In general, we would expect those students for whom we do not have DSA data (reported as Disabled Student Allowance unknown) not to be in receipt of DSA. Rates of disability vary significantly across the sector and by discipline, with particularly high rates of disability (often Dyslexia) typically reported in specialist art and design institutions. HESA performance indicators show that our proportion of students in receipt of DSA is in line with our subject mix and entry qualifications.

## HESA KPIs

The Key Performance Indicators (KPIs) published by HESA provide comparative data on the performance of publicly-funded HEIs in the UK in key areas including widening participation.

These indicators are designed to provide reliable information on the nature and performance of the higher education sector in the UK and a consistent set of measures of this performance. This will contribute to a greater public accountability by the sector, as well as ensure that policy decisions can be made on the basis of consistent and reliable information.

## HESA KPI Categories

### Location-adjusted Benchmark:

These benchmarks take account of where an institution's students come from, as well as their subject and entry qualifications. They are the result of work done by HEFCE to try and measure the effect of location on the access indicators in these tables.

#### 4-7 NS-SEC:

The information on socio-economic classification is taken from the National Statistics Socio-Economic Classification. The classifications used are:

- 1 Higher managerial and professional occupations
- 2 Lower managerial and professional occupations
- 3 Intermediate occupations
- 4 Small employers and own account workers
- 5 Lower supervisory and technical occupations
- 6 Semi-routine occupations
- 7 Routine occupations

The performance indicator is the proportion of students from NS-SEC classes 4 to 7 out of those from NS-SEC classes 1 to 7.

#### POLAR 2:

The POLAR2 method is based on the HE participation rates of people who were aged 18 between 2000 and 2004 and entered a HE course in a UK higher education institution or GB Further Education College, aged 18 or 19, between academic years 2000/01 and 2005/06.

The POLAR2 classification is formed by ranking 2001 Census Area Statistics wards by their young participation rates for the combined 2000 to 2004 cohorts. This gives five young participation quintile groups of areas ordered from '1' (those wards with the lowest participation) to '5' (those wards with the highest participation), each representing 20 per cent of UK young cohort. Students have been allocated to the neighbourhoods on the basis of their postcode. Those students whose postcode falls within wards with the lowest participation (quintile 1) are denoted as being from a low participation neighbourhood.

#### POLAR 3:

POLAR3 is based on the HE participation rates of people who were aged 18 between 2005 and 2009 and entered a HE course in a UK higher education institution or English or Scottish further education college, aged 18 or 19, between academic years 2005/06 and 2010/11.

The method used to get the participation rates is broadly similar to the method for POLAR2.

### HESA KPIs 2009-2012: Key Trends

#### Widening Participation:

Performance Indicator	2010-2011				2011-2012			
	No. of Students	LSBU %	Location Adjusted Benchmark %	Benchmark %	No. of Students	LSBU %	Location Adjusted Benchmark %	Benchmark %
FT First Degree Young - state sector	1095	97.3	95.2	96.2	1420	97.9	95.6	96.2

<b>FT First Degree Young - categories 4-7 NS-SEC</b>	500	45.7	41.1	40.8	440	42.4	40.9	40.1
<b>FT First Degree Young - POLAR2</b>	190	10.6	8.4	14.3	140	9.5	8.8	14.3
<b>FT First Degree Young - POLAR3</b>					110	7.3	6.7	13.4
<b>FT First Degree Mature - no previous HE qualification and POLAR2</b>	140	7.6	6.3	12.2	120	7.2	5.8	11.6
<b>FT First Degree Mature - no previous HE qualification and POLAR3</b>					80	4.6	3.7	10.8
<b>PT POLAR2 - no previous HE qualification (POLAR 2)</b>								
PT Young	15	5.4	6.4	13.0	5	4.2	9.0	11.7
PT Mature	35	2.6	3.3	8.6	35	3.2	3.3	6.7
<b>PT POLAR3 - no previous HE qualification</b>								
PT Young					5	4.2	7.7	12.7
PT Mature					25	2.4	2.6	6.8

LSBU recruits students from under-represented groups in line with or more than local HEIs, except for young part time students: LSBU is equal to or above both benchmarks in the following areas:

- Young students from state sector (first degree, other UG, all FTUG)
- Young students from 4-7 NS-SEC (first degree, other UG, all FTUG)
- Students on Disabled Students' Allowance (DSA) (FT first degree, all FTUG, all PTUG)

LSBU is above the location-adjusted benchmark (but below benchmark) in the following areas:

- Young students from POLAR 2 (first degree, all FTUG)
- Young students from POLAR 3 (first degree, other UG, all FTUG)
- Mature students with no HE from POLAR 2 (first degree, all FTUG)
- Mature students with no HE from POLAR 3 (first degree, all FTUG)

We are below both benchmarks in the following areas:

- Young students from POLAR 2 (other UG) – only 0.7% below the location-adjusted benchmark
- Mature students with no HE from POLAR 2 (other UG) – only 0.6% below the location-adjusted benchmark
- Mature students with no HE from POLAR 3 (other UG) – only 0.3% below the location-adjusted benchmark
- **Young PT students from POLAR 2 – considerably below at 4.8% below the location-adjusted benchmark**
- Mature PT students from POLAR 2 – only 0.1% below the location-adjusted benchmark
- **Young PT students from POLAR 3 – considerably below at 3.5% below the location-adjusted benchmark**
- Mature PT students from POLAR 3 – only 0.2% below the location-adjusted benchmark

This is very similar to the data from the previous year (2010/11) except for the **young PT students**, which are below the location-adjusted benchmark and in the case of POLAR 2 data, are increasingly dropping below that benchmark.

## Student Achievement

This section utilises data taken from the Progression Analysis Tool (PAT) data as of 13 November 2012. Some gaps in the data are evident within the Faculty of Health and Social Care, which has significant numbers of students who do not follow 'standard' academic years. Where missing data have a significant impact, they have been suppressed so as not to affect the overall analysis.

In order to provide guidance for faculties and departments in analysing data (and deciding on necessary action arising therefrom), benchmarks for progression have been set which establish 'stretch targets' across the board. In 2011/12 these were:

Year 1 (level 4): 70% progression.

Year 2 (level 5): 75% progression.

Years 3 and 4 (level 6, year 4 where a sandwich year operates): 90% award

As a result of activities focused on data cleansing in student records (and ensuring accuracy of data within our annual return to the Higher Education Statistics Agency) there has been an increased focus on awarding 'interim' qualifications (lower level than the intended original aim, but indicating an award) which has led to a raising of the 'award' data at levels 4 and 5. At these levels, award data includes students on a one year top-up (genuine award); students

with a Certificate or Diploma of Higher Education (failed students with sufficient credit for award) and students awarded module credit and failed.

At level 6, award data will include students who completed their degree and a very small numbers of students who were failed and awarded a Certificate or Diploma of Higher Education credit achieved.

### General Trends

- There has been an increase in level 4 Award in Arts and Human Sciences (7%), Business (10%) and Engineering Science and the Built Environment (5%), almost certainly the result of inactive student closure boards and decision to fail/award credit to students who did not re-enrol.
- There has been a small decrease in 'repeat year with attendance' in the same faculties, following greater use of fail/award credit at both July and September examination boards for students who had not attempted assessments (non-completions).
- The percentage of students who interrupted studies, failed or withdrew remains relatively consistent.

### Level 4 Progression

- Downward trend in AHS (3%) and BUS (2%) but up in ESBE (8%).
- HSC progression incomplete because of Semester 2 starts.
- No faculties yet meet Year 1 benchmark

### Level 5 Progression

- Upward trend in AHS (4%), BUS (5%) and ESBE (8%).
- HSC progression incomplete because of Semester 2 starts.
- AHS, BUS and ESBE meet Year 2 benchmark

### Level 6 Award

- Upward trend in AHS (1%) but down in BUS (1%) and ESBE (7%).
- HSC progression incomplete because of Semester 2 starts.
- No faculties meet Year 3 benchmark

### Demographic Trends for Year 1 Student Progression

#### Gender:

- Arts and Human Sciences: no impact on progression in AHS (both 61%).
- Business: 8% better progression for female students than male.
- Engineering, Science and the Built Environment: 7% better progression for male students (statistically significant due to higher actual numbers of male students).
- Health and Social Care: 7% better progression for male students (less statistically significant due to comparatively low actual numbers of male students).



### Ethnicity:

- Arts and Human Sciences: white students' progression between 8-16% better than BME students.
- Business: 91% progression for Chinese students, compared to 49-54% for other ethnicities.
- Engineering, Science and the Built Environment: 86% progression for Chinese students, compared to 70% Black African and 69% White.
- Health and Social Care: Ethnicity appears to have little impact on progression.

### Age:

- Arts and Human Sciences: progression for students 21 and under is 66%, at least 10% better than other age groups.
- Business: progression for students 21 and under is 2-12% better.
- Engineering, Science and the Built Environment: older students perform 10% better than students 21 and under.
- Health and Social Care: progression for students 21 and under is 3%-9% better.

### Disability:

- Arts and Human Sciences: no significant trends
- Business: lowest progression is students in receipt of the Disabled Student Allowance.
- Engineering, Science and the Built Environment: no significant trends
- Health and Social Care: no significant trends

### Entry Qualifications:

- Arts and Human Sciences: significant difference between A Level student progression (68%) and other qualifications - particularly BTEC (53%).
- Business: Access students with best progression in BUS, followed by A Level students, very low BTEC (46%) progression.
- Engineering, Science and the Built Environment: significant difference between BTEC student progression (49%) and other entry quals (67% to 83%); large number of 'not known' in 2011/12 is being addressed through better data capture at enrolment.
- Health and Social Care: larger proportion of entrants with previous HE qualifications (possibly indicating career changes or previous failure at higher education – qualification does not necessarily indicate initial award aim). Progression for this category is approximately 20% lower than other entry qualifications.

### Fee Status:

- Arts and Human Sciences: home students have lower progression than EU/Overseas
- Business: best progression is Overseas students, then Home.
- Engineering, Science and the Built Environment: home students have lower progression than EU/Overseas
- Health and Social Care: home students have lower progression than EU/Overseas

## Student Support: The Student Centre

The Student Centre, a social learning space incorporating the Students Union, Support Services and Employability Services, opened in November 2012 and attracted more than 10,000 individual students in its first four months of operation.

The Student Life Centre helpdesk, which in term can attract 100 students a day, is supported by the student portal, MyLSBU, and specialist teams of advisers and integrated with the Student Support Framework, which envelopes academic staff. The Disability and Dyslexia Support Service is currently being restructured to provide a greater student facing resource and systems and structures which will integrate the work of the service with the support delivered in faculties, necessary to ensure proper support for students. The Mental Health Service likewise is being expanded, a counselling service contracted for the next academic year and a formal link made with the Maudsley Hospital to support the work of the advisers and academic tutors. These developments, within current budget limits, are in response to the growing identified needs of students (currently these services support 2,500 students), and the obvious links made between disability and crises on the one hand, and retention and success on the other.

Advisers in The Student Life Centre can advise students on a wide range of issues and have the support of specialists in accommodation, disability and mental health issues, international, religious or spiritual concerns, financial problems and so on. A very large part of the advice turns on financial support, in terms of various support funds, but also help with budgeting and managing money.

Also in this large Social Learning Space, the entrance to ESBE and immediately next to AHS, is a job shop and an Employability Assessment Centre, The Career Gym. The Student Centre thus offers students opportunity alongside support: opportunities for employment as well as for social and personal development; support to access these opportunities as well as support to remove barriers to student success. The Student Centre provides opportunities for employers, the voluntary sector and all partners to enhance the student experience and develop students' employability, their social and personal skills and enhance their experience of being at the University. A restructured Employability Service will be in place in July 2013, with dedicated managers supporting academics in developing the Employability Offer on courses, focussing on student engagement across LSBU and developing our work with employers.

## Employability

Transforming future employment opportunities of those who choose to study a course in higher education is an important priority for all universities and LSBU is no exception. Providing a relevant curriculum for a modern global context and engaging with businesses and the professions has always been central to what Universities are about. LSBU's commitment in this regard is well documented both in the Corporate Plan and all of its published materials.

But LSBU faces a number of particular challenges in the 'variable fee' and 'self-financing' environment of English HE. The graduate employment market is not arranged to the

advantage of LSBU students, apart from the obvious fact of being in London. Traditional graduate recruiters often place emphasis on UCAS point scores and do not come to LSBU, while smaller employers are hard to engage for other reasons. LSBU students often do not have the social or cultural capital which makes the transition to employment in some sectors easier. The nature of the socio-economic make up and prior educational attainment of the LSBU student community make securing graduate employment difficult (but truly transformational when successful).

This must be set in the context of a crisis in Graduate Recruitment affecting the whole sector, and the gradual undermining of the concept of 'graduate job' in an economy in which an ever increasing proportion of workers have degrees.

In response to this increased significance and developing difficulty, the Executive established an Employability Project in 2011, which acted to develop a strategic framework, significantly raised the profile of employability, and piloted several interventions and initiatives. The Employability Project set a strategic framework for delivering improvement and identified pan-university actions which are now being planned and delivered.

Besides the Project, various operational pilots and developments have introduced new ways of working. The creation of the Student Centre and a re-modelled Student Services Department created the opportunity to re-design Employability Services along contemporary lines; The Development and Alumni Relations Office has identified a need for more people who can visit employers and for more emphasis on mentoring and volunteering. The introduction and negotiation of SLAs with faculties has developed ideas about partnership delivery, as has the development of structures and processes in faculties. Across LSBU an audit is presently being conducted which will form the basis for future developments. The Student Union, with its renewed commitment to employability and volunteering, adds another dimension.

The Employability Services is currently developing its work to support a four point strategic plan:

- 1 To place Employability at the centre of corporate aims and objectives
- 2 To position Employability prominently in The Student Experience
- 3 To support students to become more employable and
- 4 To improve DLHE performance.

LSBU's Employability Service is still appointing the new team and moving into its new facilities, but has shifted its focus to the new plan. Employers have, in the last six months, assisted by conducting talks in lectures, offering bespoke sessions on particular industries and offering mock interviews or assessment days. Some particularly successful examples which we might see replicated, developed and expanded in numbers over the next year are listed here:

- The RBS Business Club

- The Credit Suisse Assessment Programme
- Students completed a skills enhancement programme Skills for Success.
- Students attended a workshop run by Guys and Thomas Trust on non-clinical careers in health, and two further industry specific workshops are planned for finance and hospitality.
- Students attended an interactive course provided by ClearPath, a sales company
- Students attended a course run by BlackBullion focussing on personal finance and careers.

The Employability Service has been active with getting more employers on to campus with actual vacancies to recruit to, and has so far this year attracted 76 recruiting employers. This is in addition to the employers engaged directly with departments.

## Student Destination Survey

### Who is Contacted?

The total survey group (referred to as the POPTAR) consists of UK-domiciled and EU students from London South Bank University who have successfully completed full-time or part-time degrees, diploma or sandwich courses at undergraduate and postgraduate levels between September 2011 and July 2012. It also includes those graduates who studied part-time, obtained Postgraduate Diplomas/Certificates as well as Research Council funded PhD students, bringing the eligible population (POPTAR) to be canvassed to 5,967 graduates (2010/11 figure was 4,205). From the 5,967 we received responses from 4,310 (72.2%)

Within this group, the performance of UK Full Time First Degree graduates is generally studied most closely by the media as a general indicator and for comparison purposes; this group numbered 3,144, and of these 1,808 responded.

The results show that unemployment stands at 9.7% in 2011-12 compared to 10% in 2010-11. A worrying trend however is that for the second year running the refusal rate has increased, for the 2011/12 survey this stands at 725 (16.8%) compared to 357 in 2010-11 (12%).

### Headline Survey Results

- 9.7% (417) of all respondents were recorded as unemployed, compared with 10.00% (298) in 2010/11.
- The number of graduates in further study has increased to 13.7%, from 10% in 2010/11.
- The proportion of UK full time first degree graduates who are employed or in another positive outcome has decreased from 78.1% in 2010/11 to 77.45% in 2011/12.
- The median starting salary is £25,000 per annum (national = £22,000). But average salaries for male UG students was calculated to be £26,379, their female counterparts was calculated to be £24,464.

## Summary Compared to Previous Years

Academic year	2009/10		2010/11		2011/12	
	No.	%	No.	%	No.	%
Eligible population	3998		4205		5967	
Total known responses	3303	82.6	2976	70.7	4310	72.2
Full time paid work only	1760	53.3	1323	44.5	2007	46.5
Part time work only	234	7.1	264	8.9	303	7.0
Voluntary/unpaid work only	38	1.2	60	2.0	0	0
Work & Study	350	10.6	242	8.1	121	2.8
Further study only	317	9.6	298	10.0	591	13.7
Assumed to be unemployed	323	9.8	298	10.0	417	9.7
Not available for employment	59	1.8	97	3.3	55	1.3
Other	23	0.7	37	1.2	91	2.1
Explicit refusal	199	6.0	357	12.0	725	16.8
<b>Total</b>	<b>3303</b>		<b>2976</b>		<b>4310</b>	

## Faith and Cultural Diversity

A great number of students are from the local area and come to LSBU with existing ties with local faith communities. Others are detached from their home communities and feel in need of support. Students who are religious, some with ambitions to leadership, are often keen to express their faith within the campus in discussions in class, in organising speaker events, organising promotion or awareness activities, or in simply practising their faith individually and in groups. The campus is impressively harmonious, and students report a distinct lack of tension connected with faith.

The student experience at LSBU will enable students to develop and learn, and in some ways be 'formed' while they are at the University. At LSBU we see part of that forming experience being the development of the capacity to relate positively and respectfully to people of faith, other faiths and no faith, to respect their beliefs and lifestyles, so as to be able to engage successfully with the diverse society in which they live. The appointment of a Multi-Faith Chaplain by The Diocese of Southwark supports this agenda and the new Student Multi-faith

Advisory Board adds more stability, governance and balanced informed judgment to our efforts.

The board, which comprises local faith leaders, gives the University, its students and student societies, a valuable sounding board on matters of faith. Members have been very helpful this year in advising LSBU on some of the issues prominent in the press, such as segregated seating and the provision of prayer facilities. LSBU has sound monitoring systems and good communication with its student societies which support Government efforts to combat extremism in Universities, and despite considerable media attention to the sector as a whole in the last twelve months, has avoided adverse publicity.

## National Student Survey

The National Student Survey (NSS) is a national survey commissioned by HEFCE and carried out by the market research agency Ipsos-Mori. It questions all undergraduate and sub-degree students funded by HEFCE or the NHS who would be completing their courses in the summer following the January in which the survey is opened.

The survey consists of a series of statements and respondents are asked to show the extent of their agreement or disagreement with each statement; a 5-point scale is used, ranging from “definitely agree” to “definitely disagree”. There are 22 such statements in total grouped into the following areas:

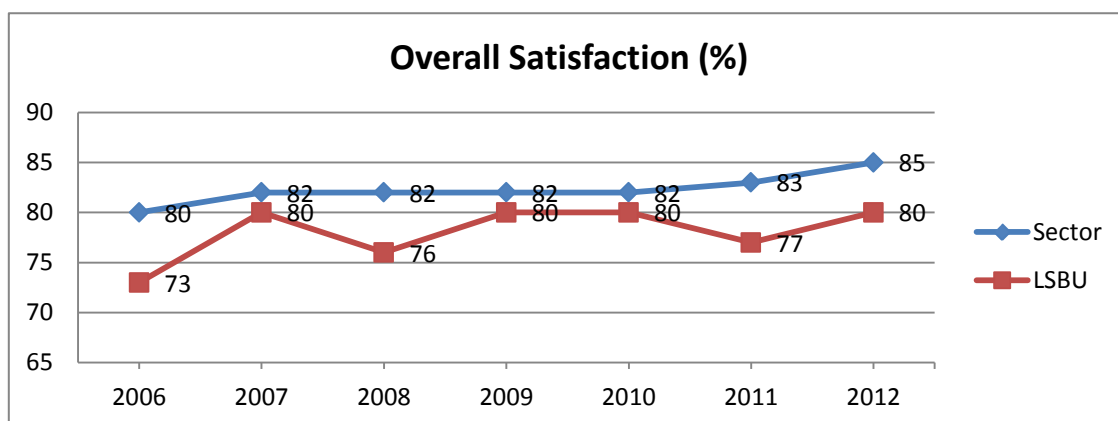
- Overall satisfaction
- Teaching
- Assessment and feedback
- Academic support
- Organisation and management
- Learning resources
- Personal development

The main significance of the results of the NSS is that they are published and hence inform the public perception of the University. In addition, however, they provide data which, together with other sources of student feedback such as the New Entrants Survey and Postgraduate Taught Experience Survey, are very useful in identifying areas for improvement.

In 2012 the LSBU overall response rate has increased by 4% to **64%** (LSBU benchmark target = 70%). The sector response rate has increased by just 2% to 67%.

LSBU has seen an increase in student satisfaction in **all** of the key NSS categories. These improvements mirror the increase in satisfaction seen across the sector; therefore we still have more to do to close the gap between LSBU and our competitors.

## Overall Satisfaction

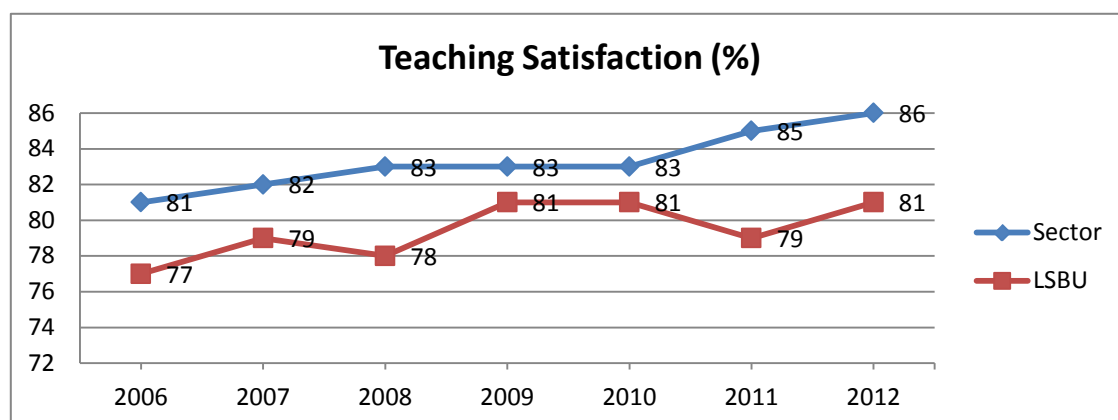


Overall Satisfaction has increased back to our score in 2010, 2009 and 2007 of **80%**. This score is still 5% behind the sector score which has been steadily increasing since the beginning of the survey.

Satisfaction has increased across all key demographic and ethnic groups. Most notable is the **80%** overall satisfaction which was recorded against both young and mature students. This is the highest level of satisfaction seen in LSBU's young students since the beginning of the NSS.

Of most concern is the further drop in overall satisfaction among part time (PT) LSBU students. With full time (FT) students recording a 4% **increase** in satisfaction on 2011 to **82%**, PT student satisfaction has **dropped** for a second year running to **71%**. The PT satisfaction trend is one that fluctuates by up to 6% around the 75%-80% score so for satisfaction to drop to 71% is significant.

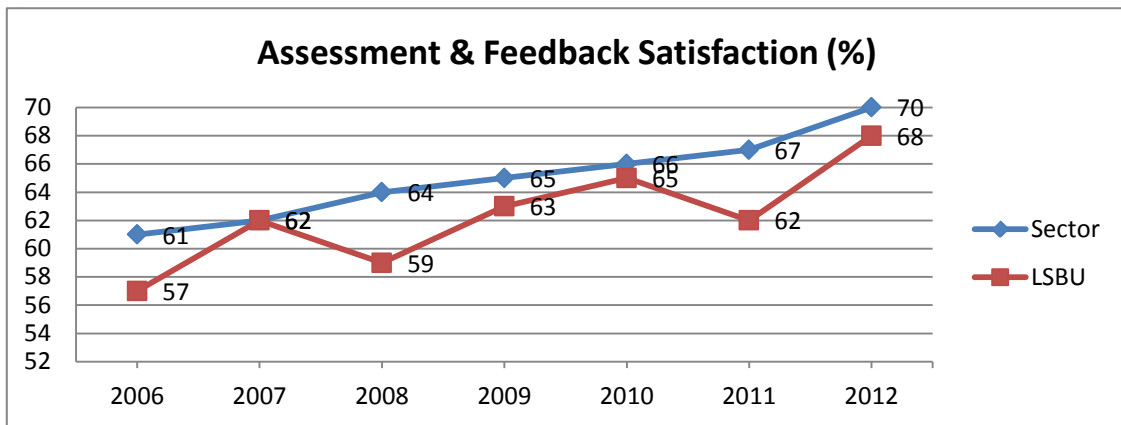
## Teaching



Satisfaction with teaching has also seen a return to our 2010 and 2009 score of 81%. The disparity between LSBU and the sector has decreased from 6% in 2011 to 5%.

The majority of comments focused on the excellent experiences students have had being taught by staff at LSBU. Many students pick out lecturers or modules which have made their experience at LSBU highly inspirational. However, the variability of skill and attitude between lecturers was remarked upon.

## Assessment and Feedback

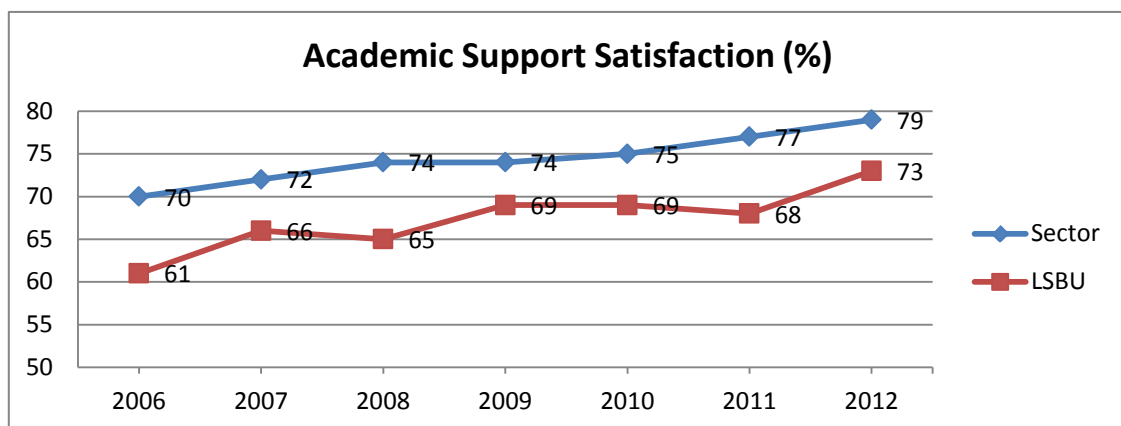


We have seen a 6% increase in satisfaction with our methods of assessment and feedback. This is the highest increase in satisfaction in all of the key NSS areas and sees us only 2% below the sector score. However, this area continues to be the University's lowest scoring area.

The issues students have with feedback centre on the expected areas. Students feel that in some modules the feedback is still not returned promptly and is still not detailed enough. They are also keen to have personal feedback rather than a group mark or an overview of the progress of their peer group.

Detailed feedback is strongly linked to student opinions about academic support, with students requesting more communication with the marker of their assessment in order to gain clarity about their performance. Due to the nature of their mode of study, PT students in particular require a greater amount of detail in the feedback that they receive and assistance in clarifying things they do not understand.

## Academic Support



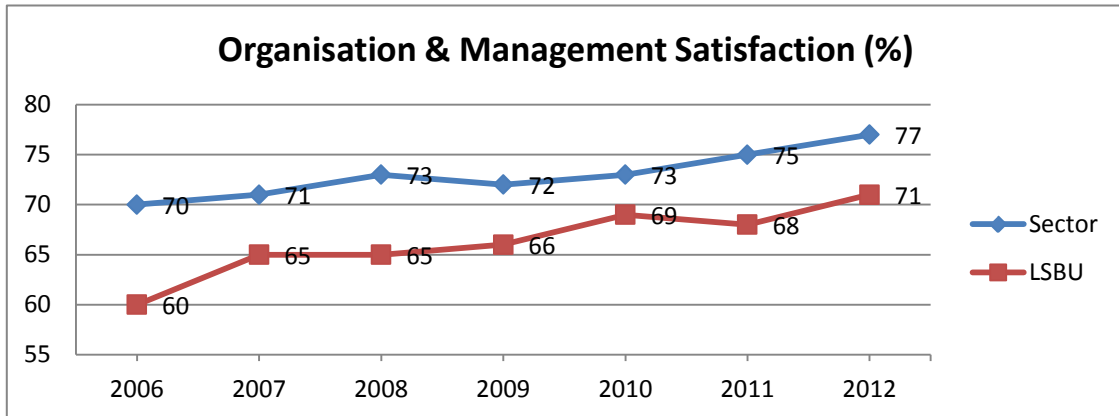
Satisfaction with academic support has increased by 5% this year to our highest ever score of **73%**. It is possible that improvements in assessment feedback have had an impact in this section of the NSS, as students feel that they are receiving study advice from more effective comments and feedback sessions.

A key difference has been the students' ability to contact staff when they needed to. In this area we have improved by 4% since last year to **77%**. However, we should note that the NSS



shows we are still 6% below the sector score of 79% in this area. Many students called for more use of one-to-one sessions and seminars, but if they cannot contact academic staff in person, they would appreciate email contact.

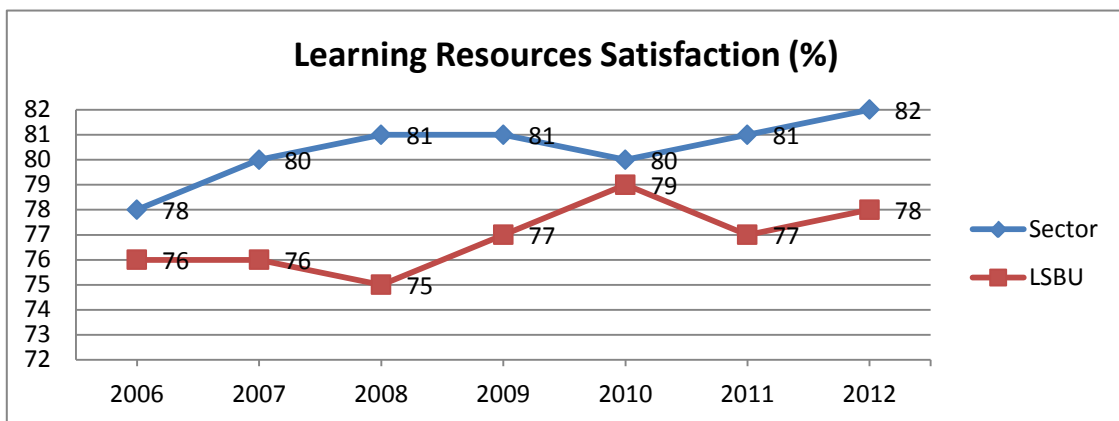
## Organisation and Management



With a satisfaction level of **71%**, LSBU is 6% below the sector score. LSBU has improved by 2% in this category since 2011, mirroring that in the sector as a whole.

Comments about the organisation of the programme were largely focused around the timetable. Students want accurate timetables, in advance, that are not subject to too many changes throughout the year. If changes are necessary, these should be communicated quickly and clearly in advance. This is most important for students who have jobs and/or children so that they can arrange cover for these activities.

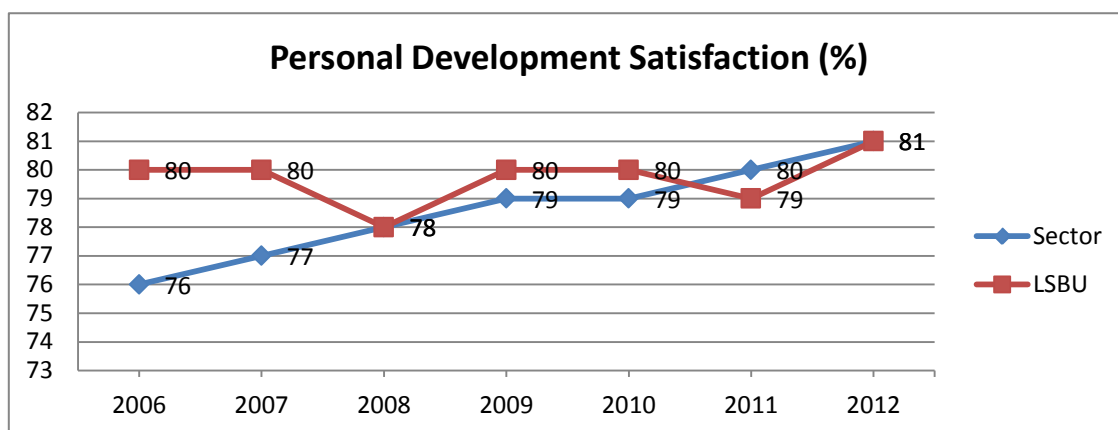
## Learning Resources



With a score of **78%**, students are largely satisfied with the library and IT resources available to them. This score is still 1% off our highest score in this area of the NSS and is 4% below that of the rest of the sector.

The area which continues to lower the overall score is access to specialised equipment, facilities or rooms. This score is 7% below the rest of the sector and the University should identify where students are requiring additional resources.

## Personal Development



In the area of Personal Development satisfaction is at an all-time high at **81%**, equalling the sector score.

## Students Appeals

### Student Appeals in 2012

764 student appeals were received in the calendar year 2012. This compares with 751 student appeals received in 2011 and 579 received in 2010, representing approximately 3.3% of the University's total number of 23,350 currently enrolled students.

### Appeals in 2012 by Faculty

The breakdown of appeals submitted by faculty in 2012 was as follows:

Faculty	No. Appeals in 2012	% All Appeals in 2012	% All Students Enrolled by Faculty in 2012, for Comparison
AHS	223	29%	22%
BUS	134	18%	22%
ESBE	202	26%	24%
HSC	205	27%	31%
Total	764	100%	99% (+1% Other)

### Numbers of Appeals Submitted by Faculty 2004-12

The number of appeals submitted in each faculty in each calendar year, 2004 to 2012 is illustrated below.

	2004	2005	2006	2007	2008	2009	2010	2011	2012
AHS	51	78	64	92	117	112	166	205	223
BUS	63	69	71	104	62	114	118	134	134
ESB	35	48	36	92	95	84	115	183	202
HSC	159	174	172	161	201	183	180	229	205
CH	27	17	24	24	--	--	--	--	--
Total	335	386	367	473	475	493	579	751	764

### Increase/Decrease in Appeals by Faculty 2011 to 2012

Faculty	Increase/Decrease in Appeals by
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	<b>Faculty 2011-12</b>
AHS	9% increase
BUS	0% increase
ESBE	10% increase
HSC	10% decrease

### Percentage (%) of All Appeals Submitted by Faculty 2005-12

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>AHS</b>	20	17	19	25	23	29	27	29
<b>BUS</b>	18	19	22	13	23	20	18	18
<b>CH</b>	4	7	5	--	--	--	--	--
<b>HSC</b>	45	47	34	42	37	31	31	27
<b>ESBE</b>	12	10	19	20	17	20	27	26
<b>Total</b>	100%	100%	100%	100%	100%	100%	100%	100%

### Outcomes of Appeals

#### Outcome of Appeals in 2012 - All Faculties

Of this total of 764 appeals, 244 appeals were upheld, and 520 were not upheld:

<b>Appeals Successful/ Unsuccessful in 2012:</b>	<b>Number</b>	<b>%</b>
Upheld	244	32%
Rejected	520	68%
<b>Total</b>	<b>764</b>	<b>100%</b>

2012's percentage of 32% of all appeals being upheld is the most significant dip below 50% since 2006. The annual success rate of appeals is illustrated below, for the years 2004-12 inclusive.

<b>Year</b>	<b>% Appeals Rejected</b>	<b>% Appeals Upheld</b>
2012	68%	32%
2011	47%	53%
2010	41%	59%
2009	43%	57%
2008	45%	55%
2007	51%	49%
2006	62%	38%
2005	73%	27%
2004	61%	39%

#### Outcome of Appeals by Individual Faculty in 2012

These trends are nevertheless not entirely uniform among the individual faculties. The table below illustrates the success rates of appeals by individual Faculty in 2012. The variations in outcome, as measured between the faculty least likely to have its appeals upheld (AHS), and the faculty most likely to have its appeals upheld (BUS), is only 5%, which does not appear to be of great significance.

	Appeals Submitted	No. Appeals Rejected	No. Appeals Upheld	% Appeals Rejected	% Appeals Upheld
<b>AHS</b>	223	156	67	70%	30%
<b>BUS</b>	134	87	47	65%	35%
<b>ESBE</b>	202	137	65	68%	32%
<b>HSC</b>	205	140	65	68%	32%

### Outcome of Appeals by Gender in 2012

57% of appeals in 2012 were by female students, and 43% were from male students. This is in line with the proportion of female and male students currently enrolled at the University, at 59% and 41% respectively. Nevertheless, appeals by female students were more likely to be successful: 34% of all appeals by female students were upheld in 2012, whereas only 28% of appeals by male students were upheld in 2012. Female appellants in ESBE were twice as likely to have their appeals upheld as male appellants in AHS. The respective success rates for appellants in each faculty are given below.

	Total No. Appeals in 2012	Total No. Appeals from Women	Total No. Appeals from Men	% Appeals from Women Upheld	% Appeals from Women Rejected	% Appeals from Men Upheld	% Appeal from Men Rejected
<b>AHS</b>	223	143	80	31%	69%	23%	77%
<b>BUS</b>	134	53	81	41%	59%	32%	68%
<b>ESBE</b>	202	57	145	47%	53%	27%	73%
<b>HSC</b>	205	179	26	31%	69%	42%	58%

### Outcome of Appeals by Tuition Fees Status in 2012

In 2012, 87% of all appeals submitted were from Home students, 6% of appeals were from EU students, and 7% of appeals were from International/Overseas students. These figures are broadly in line with the proportions of Home, EU and International/Overseas students enrolled at the University in 2012 at 91%, 3% and 6% respectively.

The success rates for the appeals of these three categories of students are set out below.

Tuition Fee Status	% Appeals Upheld	% Appeals Rejected
Home students	31%	69%
EU students	32%	68%
Overseas/International students	42%	58%

### Outcome of Appeals by Disability in 2012

23% of all students who appealed in 2012 were formally registered with the University as having a disability. 77% of all students who appealed in 2012 did not have a registered disability. The table below gives the breakdown by faculty in 2012.

	Appellants with a Registered Disability	Appellants with No Registered Disability
<b>AHS</b>	33%	67%
<b>BUS</b>	11%	89%
<b>ESBE</b>	13%	87%
<b>HSC</b>	29%	71%

All Appellants in 2012	Appeals Won	Appeals Lost	% Appeals Won	% Appeals Lost
Disabled	70	103	40%	60%
Non-Disabled	174	285	29%	71%

As the table above illustrates, 40% of all appellants with a registered disability won their appeals in 2012, while 29% of all appellants without a registered disability won theirs. Nevertheless there is wide variation between individual faculties in this respect, as illustrated below.

Appeals Won	AHS		BUS		ESBE		HSC	
Registered disabled	24/71	34%	4/15	27%	20/27	74%	22/60	37%
No registered disability	38/147	26%	44/120	37%	46/176	26%	46/148	31%

### Outcome of Appeals by Ethnicity in 2012

The following table illustrates the submission of appeals in 2012 by ethnicity categories. No detailed breakdown figures for enrolment by ethnicity across the student population in 2012 were available for of this report. Some headline comparisons of the outcomes of appeals by ethnicity category have nevertheless been attempted in relation to the three largest general categories: Asian students, Black students, and White students.

	Total No. Appeals in 2012	No. Appeals Won	% Appeals Won	No. Appeals Lost	% Appeals Lost
All Asian Students	123	44	36%	79	64%
All Black Students	351	105	30%	246	70%
All White students	170	56	33%	114	67%

### Outcome of Appeals by Level of Study

In 2012, 83% of all appeals were submitted by undergraduate students and 17% of all appeals were submitted by postgraduate students. This compares with a student population comprising 77% undergraduates and 22% postgraduates (and 1% students in Further Education). 30% of all undergraduate appeals were successful, while 41% of all postgraduate appeals were successful.

### Seasonal Peaks and Troughs – All Appeals by Faculty

The overwhelming majority of appeals each year are submitted over the summer months, July to October, which is easily explained by annual sittings of the summer (June/July) and September Resit Award and Progression Examination Boards. Most appeals received outside this July to October time-frame are appeals from HSC, which have Award and Progression Examination Boards sitting at different times of year. The table below illustrates the numbers of appeals submitted in each Faculty per month throughout 2012.

2012	AHS	BUS	ESBE	HSC	Monthly Total – All Faculties
January	4	6	3	1	14
February	6	4	9	14	33
March	7	3	4	24	38
April	2	1	2	5	10
May	2	2	2	14	20
June	5	1	13	5	24
July	101	38	96	27	262
August	18	4	16	30	68
September	40	32	20	40	132
October	34	33	35	31	132
November	2	2	0	10	14
December	2	9	2	4	17
<b>Annual total per faculty</b>	<b>223</b>	<b>134</b>	<b>202</b>	<b>205</b>	<b>764</b>

### The Organisation of the Independent Adjudicator for Higher Education (OIA)

94 complaints from exhausted appeals were newly submitted back to the University by the OIA in the calendar year 2012. This compares with 33 similar OIA cases submitted in 2011, and 23 received in 2010. This almost threefold increase of cases submitted in the calendar 2012 over the previous calendar year 2011 appears to reflect the fact that the OIA has now managed to make significant inroads into its huge backlog of complaints which had not been investigated, which is understood to have first accumulated substantially in the years 2010 and 2011.

### OIA Complaints by Faculty in 2012

	No. OIA Complaints Received in 2012	% All OIA Complaints Received in 2012
<b>AHS</b>	23	24%
<b>BUS</b>	11	12%
<b>ESBE</b>	14	15%
<b>HSC</b>	46	49%
<b>Total</b>	<b>94</b>	<b>100%</b>

At 49% of the total, exhausted appeals from past or present students from the Faculty of Health and Social Care continue to constitute the highest number of OIA cases submitted among the four faculties, notwithstanding that only 27% of appeals submitted in 2012 were from past or present HSC students.

### Outcomes of OIA Complaints in 2012

By the date of the collection of this data (25.02.13), 47 of these 94 complaints had been resolved, while 47 were still in progress. The outcomes of these 94 cases are shown below.

Outcomes of OIA complaints	AHS	BUS	ESBE	HSC
Not justified	4	4	4	16
Partly justified	1	0	0	3

No case	1	0	4	2
Awaiting decision	15	6	6	22
Fully justified	2	1	0	3
<b>Totals</b>	<b>23</b>	<b>12</b>	<b>14</b>	<b>46</b>

## Academic Misconduct

### Annual numbers of Academic Misconduct Investigations (AMIs)

#### Numbers of AMIs in 2012

290 students were reported to and/or investigated by the central academic misconduct office located in the Registry in the calendar year 2012. Of these, 20 cases were reported centrally for further investigation and resolution through the University Academic Misconduct Panel. 240 completed cases were reported centrally, having been investigated and concluded locally by relevant Academic Integrity Coordinators (AICs). A further 10 initial cases were reported centrally and investigated locally but their final conclusion was not, or has not yet been, made known centrally. 22 investigations resulted in having the initial allegation withdrawn and/or having no case to answer.

#### Comparison of AMIs by Year, 2001-2012

The 290 reported cases of academic misconduct in 2012 compares with 2011's total of 293 reported cases. A comparison of numbers of cases reported since 2001 is illustrated below.

Year	Total	Year	Total
2012	290	2006	257
2011	293	2005	260
2010	231	2004	204
2009	281	2003	175
2008	229	2002	105
2007	263	2001	190

#### AMI cases by Faculty in 2012

As in previous years, the Faculty of Business investigated the highest number of cases in 2012, with 157 investigations. The Faculty of Health and Social Care investigated the least number of cases of the four faculties, with 19 cases. The numbers of cases investigated by each faculty in 2012 were almost identical to the numbers investigated by the same faculties in 2011.

Faculty	No. Cases	% All Cases
Arts & Human Sciences	71	24%
Faculty of Business	157	54%
Engineering Science & Built Environment	43	15%
Health & Social Care	19	7%
<b>Total</b>	<b>290</b>	<b>100%</b>

#### Academic Misconduct Investigations 2012 by Type of Misconduct

The most common type of misconduct is the commission of plagiarism, followed by infringement of examination rules. There were three reported cases of contract cheating in 2012.

Type of Misconduct	No. Cases
Plagiarism (individual)	201
Plagiarism (collusion)	44
Plagiarism (contract cheating)	3
Cheating in an exam	28
Unknown offence	14
<b>Total</b>	<b>290</b>

### Seasonal Distribution of AMIs in 2012 - All Faculties

Reporting of misconduct is normally seasonal, and most reports of cases and investigations follow the major assessment periods in the academic calendar – at the end of semester one and particularly at the end of semester two, as shown below.

Month in 2012	No. AMIs Reported	Month in 2012	No AMIs Reported
Jan	9	July	38
Feb	33	Aug	15
March	19	Sept	16
April	8	Oct	20
May	82	Nov	7
June	36	Dec	7

### Seasonal Peaks & Troughs for AMIs in 2012 - Distribution by Faculty

The table below illustrates the numbers of appeals submitted by each Faculty per month throughout 2011.

2012	AHS	BUS	ESBE	HSC	Monthly Total – All Faculties
January	6	2	0	1	9
February	7	21	2	3	33
March	2	6	11	0	19
April	2	6	0	0	8
May	28	37	14	3	82
June	8	18	4	6	36
July	4	28	4	2	38
August	0	11	1	3	15
September	7	3	5	1	16
October	2	16	2	0	20
November	3	4	0	0	7
December	2	5	0	0	7
<b>Annual total</b>	<b>71</b>	<b>157</b>	<b>43</b>	<b>19</b>	<b>290</b>

### Academic Misconduct Investigations 2012 by Outcome and Penalty

The range of outcomes and penalties to AMIs in 2012 is given in the table below. The most common penalty imposed was Penalty (iii), including all its variations, which requires the component of assessment involved to be redone for a capped mark. Penalty (iii) was imposed in 54% of cases. The second most common penalty was Penalty (ii), including all of its variations, which involves a reduction in marks, usually -- but not always – capping at the pass



mark. This penalty was imposed in 18% of all cases. Penalty (v) – failure in all components of assessment to be redone for a capped module mark with repeat fees and attendance – was imposed in 7% of cases. Two students’ studies were permanently terminated for the commission of academic misconduct alone.

<b>Outcome/Penalty</b>	<b>No. Cases</b>
No case to answer/allegation withdrawn	22
No penalty/unknown penalty/unresolved	10
Poor Academic Practice (+ no/unknown penalty)	15
Poor Academic Practice + penalty (i)	0
Poor Academic Practice + Penalty (ii)	9
Poor Academic Practice + Penalty (iii)	19
Misdemeanour Warning (no penalty &/ or unknown penalty)	0
Misdemeanour Warning + Penalty (i)	0
Misdemeanour Warning + Penalty (ii)	1
Misdemeanour Warning + Penalty (iii)	0
Misdemeanour Warning + Penalty (iv)	0
Misdemeanour Warning + Penalty (v)	0
Minor Academic Misconduct + Penalty (i)	1
Minor Academic Misconduct + Penalty (ii)	0
Minor Academic Misconduct + Penalty (iii)	0
Penalty (i)	11
Penalty (ii)	42
Penalty (iii)	138
Penalty (iv)	0
Penalty (v)	16
Penalty (vi)	3
Penalty (vii)	1
Penalty (viii)	0
Penalty (ix)	2
<b>Total:</b>	<b>290</b>

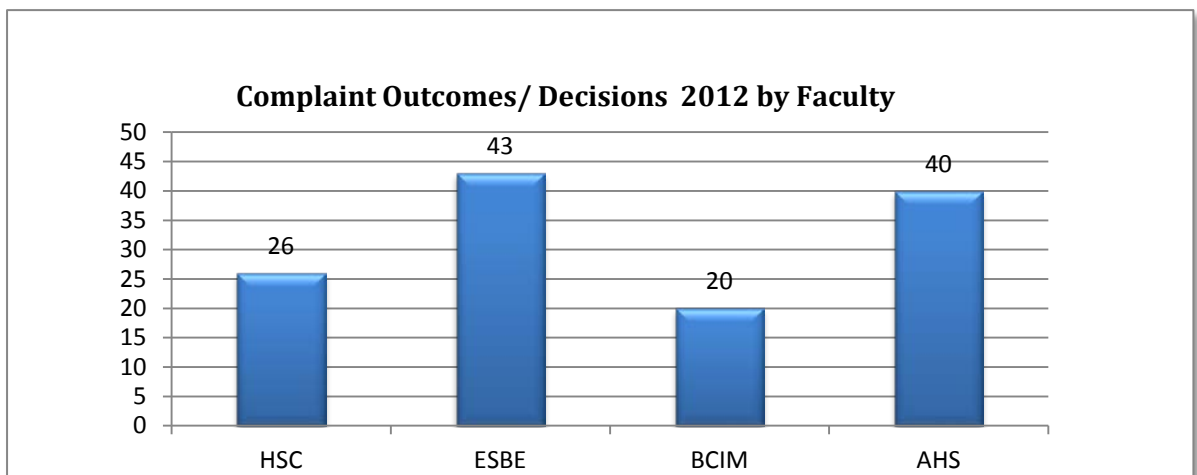
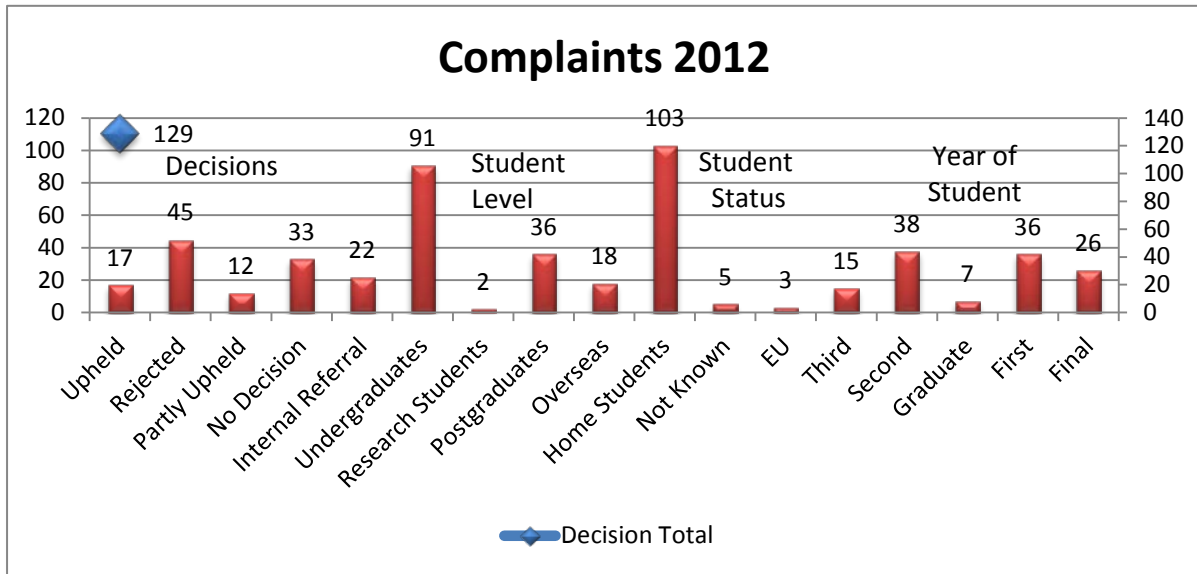
## Student Complaints

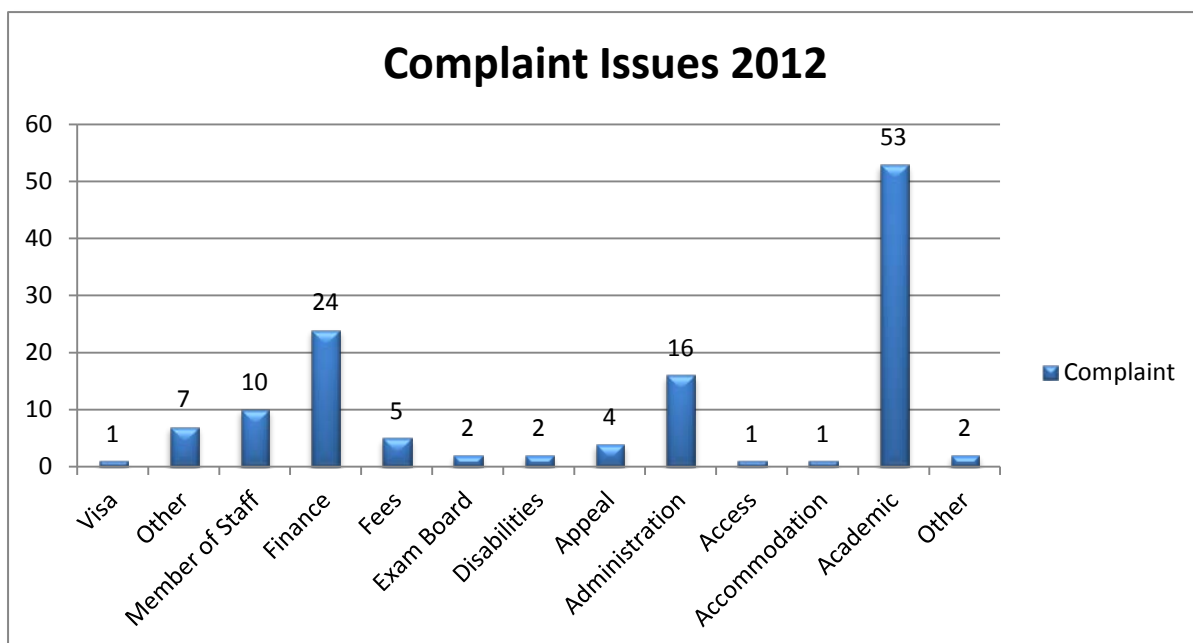
### University Internal Complaints Data 1 January – 31 December 2012

Internal complaints are received via various channels of communication: using the formal complaints procedure, email/letter to a member of staff from either a student or their representative i.e. MP, solicitor, parent or university/union adviser. On receipt of a complaint it is in the first instance directed to the Faculty/Department where the issue arose for investigation by a senior member of staff in that Faculty/Department. Complainants if not satisfied with the response they receive at this stage can request progression of a complaint in accordance with the University student complaints procedure. The issues most commonly

complained of have in the past been fees and finance however for year 2012 this has not been the case. The primary issue has been academic, as often a student will re-frame a failed academic appeal and submit it as a complaint slightly changing the format to ensure it fits the remit of the complaints procedure.

The University received 129 formal complaints in 2012. The following charts give information on certain aspects of these complaints. They show the number of complaints received, the issue, the faculty in which the complainant resides, and the outcome/decision of complaints. Also shown is the level, year and status of the complainant.





### Understanding the Issues

It is important that we understand the nature of complaints and, where possible, the complainants to ensure the university learns from any genuine mistakes it may have made and enable it to improve its environment and services – ensuring that the University delivers its vision and mission to its customers.

### Complaint Issues

Internal complaints are submitted directly by a student where they are unhappy with any aspect of the university's behaviour. They may be broadly categorised as follows:

#### Academic:

This area of complaint is mainly about having failed due to a particular reason such as supervision, marking process not being followed, lack of guidance, or no access to on-line teaching materials and are usually submitted in cases of failed appeals.

#### Financial:

Complaints arise because the student may not understand the financial implications when they sign the enrolment form. They may not realise that they have entered in to a legal contract.

Other aspects of this area of complaint include:

- Late payment charges: £25 for every instalment missed (max £100) in accordance with tuition fee regulations. Students often dispute why they have to pay such charges.
- Early withdrawal charges 25%: Students who leave soon after enrolment encounter this particular problem.

- Payment methods: instalment payments not meeting the criteria, Career Development Loans.
- Discounts: students dispute why they have not been given/ are not eligible for a discount.
- Payment for repeat units: the student loan company (SLC) refuses to pay for repeat tuition fees and the debt falls to the student to pay. They may not have the resources to pay and are prevented from re-enrolling or are excluded.
- Tuition fee assessment: students dispute the fee status (“home” or “overseas”) that the university applies to them and claim they should be classified at the cheaper “home” rate.
- Outstanding debt: former students who owe money offer various reasons for not paying, which include: not receiving value for money; loss or change of job; or illness. This situation mainly affects home students who pay their own fees or are sponsored by their employer, usually part-time undergraduate or post-graduate.

#### **Failed expectations:**

Students may believe that their experience has fallen short of their own expectations about their course. This may be as a result of incorrect information being provided to a student prior to starting, or at interruption/withdrawal stage and in response to an individual student’s circumstances or change of circumstances.

#### **Conflict with a member of staff:**

Unfortunately, this sometimes may occur as a result of a clash of personalities or conflicting information provided to the student, students also use this method to reframe a failed appeal to fit within the remit of the University Complaints Procedure.

#### **Perceived lack of support from the university:**

- Supervision: the student perceives problems with access to or the response from staff; or from learning resources, e.g. Blackboard (the online information portal for students) or learning materials.
- Field trips/residential courses: sometimes issues are raised about field trips and teaching residential courses, e.g. costs or ability to attend.
- DDS students believing their support need to be greater than previously agreed with DDS and implemented by Faculty.
- Student expectations – individual student expectations can prove to be problematic, as what one student sees as good support/encouragement/contact- time another student would disagree.

### **Problems with placements:**

Placements are mandatory for a number of professional courses and have to be passed to enable the student to progress or awarded. Placement issues arise mainly from students in the Health Faculty who are on NHS placements; and in the Arts & Human Sciences Faculty who are on teaching placements. Placement issues can be complex and are often not a result of any wrong doing by the University.

### **Lack of expected career progression:**

Unfortunately, where a student does not progress in their chosen field/career, they may accuse the University of perceived wrongs whilst a student and believe these to be the reason for not attaining an award or a higher classification, thereby preventing them from the progression they seek. As a failed student or a graduate they submit a complaint stating lack of supervision, perceived discrimination etc. as issue(s) of their complaint.

### **Immigration matters:**

Continuing International students require a confirmation of acceptance for study (CAS) number to enable them to renew their visa. On occasion, the university is not able to allocate a CAS where there is a question over the student's academic ability or where the student owes the university money and they are in "bad financial standing" and the situation can cause problems for the student(s) in this situation, however the university has Tier 4 Highly Trusted Status criteria, and this has to be maintained to ensure the University keeps its status.

### **Enrolment:**

Problems arise where students have completed enrolment and have subsequently withdrawn quite early in their studies. The withdrawal reason differs for each individual however they all discover they are liable for the 25% early withdrawal charge (approx. £2,000 for new student financing system) which they then proceed to challenge through the complaints procedure.

## **Conclusion**

In the context of the whole student body, the number of internal complaints made annually continues to be relatively low. Even so, it is important that the university uses any learning from the complaint process/investigation and subsequent decision to ensure its policies, procedures and learning environment are fit for purpose. This in turn will ensure continuous improvement which will feed student satisfaction and the student experience.

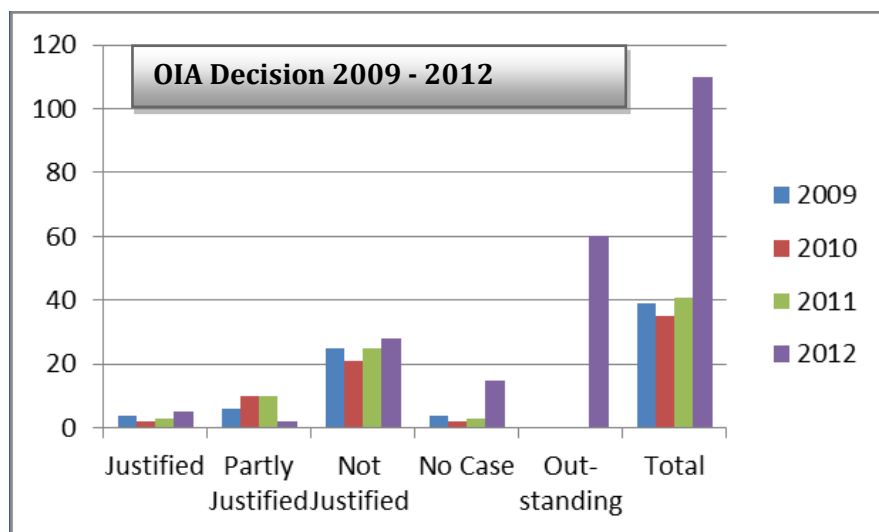
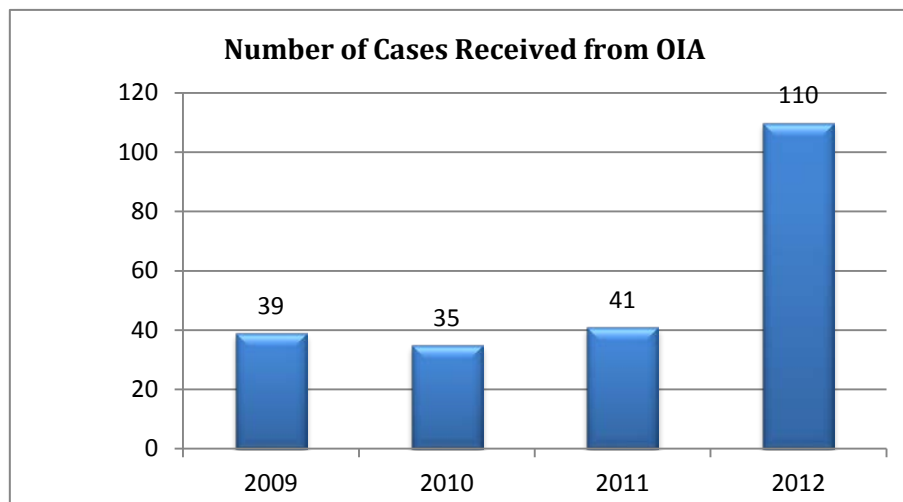
Members of staff directly involved in resolving a complaint will clearly be able to reflect on the experience. The mistake is unlikely to be repeated in that department or faculty. What is important is the dissemination of this learning to all other parts of the university.

Reports on student complaints will provide visibility to the Executive and Governors of the reasons why students are making complaints. Additionally, the reports will be discussed with members of staff who lead on resolving student complaints so that learning is shared throughout the university and continuous improvement is facilitated.

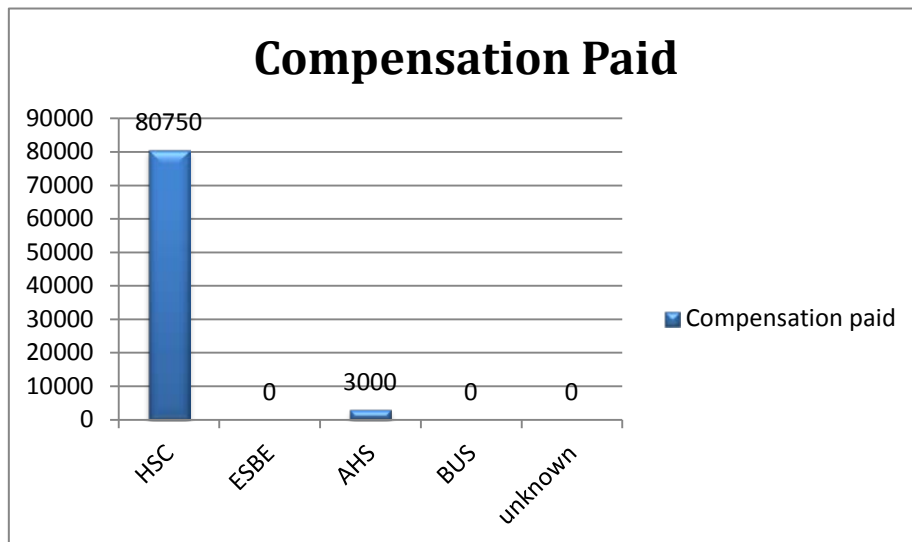
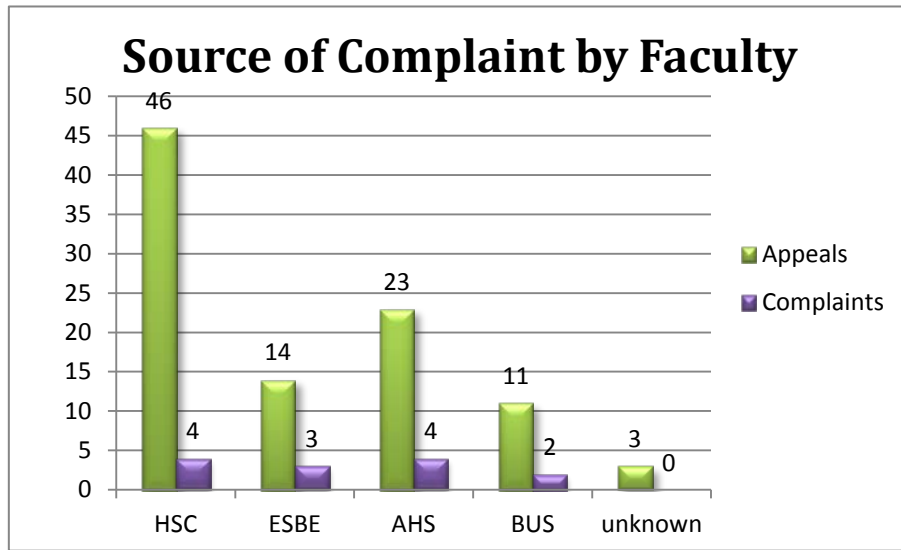
## Office of the Independent Adjudicator (OIA) Data 1 January - 31 December 2012

Student complaints submitted to the OIA arise from two University sources - either as a failed Student Appeal or as a result of a negative decision on an Internal Formal Complaint. The charts below show that the Faculty of Health and Social Care had the highest number of OIA complaints, the majority of which as a result of a failed appeal. However, the number of justified decisions is significantly low in comparison. Unfortunately, these decisions were financially costly but this was not necessarily as a direct result of Faculty action; often there is a combination of faculty, placement and academic process which when in certain circumstances combined to contribute to the overall OIA decision. HSC students who have failed academically also lose out financially (loss of bursary). It is therefore, understandable that they will use all options available to overturn any negative decision made by the University.

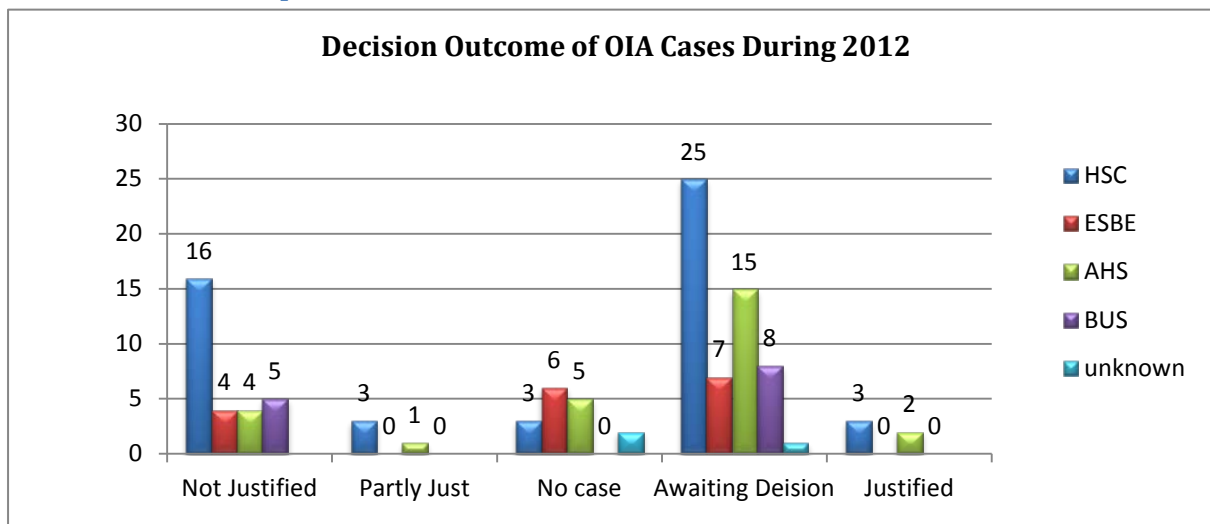
The following charts reflect the number, source, decision and financial cost of OIA complaints.  
**2009 - 2012 OIA Cases Submitted to the University**



## Source of Complaint



## OIA Decision on Complaints



## Action Plans

### Review of Action Plan for 2012/13: Corporate Projects

	Project	Update
1	Fully embed Student Services delivery model within Student Centre (including Student Advice Framework).	Achieved and operating within the Student Life Centre from November 2012 onwards. The Student Advice Framework is underpinned by implementation of 'Student Tracker' software and this is in the process of being rolled out across relevant staff.
2	Implement new Academic Strategy, to include Academic Staff Development	Academic Strategy approved in July 2012. Academic Staff Development Unit established (after due consultation period) in November 2012.
3	Work with Students' Union to complete Students' Union Improvement Project	Completed. Students' Union Board of Trustees established in December 2012 and New Chief Executive Officer in place since May 2013 and the SU is now engaged in the next stages of its development.
4	Further develop data collection and analysis across all levels of activity.	On-going. All activity surrounding current HESA collection for student returns is completed (though there are new requirements on a regular basis) and new reports have been generated to assist with annual monitoring cycles. Continues to be an area for development within the University.
5	Enhance engagement with National Student Survey and Destinations of Leavers in Higher Education Survey	Engagement in NSS rose to 71.3% (from 64.7%) in 2013, our highest level, since the survey began. DLHE engagement continues to be a challenge (though levels raised from 73% to 78% in 2013) and Student Services are actively engaged with the next DLHE cohort to drive up levels of engagement.
6	Continue employability project	This is now fully embedded within core processes and the new 'employability gym' and 'job shop' areas opened within the Student Centre in July. This is, again, an area for continued and increased effort, and we continue to maintain that effort.



7	Further develop annual and periodic review and reporting processes.	Procedures for undergraduate and taught postgraduate courses now split to reflect differing timescale of operation. Scrutiny within, and across, faculties has also been further enhanced and new forms of data provision to support analysis are being piloted.
8	Complete activity focused on Student Monitoring and Intervention within the STAR programme.	The Student Attendance Monitoring project is complete and has been operationalized alongside further developments in timetabling.
9	Review Skills for Learning Provision	Still underway – put ‘on hold’ by other restructuring developments in Student Services and by staff retirement.
10	Complete review of Timetabling and implement new processes	New Timetabling Policy approved in May 2013 and systems and processes underpinning this have been implemented. Will ‘go live’ in September 2013.

### Action Plan 2013/14: Corporate Projects

	Project	Description
1	Building an Integrated University Learning and Teaching Environment	<p>This work, on-going from development in 2012/13, will implement the new Virtual Learning Environment (MOODLE), following piloting and testing, within a ‘hosted’ platform, enabling the best-possible service and fastest response times for users.</p> <p>The project also includes development of a new ‘Student Portal’ to underpin all systems for students (and alongside the provision of Microsoft Office 365 for all students) offering multi-platform support across all devices.</p> <p>The final strand to this work is the implementation of a ‘Technology-Enhanced Learning Strategy’ which was approved by Academic Board in May 2013 and now requires support through process and project development in a number of areas.</p>
2	Professional Development Framework implementation and accreditation.	Following development of the Academic Staff Development Unit, and continuing the implementation of the 2012-14 Academic Strategy, this phase of work will see the implementation of a ‘Professional Development Framework’ for all academic staff, which will enhance engagement with the Higher Education

		Academy, through the ability for the University to award fellowships of the academy (up to the level of Senior Fellow). Our goal is to have 100% engagement across the University within 4 years (so, by 2018).
3	Effective Data Project	This project will see the implementation of an information strategy, supporting data warehousing and reporting and drawing together all University data systems within a 'master data' management system. The project has been scoped and is ready to go out to tender, subject to other current negotiations.
4	Review of Appeals/Complaints/OIA	Informed by internal audit and work with a senior external advisor in this area, the University will have completely reviewed and implemented new processes in these areas for the start of the appeals process in 2014.
5	Timetabling Stage 2	Having successfully delivered enhanced timetable provision in 2013, the next phase of the project will look at room usage and the strategic needs of the University (thus informing estates delivery, as well as process improvement).
6	Management of Collaborations (Accredited Partner Status)	With the potential growth in collaborative activity, processes for the management of existing collaborations need review and enhancement. The University is also piloting the concept of an 'Accredited Partner', for the first time, with an existing collaborative partner college in Denmark. This development will enable a more 'institutional' relationship to be established – with the partner operating to manage the quality of provision in a more autonomous fashion.
7	Structural review to support University Strategy	New development within the University will require significant review of the structure of operation of all academic and quality-related processes, which will begin as soon as developments are taken forward to the next stage of implementation.

	PAPER NO: BG.43(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	Revision of LSBU's Articles - update	
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors	
Board sponsor:	David Longbottom, Chairman of the Board	
<b>Recommendation:</b>	<p>To approve:</p> <ul style="list-style-type: none"> <li>• The draft Articles to begin consultation with the Privy Council;</li> <li>• Inclusion of an enabling power to remunerate governors;</li> <li>• Reducing the number of the governors to 18 as set out in paragraph 8; and</li> <li>• The draft standing orders</li> <li>• The Secretary to make any necessary amendments to ensure consistency and preserve the sense of the draft</li> </ul>	
Aspect of the Corporate Plan to which this will help deliver?	Creating an environment in which excellence can thrive	
Matter previously considered by:	P&R and the Board  Policy and Resources Committee	On: November 2012  3 July 2013
Further approval required?	Privy Council	
Communications – who should be made aware of the decision?	N/A	

**Executive Summary**

In November 2012, the Policy and Resources Committee and the Board of Governors considered draft revised Articles of Association for LSBU. This report updates the Board on progress since these meetings.

### **Update on Articles**

1. The University's Memorandum and Articles of Association (M&A) are the University's constitution and govern how the University is run. The M&A have not substantively changed since the institution became a university in 1992.
2. The proposed new Articles have been significantly revised following legal advice from Pinsent Mason LLP based on guidance from the Privy Council. The new Articles will comply with the Companies Act 2006 and allow authorisations of situational conflicts of interest (under the Companies Act 2006 the Memorandum is a historic document).

### **Consultation with the trade unions**

3. On 17<sup>th</sup> January 2013 and 28<sup>th</sup> February 2013 the University Secretary and Governance Officer met representatives of the three recognised trade unions to consult them on the proposed changes to the Articles of Association.
4. The Unions were supportive of the need to revise and modernise the Articles of Association but questioned the removal of detail in the objects clause (Article 1), the responsibilities of the Chief Executive (Article 6) and the membership of the Academic Board (Article 7). Having regard to this feedback, the objects clause has subsequently been extended and wording from the current articles reinserted to cover the responsibilities of the Chief Executive and membership of the Academic Board.
5. The Unions considered the inclusion of an enabling clause on governor remuneration. UCU are of the view that although there are "equality and diversity issues associated with non-remuneration these are outweighed by the positives of retaining a public service ethos. Thus, they would not welcome the payment of governors".
6. The enabling clause on remuneration has been retained in the draft and is recommended to the Board by the Policy and Resources Committee. Use of the enabling power will be governed by a Standing Order which is subject to Privy Council and Charity Commission approval. The draft Standing Order is included for completeness.
7. The draft Standing Order is based on Charity Commission template. If the Board decided it needed to use the power to remunerate it would have to consider Charity Commission guidance, resolve that the remuneration is clearly in the interests of the University and that remuneration provides a clear and significant advantage over all other options.

### **Composition of the Board**

8. Membership of the Board is proposed as follows:
  - 13 independent governors;
  - the Vice Chancellor (ex officio);
  - two students; and
  - two academic staff members of the Academic Board.
9. The consequence is that the practice of co-opting two staff governors following an election will cease. It is important that academics are members of the Board and the two Academic Board nominees and two student governors will continue.
10. As the new Articles propose reducing the maximum size of the Board to 18 members (from 24), the current composition of the Board as outlined in paragraph 9 is the maximum size of the Board and any future increase in staff or student governors will mean a reduction in the number of independent governors.

### **Standing Orders**

11. In order to streamline and modernise the articles some detail has been removed from the articles. Where necessary these provisions will now be covered by standing orders of the Board. Standing orders are proposed to cover:
  - a. Role of the Board
  - b. Primary Responsibilities of the Board
  - c. Chairman of the Board
  - d. Composition of Board and methods of appointment
  - e. Proceedings of Meetings and Decision Making
  - f. Committees
  - g. Chief Executive
  - h. Academic Board
  - i. Honorary Positions
12. These standing orders are intended to complement the articles and offer the Board greater flexibility to alter without referring to the Privy Council. The proposed standing orders are attached for information.

**Consultation with the Privy Council**

13. Following approval of the draft articles by the committee and the Board, consultation with the Privy Council will commence. Once the Privy Council confirms that it is content with the draft “in principle”, the Board will be requested to approve the final version before final “official” approval by the Privy Council.

14. The likely timetable to completion is as follows:

July 2013	Board approves final draft
Aug/Sept	“Informal” consultation on the Articles and standing order on remuneration considered by the Privy Council
Sept	Consideration of Privy Council’s comments
Oct	Final approval of Articles and Standing Orders by Board of Governors
Nov/Dec	Final approval by the Privy Council

**Recommendation**

The Board is requested to approve:

- The draft Articles to begin consultation with the Privy Council;
- Inclusion of an enabling power to remunerate governors;
- Reducing the number of the governors to 18 as set out in paragraph 8; and
- The draft standing orders
- The Secretary to make any necessary amendments to ensure consistency and preserve the sense of the draft

*University Secretary*  
*June 2013*

Companies Act 2006

Company Limited by Guarantee

**ARTICLES OF ASSOCIATION OF  
LONDON SOUTH BANK UNIVERSITY**

**1. OBJECTS**

1.1 The Objects of the University are to:

- 1.1.1 conduct a university for the public benefit for the advancement of education, promotion of research and dissemination of knowledge;
- 1.1.2 provide full time and part time courses of education at all levels; and
- 1.1.3 provide facilities to promote these objects and provide associated support and welfare for students.

**2. CONDUCT OF THE UNIVERSITY**

2.1 The University shall be conducted in accordance with the provisions of the Education Acts and any relevant regulations, orders or directions made by the Secretary of State or by the Privy Council, and subject to those, in accordance with the provisions of these Articles and any Standing Orders made under these Articles.

**3. POWERS**

3.1 The University has the power to do anything which is calculated to further its Objects or which is conducive or incidental to doing so including but not limited to the following powers:

- 3.1.1 to award degrees and other awards and to withdraw such degrees or awards;
- 3.1.2 to make rules and regulations for the conduct of students;
- 3.1.3 to acquire, own, maintain, manage and dispose of land and other property;
- 3.1.4 to solicit, receive and administer fees, grants, subscriptions, donations, endowments, legacies, gifts and loans of any property whether land or personal property;
- 3.1.5 to act as trustee for and in relation to endowments, legacies and gifts;
- 3.1.6 to invest any monies in the hands of the University and available for investment;
- 3.1.7 to establish or acquire subsidiary companies;
- 3.1.8 so far as permitted by charity law, to give guarantees;
- 3.1.9 so far as permitted by charity law, to borrow and raise money and give security for loans; and for those purposes the University shall have the authority to enter into any financial instrument which is ancillary or incidental to the exercise of such powers;
- 3.1.10 to take such steps as may from time to time be deemed expedient for the purposes of procuring and receiving contributions to the funds of the University, and to raise money in such other manner as the University may determine;



- 3.1.11 to co-operate with other institutions and individuals and to award joint degrees or other awards;
- 3.1.12 to affiliate or incorporate into the University any other institution and to take over its property, rights, liabilities and staff;
- 3.1.13 to transfer the assets and liabilities of the University to another institution with objects, the same as or similar to the objects of the University; and
- 3.1.14 to enter into engagements and to accept obligations and liabilities in all respects without any restrictions whatsoever and in the same manner as an individual may manage his or her own affairs.

#### **4. GOVERNORS**

- 4.1 Subject to the powers of the Members in general meeting and the provisions of these Articles, the Governors shall have control of the University and its assets and may exercise all the powers of the University; and without limiting the above, the Governors shall have the specific powers set out in the Standing Orders.

#### **5. RESPONSIBILITIES OF THE BOARD OF GOVERNORS**

- 5.1 The Board of Governors shall be responsible:-
  - 5.1.1 for the determination of the educational character and mission of the University and for oversight of its activities including the exercise of degree awarding powers;
  - 5.1.2 for the effective and efficient use of resources, the solvency of the University and for safeguarding its assets;
  - 5.1.3 for approving annual estimates of income and expenditure;
  - 5.1.4 for the appointment, appraisal, suspension, dismissal and determination of the pay and conditions of service of the Chief Executive, the Clerk and such other senior posts as the Board may determine;
  - 5.1.5 for setting frameworks for the appointment, appraisal, suspension and dismissal of and for the pay and conditions of service of other Employees; and
  - 5.1.6 for the appointment of a Chancellor who shall hold office for such term and have such duties and responsibilities as the Board of Governors from time to time shall determine.

#### **6. CHIEF EXECUTIVE**

- 6.1 There shall be a Chief Executive of the University who shall be the chief executive and chief academic officer of the University.
- 6.2 Subject to the responsibilities of the Board of Governors, the Chief Executive shall be responsible for:
  - 6.2.1 making proposals to the Board of Governors about the educational character and mission of the University; and for implementing the decisions of the Board of Governors;
  - 6.2.2 for the organisation, direction and management of the University and leadership of the staff;
  - 6.2.3 for the appointment, assignment, grading, appraisal, suspension and dismissal of staff other than Holders of Senior Posts within the framework set by the Board of Governors;

- 6.2.4 for the determination, after consultation with staff and within the framework set by the Board of Governors, of the pay and conditions of service of staff other than Holders of Senior Posts ;
- 6.2.5 for the determination, after consultation with the Academic Board, of the University's academic activities, and for the determination of its other activities;
- 6.2.6 for preparing annual estimates of income and expenditure for consideration by the Board of Governors, and for the management of budget and resources, within the estimates approved by the Board of Governors;
- 6.2.7 for the maintenance of Student discipline and, for the suspension or expulsion of Students on disciplinary grounds and for implementing decisions to expel students for academic reasons.

## 7. **ACADEMIC BOARD**

- 7.1 There shall be an Academic Board of the University which shall, subject to the general control and approval of the Board of Governors, be responsible for academic standards and the direction and regulation of academic matters.
  - 7.2 The Academic Board shall consist of up to 40 members, comprising as follows:
    - 7.2.1 The Holders of Senior Posts;
    - 7.2.2 Senior members of the faculties and professors
    - 7.2.3 Members of staff below the level of staff referred to in 7.2.2 above and drawn from the following categories:
      - (a) academic and research staff;
      - (b) non-teaching staff;
      - (c) technicians;
      - (d) Student Union President;
      - (e) Students
  - 7.3 There shall be no more than 24 persons drawn from categories 7.2.1 and 7.2.2 in aggregate and no more than 16 persons drawn from categories 7.2.3. Members from categories 7.2.1 and 7.2.2 shall be in a majority.
  - 7.4 The Chief Executive shall be the Chairman of the Academic Board.
  - 7.5 The membership and powers of the Academic Board shall be further prescribed in the Standing Orders.
- ## 8. **DELEGATION**
- 8.1 Subject to Article 8.2, the Board of Governors shall be entitled to delegate all or any of its functions, powers and duties to any person or body.
  - 8.2 The Board of Governors shall not delegate the following:-
    - 8.2.1 the determination of the educational character and mission of the University;
    - 8.2.2 the approval of the annual estimates of income and expenditure;

- 8.2.3 ensuring the solvency of the University and the safeguarding of its assets;
- 8.2.4 the appointment and dismissal of the Chief Executive and the Clerk; and
- 8.2.5 the recommendation to the Members in General Meeting for the approval, revoking, amendment or variation of these Articles.

## 9. COMPOSITION OF THE BOARD OF GOVERNORS

- 9.1 The Board of Governors when complete shall consist of at least eight and not more than eighteen members comprising as follows:-
  - 9.1.1 the person who is for the time being the Chief Executive of the University; and
  - 9.1.2 persons who are neither Employees nor Students and who are considered by the Appointments Committee to have experience and capability relevant to the University's requirements ("Independent Governors").
- 9.2 Within the minimum and maximum limits set out in Article 9.1, the Board of Governors may appoint as Governors persons who are Employees ("Staff Governors") or Students ("Student Governors").
- 9.3 The Board of Governors shall determine and set out in Standing Orders the number of its membership, the number of its members to be appointed in each of the categories of membership set out in Article 9.1 and 9.2 above and the appointment of nominated individuals and in so doing shall ensure that a majority of the members of the Board of Governors when constituted are Independent Governors.
  - 9.3.1 The Board of Governors shall establish an Appointments Committee to appoint Independent Governors and which shall be comprised of all the Independent Governors.
- 9.4 A determination made in accordance with Article 9.3 above may be varied by subsequent determination of the Board of Governors in accordance with that Article.
- 9.5 A technical defect in the appointment of a Governor of which the Governors are unaware at the time does not invalidate decisions taken at a meeting.

## 10. TERMS OF OFFICE OF GOVERNORS

- 10.1 The terms of office of the Governors shall be as follows: -
  - 10.1.1 In the case of a person who is a Governor by virtue of their office or position, until she or he ceases to hold such office;
  - 10.1.2 In the case of Governors appointed under Article 9.1.2 the period of four years;
  - 10.1.3 In the case of a Governor, who is appointed under the provisions of Article 9.2, the period of three years, or the period until she or he ceases to be a member of Staff or a Student (as appropriate), whichever is sooner.
- 10.2 A retiring Governor who is eligible under these Articles may be reappointed. Governors may not normally be appointed for more than two terms of office in total.
- 10.3 A Governor's term of office as such automatically terminates if he/she:
  - 10.3.1 is disqualified under the Charities Act from acting as a Charity Trustee or under the Companies Act from acting as a company director;
  - 10.3.2 is incapable, whether mentally or physically, of managing his/her own affairs;
  - 10.3.3 is absent without permission from consecutive meetings of the Governors for a period of 12 months or more; or

10.3.4 is removed by the Members in accordance with the procedure set out in the Standing Orders.

10.4 Any Governor may at any time by written notice to the Clerk resign her or his office, which will become vacant from the date of receipt of the notice or date of resignation specified in the notice whichever shall be the later.

10.5 Every vacancy in the office of an appointed Governor shall as soon as possible after it occurs be notified by the Clerk to the Board.

## 11. **PROCEEDINGS OF THE BOARD OF GOVERNORS**

11.1 The Board of Governors must hold at least 3 meetings each year.

11.2 A quorum at a meeting of the Board of Governors is at least one third of the membership of the Board of Governors at the time with Independent Governors always being in the majority.

11.3 A meeting of the Governors may be held either in person or by suitable Electronic Means agreed by the Governors in which all participants may communicate with all the other participants.

11.4 The Board of Governors shall make and may amend Standing Orders:-

11.4.1 to set out the composition of the Board of Governors;

11.4.2 for the conduct of meetings of the Board and its committees (including the appointment of officers including a chair and vice-chair);

11.4.3 to prescribe the membership and powers of the Academic Board;

11.4.4 for the remuneration of Governors (such Standing Orders to made and amended with the approval of the Charity Commission); and

11.4.5 to govern the administration of the University.

11.5 A procedural defect of which the Governors are unaware at the time does not invalidate decisions taken at a meeting.

## 12. **BENEFITS**

12.1 The property and funds of the University must be used only for promoting the Objects, or which is conducive or incidental to doing so.

12.2 A Governor must not receive any payment of money or other Material Benefit (whether directly or indirectly) from the University except and subject to Article 13:

12.2.1 Governors or Connected Persons may be paid interest at a reasonable rate on money lent to the University;

12.2.2 Governors or Connected Persons may be paid a reasonable rent or hiring fee for property let or hired to the University;

12.2.3 Governors or Connected Persons may receive charitable benefits on the same terms as any other beneficiaries of the University;

12.2.4 The Chief Executive, Staff Governors or Connected Persons may be employed by the University and receive remuneration;

12.2.5 Governors or Connected Persons may enter into contracts with the University and receive reasonable payment for goods or services supplied, subject to Article 12.3;

- 12.2.6 Governors may receive remuneration in connection with their office subject to authorisation by the Board of Governors in accordance with the Standing Orders;
- 12.2.7 Governors may receive the reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in running the University;
- 12.2.8 Governors may receive the benefit of Indemnity Insurance; or
- 12.2.9 Governors may receive an indemnity in respect of any liabilities properly incurred in running the University (including the costs of a successful defence to criminal proceedings).

12.3 A Governor or Connected Person may enter into a contract with the University to supply goods or services in return for a payment or other Material Benefit if:

12.3.1 the goods or services are actually required by the University, and it is decided that it is in the best interests of the University to enter into such a contract;

12.3.2 the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services and is set in accordance with the procedure in Article 13; and

12.3.3 no more than half of the Governors are subject to such a contract in any Financial Year.

### 13. **DECLARATION OF INTERESTS**

13.1 Any Governor who has an interest, direct or indirect, in a proposed transaction or arrangement with the University must declare the nature and extent of his or her interest before discussion begins on the matter.

13.2 The Governors with no conflict may require that the relevant governor:

13.2.1 is not counted in the quorum for that part of the meeting;

13.2.2 has no vote on the matter; and

13.2.3 withdraws from the meeting for that item after providing any information requested by the Governors.

### 14. **SITUATIONAL CONFLICTS**

14.1 If a conflict of interests arises because of a duty of loyalty owed by a Governor to another organisation or person and the conflict is not authorised by virtue of another provision in the Articles, the Governors with no conflict may, subject to compliance with the provisions of Article 13, authorise such a conflict of interest on such terms as they may determine and provided the Governors with no conflict consider it is in the best interests of the University to do so in all the circumstances.

### 15. **STUDENT UNION**

15.1 The University shall comply with its obligations under the Education Acts in relation to any Student Union of the University.

### 16. **EMPLOYEES**

16.1 The Board of Governors may appoint Employees, and prescribe their authority, duties and terms and conditions of service. Provision shall be made in respect of discipline, dismissal, redundancy, and grievances.

17. **ACADEMIC FREEDOM**

17.1 In relation to Article 5.1.5 the Board of Governors shall have regard to the need to ensure that Academic Staff have freedom within the law to question and test received wisdom and to put forward new ideas and controversial or unpopular opinions, without placing themselves in jeopardy of losing their jobs or any privileges they may have at the University.

18. **RECORDS AND ACCOUNTS**

18.1 The Board of Governors shall keep true records of income and expenditure and records relating to the audit of accounts as required by law.

18.2 The University shall also keep records of:

18.2.1 all proceedings at meetings of the Governors;

18.2.2 all resolutions in writing;

18.2.3 all reports of committees; and

18.2.4 all professional advice obtained.

19. **MEMBERSHIP**

19.1 All Governors shall, for the duration of their terms of office as Governors only, be Members of the University.

19.2 The membership and all rights of a Member shall be personal and shall not be transferable.

19.3 The University shall maintain a register of Members.

20. **GENERAL MEETINGS**

20.1 Governors in their capacity as Members are entitled to attend general meetings.

20.2 General meetings are called on at least 14 and not more than 28 Clear Days' written notice indicating the business to be discussed and (if a special resolution is to be proposed) at least 28 Clear Days' written notice setting out the terms of the proposed special resolution.

20.3 There is a quorum at a general meeting if the number of Members present is at least one third of the members at the time with Independent Governors (in their capacity as Members) always being in the majority.

20.4 Every Member present has one vote on each issue.

20.5 A general meeting may be called by the Governors at any time and must be called within 21 days of a written request from Governors (being Members) representing at least 30% of the Membership.

20.6 A technical defect in the appointment of a Member of which the Members are unaware at the time does not invalidate a decision taken at a general meeting or in writing.

21. **LIMITED LIABILITY**

21.1 The liability of Members is limited.

22. **GUARANTEE**

22.1 Every Member promises, if the University is dissolved while he/she remains a Member or within one year after he/she ceases to be a member, to pay up to £1 towards:

22.1.1 payment of those debts and liabilities of the University incurred before he/she ceased to be a Member;

22.1.2 payment of the costs, charges and expenses of winding up; and

22.1.3 the adjustment of rights of contributors among themselves.

23. **AMENDMENT OF ARTICLES**

23.1 No addition, alteration or amendment shall be made to or in the provisions of these Articles, unless approved by the Privy Council.

24. **DISSOLUTION**

24.1 If the University is dissolved, the assets (if any) remaining after providing for all its liabilities must be applied in one or more of the following ways:

24.1.1 by transfer to one or more other bodies established for exclusively charitable purposes within, the same as or similar to the Objects;

24.1.2 directly for the Objects or for charitable purposes which are within or similar to the Objects;

24.1.3 in such other manner consistent with charitable status as the Privy Council approves in writing in advance.

25. **INTERPRETATION**

25.1 The Articles are to be interpreted without reference to the model articles under the Companies Act, which do not apply to the University.

25.2 In the Articles, unless the context indicates another meaning:

"Academic Board" means the Academic Board of the University constituted in accordance with Article 7 as a body or a quorum of the members of the Academic Board at a meeting of the Academic Board

"Academic Staff" means persons employed by the University as members of the teaching or research staff

"Articles" means these Articles of Association of the University and "Article" refers to a particular Article.

"Board of Governors" means the Board of Governors (constituted in accordance with Article 5) as a body or a quorum of the Governors at a meeting of the Board of Governors

"Charities Act"	means the Charities Act 2011 and any statutory modification or amendment thereof for the time being in force
"Charity Trustees"	has the meaning prescribed by the Charities Act
"Chief Executive"	means the executive head of the University (who may have the title of Vice-Chancellor or another title as decided by the Board of Governors)
"Clear Day"	does not include the day on which notice is given or the day of the meeting or other event
"Clerk"	means the clerk and Company Secretary to the Board of Governors from time to time
"Companies Act"	means the Companies Act 2006 and any statutory modification or amendment thereof for the time being in force
"Company Secretary"	shall have the meaning prescribed in the Companies Act
"Connected Person"	means, in relation to a Governor, a person with whom the Governor shares a common interest such that he/she may reasonably be regarded as a benefiting directly or indirectly from any material benefit received by that person, being either a member of the Governor's family or household or a person or body who is a business associate of the Governor, and (for the avoidance of doubt) does not include a company with which the Governor's only connection is an interest consisting of no more than 1% of the voting rights
"Education Acts"	means Education Acts 1944 to 2011 and any subsequent Education Acts.
"Employees"	means all employees of the University
"Financial Year"	means the University's financial year from 1 August to 31 July
"Governor"	means a director of the University and a Charity Trustee and "Governors" means the directors and Charity Trustees
Holders of Senior Posts	Means the Chief Executive, the Clerk and the holders of such other senior posts as the Board of Governors determines
"Indemnity Insurance"	means insurance against personal liability incurred by any Governor for an act or omission which is or is alleged to be a breach of trust or duty, unless the act or omission amounts to a criminal offence or the Governor concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty



"Independent Governor"	means a Governor appointed under Article 9.1.2 who shall not be:-  (i) employed by the University; or  (ii) a full-time Student.
"Material Benefit"	means a benefit, direct or indirect, which may not be financial but has a monetary value
"Members"	means those persons who are members of the University in accordance with Article 19.1
"Memorandum"	means the University's Memorandum of Association
"Month"	means calendar month
"Objects"	means the Objects of the University as defined in Article 1.1
"Secretary of State"	means the Secretary of State in charge of universities from time to time
"Staff Governor"	means a Governor appointed under Article 9.2
"Standing Orders"	means any regulations, bye-laws or rules made in accordance with Article 11.4
"Student"	means a person who is for the time being registered with the University as pursuing a full-time course of not less than one month's duration, subject to any regulation governing the non-payment of tuition fees. For this purpose, sabbatical officers of the Student Union shall be deemed to be students. A person who is not for the time being enrolled as a student at the University shall be treated as such a student during any period when she or he has been granted leave of absence as a student from the University for the purposes of study or travel or for carrying out the duties of any office held by her or him in the Student Union
"Student Governor"	means a Governor appointed under Article 9.2
"University"	means the company known as London South Bank University
"written" or "in writing"	refers to a legible document on paper or a document or communication sent by electronic means which is capable of being printed out on paper
"Year"	means calendar year

25.3 Expressions not otherwise defined which are defined in the Companies Act have the same meaning.

25.4 References to an Act of Parliament are to that Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

## London South Bank University

### Standing Order for the remuneration of Governors

1. For the purposes of Article 12.2.6 of the Articles of Association of the University, an Independent Governor may receive remuneration for acting as a Governor provided that the Governors as charity trustees follow the procedure set out in clause 2 and observe the conditions set out in clause 3 below.
2. An Independent Governor may receive benefits for acting as a Governor provided the Board of Governors has in addition to meeting the requirements of clause 3 below:
  - 2.1 read considered and taken into account the published guidance of the Charity Commission relating to the remuneration of charity trustees for acting as such;
  - 2.2 resolved that the remuneration is clearly in the interests of the charity and that the trustee in question be awarded the remuneration in question; and
  - 2.3 resolved after taking reasonable steps to identify and consider all other reasonably available options for recruiting or retaining a suitable candidate for the role of Governor, that offering the remuneration in question provides a significant and clear advantage over all the other options available.
3. The University and its Board of Governors may only rely upon the authority provided by clause 2 above if each of the following conditions is satisfied:
  - 3.1 The remuneration paid to the Governor does not exceed an amount that is reasonable in all the circumstances.
  - 3.2 Any conflicted members of the Board of Governors are absent from the part of any meeting at which there is discussion of:
    - (a) his or her remuneration; or
    - (b) his or her performance in office.
  - 3.3 The conflicted Governors do not vote on any such matter and are not to be counted when calculating whether a quorum of members of the Board of Governors is present at the meeting.
  - 3.4 The reason for their decision is recorded by the non-conflicted Governors.

**Comment [A1]:** Please note that this Standing Order is limited to Independent Governors

**Comment [A2]:** Charity Commission guidance is that charities should only remunerate "when there is a clear and significant advantage to the charity that will outweigh an disadvantages"

**Comment [A3]:** Remuneration would probably therefore only be for new governors and could be used if there was a difficulty in filling vacancies. Could also be used to recruit a new Chair.

**Comment [A4]:** A limit could be included which is index linked.

- 3.5 A majority of the Governors then in office are non-conflicted Governors.
- 3.6 If a Governor receives remuneration it shall be disclosed in the accounts at least to the extent of any other related party transaction.
- 3.7 a "conflicted Governor" is a Governor who has received, is entitled to receive or is currently receiving remuneration under this Standing Order.
- 3.8 a "non-conflicted Governor" is a Governor who is not a conflicted Governor.
4. This Standing Order may not be amended without the express prior consent of the Charity Commission.

## Standing Orders

### The Board of Governors

1. The Board of Governors is the University's governing body. The core responsibilities of the Board are:
  - (i) the effective stewardship of the University to secure its sustainability over the medium and long term;
  - (ii) safeguarding the mission of the University and the services it provides for the public benefit;
  - (iii) securing the proper and effective use of public funds and accounting to stakeholders and society for institutional performance.
  
2. The Board as a whole is collectively responsible for promoting the success of the University by leading and supervising its affairs. The Board:
  - oversees all activities of the University and ensures it complies with the law;
  - determines the strategic direction of the University;
  - has responsibility for approving the educational character, mission and strategic vision of the University, together with its long-term academic and business plans.
  - fosters an educational environment that enables students to succeed; and
  - sets the values and standards of the University and ensures that its obligations to its stakeholders are understood and met;
  - has overall responsibility for its assets, property and estate, employees and health and safety
  - takes all final decisions on matters of fundamental concern to the University.

## **Standing Orders**

### **Board of Governors – Statement of Primary Responsibilities**

1. To approve the educational character, mission and strategic vision of the institution, together with its long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders.
2. To delegate authority to the head of the institution, as chief executive, for the academic, corporate, financial, estate and personnel management of the institution, and to establish and keep under regular review the policies, procedures and limits within such management functions as shall be undertaken by and under the authority of the head of the institution.
3. To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, and procedures for handling internal grievances and for managing conflicts of interest.
4. To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the institution against the plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable institutions.
5. To establish processes to monitor and evaluate the performance and effectiveness of the governing body itself, and to carry out such reviews at appropriate intervals.
6. To conduct its business in accordance with best practice in higher education corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life.
7. To safeguard and promote the good name and values of the institution.
8. To appoint the head of the institution as chief executive, and to put in place suitable arrangements for monitoring his/her performance.
9. To appoint a secretary to the governing body and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.
10. To be the employing authority for all staff in the institution and to be responsible for establishing a human resources strategy.

11. To be the principal financial and business authority of the institution, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for the University's assets, property and estate.
12. To be the institution's legal authority and, as such, to ensure that systems are in place for meeting all the institution's legal obligations, including those arising from contracts and other legal commitments made in the institution's name.
13. To make such provision as it thinks fit for the general welfare of students.
14. To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the institution or its students.
15. To ensure that the institution's constitution is followed at all times and that appropriate advice to the Board is available to enable this to happen.

*Approved by the Board of Governors on 24 November 2011*

# **London South Bank**

## University

### **Standing Orders**

#### **Chair**

1. There shall be a Chair of the Board of Governors who shall be responsible for the leadership of the Board and its effectiveness.
2. The Chair is appointed by the Board from the Independent Governors.
3. When a governor is appointed as Chair they shall start a new term of office of four years. The Chair should not normally be appointed for more than two terms of four years.

#### **Vice Chair**

4. The Vice Chair is appointed by the Board from the Independent Governors and serves until their term of office on the Board expires or until they resign the position.



## **Standing Orders**

### **Composition of the Board and methods of appointment and termination**

1. Under article **9.2** the Board has determined that, when fully complemented, the membership of the Board shall consist of 18 members, as follows:
  - i. 13 independent governors;
  - ii. the Vice Chancellor (by virtue of office);
  - iii. two students; and
  - iv. two academic staff members of the Academic Board.
2. Under article **9.3** the Board may amend the composition of the Board, ensuring that independent governors are in a majority and that there are not less than eight and not more than eighteen members of the Board.
3. If the Board decides to alter the composition of the Board to exclude student or staff governors it should formally record in its minutes the reasons for doing this and inform the funding council.

### **Independent Governors**

4. Independent Governors are defined in Article **9.1.2** as “persons who are neither Staff nor Students and who are considered by the Appointments Committee to have experience and capability relevant to the University’s requirements”.
5. The Nomination Committee shall consider potential candidates for the position of Independent Governor and shall make recommendations to the Appointments Committee having evaluated the balance of skills, knowledge and experience required for a particular appointment and having due regard to the benefit of equality and diversity in the composition of the Board.
6. Independent Governors shall be appointed by the Appointments Committee, having considered a recommendation from the Nomination Committee.
7. Under Article **10.1.2**, Independent Governors shall be appointed for an initial term of four years. The Appointments Committee may re-appoint an Independent Governor at the end of their term of office on a recommendation from the Nomination Committee, based on effective performance.

8. Under Article 10.2, an Independent Governor may not normally be appointed for more than two terms of office in total. If it recommends that an Independent Governor is to be appointed for a third term, the Nomination Committee shall make a clear justification to the Appointments Committee.

### **Student Governors**

9. A Student is defined in the Articles as “a person who ... is pursuing a full-time course of not less than one month’s duration... . For this purpose, sabbatical officers of the Student Union shall be deemed to be students”.
10. The President of the Student Union shall be a Student Governor and will serve as a governor throughout their period of office.
11. A member of the Student Council shall be elected by Student Council to serve as the additional Student Governor.
- i. The election is normally at the first Student Council meeting of the academic year.
  - ii. The Student Governor elected by the Student Council serves for one academic year or until they are no longer a member of Student Council, whichever shall be sooner.
  - iii. The Student Governor is eligible for re-election if they continue to serve on Student Council.
  - iv. If the Student Governor elected by the Student Council ceases to be a member of the Student Council during their period of office they shall cease to be a Student Governor.

### **Academic Staff Governors**

12. There shall be two governors who shall be members of the Academic Board appointed to the Academic Board as academic or research staff under Article 7.2.3 (Academic Staff Governors).
13. The Academic Board shall nominate the Academic Staff Governors to the Board of Governors for consideration. Where there is more than one candidate for the position the Academic Board shall nominate its preferred candidate by majority vote at a quorate meeting.

14. The Academic Staff Governors are appointed by the Board, having considered the recommendation from the Academic Board

15. The Academic Staff Governors serve for a period of three years or until they cease to be a member of the Academic Board, whichever is the soonest.

**Termination of Appointment**

16. Under Article 10.3.4 the procedure for removing governors by the Members follows ss.168-169 Companies Act 2006.

**Standing Orders**

**Proceedings of Meetings and Decision Making**

1. This Standing Order complements Article 11. Subject to the provisions of the Articles, the Board of Governors may amend this Standing Order as it shall from time to time think fit.

*Meetings of the Board and its Committees*

2. Subject to Article 11.1, the Board shall decide how many meetings of the Board of Governors and each committee shall be held each year.
3. A special meeting of the Board of Governors may at any time be summoned by the direction of the Board of Governors or the Chair of the Board or at the request in writing of any five Governors. No business shall be transacted at any special meeting other than business the general nature of which has been specified in the notice summoning the meeting and any incidental business.
4. If within half an hour from the time appointed for a meeting a quorum is not present, the meeting shall be adjourned and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the persons present and entitled to attend and vote at the meeting shall constitute a quorum.
5. No business shall be transacted at any meeting unless a quorum is present at the time when the meeting commences.

*Decision Making in Meetings*

6. Decisions of the Board shall usually be taken by consensus at quorate meetings. Where consensus cannot be reached the Chair may cause a vote to be taken.
7. In the case of an equality of votes, the Chair of the meeting shall be entitled to a second or casting vote.
8. Members at any meeting of the Board of Governors shall not be bound in their speaking and voting by instructions given to them by their nominating body or other persons.

*Decision Making outside Meetings*

9. During the course of the university's business, matters may arise between scheduled Board meetings that require urgent Board approval or discussion and cannot be postponed until the next convened Board meeting. Where decisions that would ordinarily be taken at Board meetings have to be made on an urgent basis the following procedure will be followed:
- a. The Secretary will determine if a proposal is urgent and requires Board or Committee approval.
  - b. The Secretary will brief the relevant chair on the proposal and reasons for the urgency.
  - c. The Secretary will try and arrange a quorate telephone conference call. If this is not possible the Secretary will email members of Board or Committee, to seek approval for the proposal. The Secretary will attach the board paper or business case necessary to allow governors to make an informed decision. Governors will be asked to indicate their approval to the Secretary by a particular date.
  - d. Governors should express any concerns or questions they might have about the proposal to the Secretary. The Secretary will then forward these to members of the executive for their response.
  - e. The proposal will be deemed to be approved when a majority of positive responses has been received. The Secretary will communicate the Board decision to the executive who will then be authorised to proceed.
  - f. A decision taken under this procedure will be reported at the next Board or Committee meeting. The decision will be recorded in the minutes of the meeting to which it is reported.
  - g. In the absence of the Secretary, an appropriate member of the governance team will operate this procedure.

*Minutes*

10. The Board of Governors shall cause minutes to be kept of the proceedings at meetings of the Board of Governors and all Committees of the Board of Governors and, when agreed by the next meeting of the Board of Governors or committee and signed by the Chairman of that meeting, shall be conclusive evidence of the matters stated therein.

*Conflicts of Interest*

11. Unless the Board decides otherwise, any Governor who is a member of Staff (other than the Chief Executive) or a Student shall withdraw from that part of any meeting of the Board of Governors, or committee of the Board of Governors, where a named member of staff or student, or prospective member of staff or student is to be considered. The Chief Executive shall withdraw from any meeting or part thereof where her/his position is under discussion.

**Standing Orders**

**Committees**

1. Under article 8 the Board is entitled to delegate aspects of its business to committees. Delegated business is set out in the *Matters Reserved to the Board* (attached). Areas of business the Board may not delegate are set out in article 8.
2. The Board shall establish such committees as it believes are required for the effective governance of the university.
3. A decision to establish or disestablish a sub-committee of the Board shall be taken by the Board of Governors.
4. Terms of reference for each committee shall be approved by the Board and reviewed annually by each committee, with proposed amendments subject to approval by the Board.
5. Chair(man)ship of each committee shall be decided by the Chair of the Board.
6. Appointment of members to committees shall be decided by the Chair of the Board and the Chair of the committee.
7. Under paragraph 29 of Annex B of the Financial Memorandum with HEFCE there shall be an Audit Committee.

**Schedule of Matters Reserved to the Board of Governors**

This Schedule of Matters Reserved to the Board sets out those aspects of University business whose approval is reserved to the Board of Governors. Often the Board delegates certain approvals to one or more of its committees: where this is the case it is listed in the third column. Where the Board is restricted by the Articles, the Financial Memorandum (FM) with HEFCE, legislation or the Financial Regulations (FR) from delegating decisions to a committee it is indicated by \*\*. The relevant committee may make a recommendation to the Board. The Board as a whole takes the final decision.

<b>1.</b>	<b>Mission and strategy</b>	<b>Reference</b>	<b>Delegation to a committee of the Board?</b>
1.1	** The determination of the educational character and mission of the University	Art. 27	<b>no delegation</b> (Educational Character reviews educational character)
1.2	Safeguarding and promoting the good name and values of LSBU		
1.3	Oversight of the University's activities including the exercise of degree awarding powers		
1.4	Review of performance of LSBU in the light of its strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.		(P&R reviews prior to board)
1.5	Approval and periodic review of the Key Performance Indicators.		(P&R reviews prior to board)
1.6	Extension of LSBU's undertaking into new activities or geographic areas.		(P&R reviews business case prior to board)
1.7	Any decision to cease to operate all or any material part of LSBU's undertaking.		(P&R reviews specific proposals prior to board)
<b>2.</b>	<b>Corporate structure</b>		
2.1	Major changes to LSBU's corporate structure.		Sub-committee/s may review prior to board
2.2	Major changes to LSBU's management and control structure.		Sub-committee/s may review prior to board



<b>3.</b>	<b>Financial reporting and controls</b>		
3.1	** Approval of the annual report and accounts, including the corporate governance statement and remuneration report.	CA 2006 s.414(1)	P&R and Audit review draft. P&R reviews corporate governance statement Remco reviews remuneration report
3.2	** Approval of the annual estimates of income and expenditure (i.e. the annual budget and five year forecast) and capital expenditure budgets and any material changes to them.	Art. 27	<b>no delegation</b> (P&R reviews prior to board)
3.3	** Ensuring the solvency of LSBU and the safeguarding of its assets by: <ul style="list-style-type: none"> <li>• competent and prudent management</li> <li>• sound planning</li> <li>• an adequate system of internal control</li> <li>• a formal and structured risk management process</li> <li>• adequate accounting and other records</li> <li>• compliance with statutory and regulatory obligations</li> <li>• sound systems for reporting student data</li> <li>• any other means of assurance as the Board sees fit.</li> </ul>	Art. 27	<b>no delegation</b> (Audit and P&R review aspects as set out in their terms of reference and report to the Board)
3.4	Ensuring that funds provided by the funding body are used in accordance with the terms and conditions of the financial memorandum.		Audit
3.5	Ensuring sound arrangements for: <ul style="list-style-type: none"> <li>• risk management,</li> <li>• control and governance, and</li> <li>• for economy, efficiency and effectiveness (value for money), within the University</li> </ul>	FM Annex A 4	Audit monitors and reports to Board
3.6	Ensuring that the arrangements for the management and quality assurance of data submitted to HESA and HEFCE	FM Annex A 6	Audit monitors and reports to Board
3.7	** Approval of any significant changes in accounting policies or practices.	FR 4.7	<b>no delegation</b> (Audit reviews and recommends to the Board)
3.8	Approval of investment and treasury policies.	FR 12.1	P&R

3.9	Approval of investment policies for charitable funds.		P&R
3.10	Acting as trustee for any property, legacy, endowment, bequest or gift in support of the work of LSBU and the welfare or its students.		
3.11	** Appointment of bankers, opening of accounts, authorisation of signatories and levels of authority.	FR 10.1	<b>no delegation</b> (P&R reviews and recommends to the Board)
3.12	** Approval of capital finance	FR 10.5	<b>no delegation</b> (P&R reviews and recommends to the Board)
3.13	** Approval of borrowing raised on the security of the University's assets	FR 10.5	<b>no delegation</b> (P&R reviews and recommends to the Board)
3.14	** Approval of lease finance arrangements for items with a capital value greater than £250,000	FR 10.5	<b>no delegation</b> (P&R reviews and recommends to the Board)
3.15	Approval of borrowings (by loan facility or overdraft) above £0.5 million.		<b>no delegation</b> (P&R reviews and recommends to the Board)
<b>4.</b>	<b>Internal controls</b>		
4.1	Ensuring maintenance of a sound system of internal control and risk management including: <ul style="list-style-type: none"> <li>receiving reports on, and reviewing the effectiveness of, LSBU's risk and control processes to support its strategy and objectives;</li> <li>undertaking an annual assessment of these processes;</li> <li>approving an appropriate statement for inclusion in the annual report.</li> </ul>		(Audit reviews risk at each meeting and reports concerns to the Board. Its annual report to the Board includes its opinion on the adequacy of risk management)  The Board reviews risk in detail annually.
4.2	Debt write off above £500		Audit
<b>5.</b>	<b>Auditors</b>		
5.1	** Appointment, reappointment or removal of the internal or external auditor, following the recommendation of the audit committee.	FM Annex B 51	<b>no delegation</b> (Audit reviews and makes recommendation to the Board)
<b>6.</b>	<b>Transactions and contracts</b>		

6.1	Investment in capital projects above £1 million.	FR 9.6	(P&R reviews and recommends to the Board)
6.2	Contracts which are material strategically or by reason of size, entered into by LSBU or any subsidiary <u>in the ordinary course of business</u> , and in any event budgeted expenditure above £2 million.	FR 9.6	(P&R reviews and recommends to the Board)
6.3	** Contracts of LSBU or any subsidiary <u>not in the ordinary course of business</u> , and in any event unbudgeted expenditure above £0.5 million.	FR 9.6	<b>no delegation</b> (P&R reviews and recommends to the Board)
6.4	** To authorise use of LSBU's seal	Art. 89. FR 14.1	<b>no delegation</b>
<b>7.</b>	<b>Academic</b>		
7.1	** The determination of the educational character of LSBU	Art. 27	<b>no delegation</b> (Educational Character reviews educational character)
7.2	** Ensuring an effective framework – overseen by the Academic Board – to manage the quality of learning and teaching and to maintain academic standards	FM 18	<b>no delegation</b> (Educational Character reviews and reports to the Board) Board receives an annual report from the Academic Board
7.3	Ensuring that the academic portfolio meets future needs and is sustainable		Educational Character reviews and recommends to the Board
7.4	** Approval of tuition fees	Art. 81 FR 5.2	<b>No delegation</b> (P&R reviews and recommends to the Board)
<b>8.</b>	<b>Human Resources</b>		
8.1	Approval of annual staffing budget	FR 8.1	P&R reviews as part of the annual university budget and recommends to the Board
8.2	Approval of HR framework to support academic strategy		
8.3	** Decision on whether to opt into national pay negotiations and decisions regarding pay awards	FR 8.10	<b>no delegation</b> (HR committee reviews and recommends to the Board)

8.4	Approval of regulations governing the conditions of employment of University staff	FR 8.6	(HR Committee reviews and recommends to the Board)
<b>9.</b>	<b>Estates</b>		
9.1	** Approval of Estates Strategy	FR 9.8	<b>no delegation</b> (Property Committee reviews and recommends to the Board)
9.2	** Disposal of land and buildings	FR 9.14	<b>no delegation</b> (Property Committee reviews in line with Estates Strategy. P&R reviews from a financial perspective)
<b>10.</b>	<b>Students' Union</b>		
10.1	** Approval of amendments to or rescission of the constitution of the LSBU Students' Union	Art. 76	<b>no delegation</b> (P&R reviews and recommends to the Board)
<b>11.</b>	<b>Board membership</b>		
11.1	** Changes to the structure, size and composition of the board	Art. 5.4	<b>no delegation</b>
11.2	Ensuring adequate succession planning for the board and senior post-holders.		Nomination reviews and makes recommendations to the Appointments Committee
11.3	Regulations for appointment of governors to the board.		Nomination reviews and recommends to the Board
11.4	** Selection of the Chairman of the board.	Art. 47	<b>no delegation</b> (Nomination makes recommendation) (Process set out in regulations under 11.3)
11.5	Membership and chairmanship of board committees.		Chairman of the Board recommends
11.6	Re-appointment of Governors at the end of their term of office.		Nominations Committee reviews Appointments Committee re-appoints
11.7	** Removal of a Governor at any time		<b>no delegation</b>

<b>12.</b>	<b>Chancellor</b>		
12.1	** The appointment of a Chancellor and determination of their duties	Art. 14(f)	Chancellor Nomination Committee recommends to the Board
<b>13.</b>	<b>Appointments of Senior Post Holders</b>		
13.1	The appointment, assignment, appraisal, grading, suspension, dismissal and determination of pay and conditions of the Vice Chancellor, the Clerk to the Board and other senior post holders as determined by the Board	Art. 14	For VC and Clerk Board shall delegate appraisal to Chairman
<b>14.</b>	<b>Remuneration</b>		
14.1	Determining the remuneration policy for the senior post holders.		Remuneration Committee
14.2	Determining total individual remuneration packages for senior post holders		Remuneration Committee
14.3	The introduction of new incentive plans or major changes to existing plans.		Remuneration Committee
<b>15.</b>	<b>Corporate Governance</b>		
15.1	** Responsibility for the overall governance of LSBU and for its regular review.		<b>no delegation</b>
15.2	** Regularly, at appropriate intervals, undertaking a formal and rigorous review of its own performance, of its committees and individual governors.	CUC Code 15	<b>no delegation</b>
15.3	** The variation or revocation of LSBU's Memorandum and Articles of Association	Art. 27	<b>no delegation</b> (P&R reviews and recommends to the Board)
15.4	Approval and review of a statement of primary responsibilities of the Board	CUC Code 4	(P&R reviews and recommends to the Board)
15.5	** Authorising situational interests of governors	CA 2006 s.181(2)(b)	<b>no delegation</b>
<b>16.</b>	<b>Delegation of Authority</b>		
16.1	** The division of responsibilities between the chairman and the chief executive, which should be in writing.		<b>no delegation</b>

16.2	** Establishment and deletion of Board committees NB The Board must have an Audit Committee (FM Annex B 29 and Art. 25), HR Committee (Art. 24), Nominations Committee and Appointment Committee (Art. 26)		<b>no delegation</b>
16.3	** Approval of terms of reference of board committees.		<b>no delegation</b> (each committee reviews its own terms of reference before recommending to the Board)
16.4	** Receiving reports from board committees on their activities.		<b>no delegation</b>
16.5	** This schedule of matters reserved for board decisions.		<b>no delegation</b> (P&R reviews and recommends to the Board)
<b>17.</b>	<b>Subsidiary Companies</b>		
17.1	Regulations for appointments of directors and the composition of boards of subsidiaries of LSBU and external bodies.		(P&R reviews and recommends to the Board)
17.2	Investments in subsidiary companies through share purchases.		(P&R reviews and recommends to the Board)
17.3	Schedule of Matters Reserved to subsidiary company boards.		(P&R reviews and recommends to the Board)
<b>18.</b>	<b>Honorary Degrees</b>		
18.1	Authority to decide recipients of awards		Honorary Awards Joint Committee (based on criteria as approved by the Academic Board)
<b>19.</b>	<b>Policies</b>		
19.1	Approval of high level corporate policies. (The University Secretary will decide if a policy needs approval from the Board)		P&R
<b>20.</b>	<b>Litigation</b>		
20.1	Prosecution, defence or settlement of litigation involving above £0.5 million or being otherwise material to the interests of LSBU.		(P&R reviews and recommends course of action to the Board)

<b>21.</b>	<b>Insurance</b>		
21.1	Approval of the overall levels of insurance for LSBU including directors' & officers' liability insurance and indemnification of Governors.		P&R
<b>22.</b>	<b>Pensions</b>		
22.1	** Where subject to the approval of LSBU, major changes to LSBU's pension schemes or changes of trustees or changes in the fund management arrangements.		<b>no delegation</b> (HR reviews and recommends to the Board)
<b>23.</b>	<b>Health and Safety</b>		
23.1	** Safeguarding and promoting the health and safety of students, staff and visitors		<b>no delegation</b> (P&R reviews annual report prior to Board)
<b>24.</b>	<b>Communication</b>		
24.1	Approval of press releases on any matters decided by the board.		Chair and/or VC

**Note: If there is any conflict between this schedule of matters reserved and LSBU's Articles of Association, then the Articles shall prevail.**

*\*\* Matter not to be delegated to a committee of the Board. The relevant committee may make a recommendation to the Board. The Board as a whole takes the final decision.*

*Approved by the Board of Governors on 3 October 2012*

**Standing Orders**

**The Chief Executive**

1. The broad duties of the Chief Executive are set out in Article 6.
2. If the Chief Executive is not be capable of acting, by reason of illness or otherwise, the duties of the Chief Executive shall be fulfilled by a senior post holder as the Chief Executive nominates or, in default of the Chief Executive's nomination, as the Chairman of the Board of Governors nominates.



## Standing Order

### Academic Board

#### Composition of the Academic Board

1. Under article 7.3, the Board of Governors has determined that membership of the Academic Board shall be made up of the following:

1.1 the Senior post holders (as defined by the Board of Governors):

- 1.1.1 Vice Chancellor
- 1.1.2 Pro Vice Chancellor (Academic)
- 1.1.3 Pro Vice Chancellor (External)
- 1.1.4 Secretary & Clerk to the Board of Governors
- 1.1.5 Executive Director of Finance

1.2 Senior members of the faculties and professors:

- 1.2.1 Executive Deans
- 1.2.2 Academic Heads of Department
- 1.2.3 Non-academic Heads of Department

1.3 Members of staff below the level of staff referred to in 1.2:

- 1.3.1 Academic staff
- 1.3.2 Academic Staff from University as a whole
- 1.3.3 Research staff
- 1.3.4 Non-teaching staff
- 1.3.5 Technicians
- 1.3.6 Students (including the Student Union President)

2. The Chief Executive shall be the Chairman of the Academic Board

#### Responsibilities of the Academic Board

3. Subject to the provisions of the Articles, to the overall responsibility of the Board of Governors, the responsibilities of the Chief Executive, and to the requirements of external validating bodies, the Academic Board is responsible for policy and regulation in respect of the following matters:

- 3.1 the criteria for the admission of Students;
- 3.2 the appointment and removal of internal and external examiners;
- 3.3 policies and procedures for the assessment and examination of the academic performance of Students;
- 3.4 the content of curricula;

- 3.5 the quality of courses including matters relating to validation or accreditation by external bodies;
  - 3.6 the titles of awards and conferments to be granted to individuals meeting criteria determined by the Academic Board;
  - 3.7 the procedure for granting qualifications and titles, and for annulling such qualifications and titles;
  - 3.8 the procedure for granting distinctions including honorary degrees and academic titles;
  - 3.9 procedures for the exclusion of students for academic reasons;
  - 3.10 such other similar matters as are essentially concerned with pedagogy, research, and scholarship.
4. The Academic Board is responsible to the Board of Governors for:-
- (i) The consideration of the development of the academic activities of the University and the resources needed to support them and for advising the Chief Executive and the Board of Governors;
  - (ii) The fostering and maintenance of the closest possible connections with industry, commerce, the professions, the arts, and other external links including those with educational establishments in the United Kingdom and overseas;
  - (iii) Recommending on the institution of fellowships, scholarships, studentships, prizes and other aids to study and research;
  - (iv) Advising on such other matters as the Board of Governors or the Chief Executive may refer to the Academic Board.
5. The Academic Board may establish such committees as it considers necessary for purposes enabling it to carry out its responsibilities provided that each establishment is first approved by the Chief Executive and the Board of Governors. The number of members of any such committee and the terms on which they are to hold and vacate office shall be determined by the Academic Board. Subject to the approval of the Chief Executive and the Board of Governors, the Academic Board may delegate, by regulations, any of the powers specifically conferred on it by paragraphs 3 and 4 above, to any person or body of persons (including a committee established as above) constituted for the purpose.

## **Standing Orders**

### **Honorary Positions**

1. The University has the following honorary positions:
  - a. Chancellor
  - b. Pro Chancellor

### **Chancellor**

2. Under Article **5.1.6** the Board of Governors is responsible for the appointment of a Chancellor who shall hold office for such term and have such duties and responsibilities as the Board of Governors from time to time shall determine.
3. The Chancellor's role is:
  - a. honorific and does not carry membership of the Board of Governors;
  - b. non-executive with none of the responsibilities reserved for the Board of Governors as set out in the Articles of Association;
  - c. ceremonial – presiding at degree ceremonies and honorary fellow ceremonies;
  - d. assisting in promotion of the University generally – occasionally attending VIP events;
  - e. available to the Vice-Chancellor for advice and consultation.
4. The term of office will be four years with a possible second term of four years but no further extension (apart from exceptional circumstances).
5. The required attributes for the position of Chancellor are:
  - a. a public figure of good standing and well respected;
  - b. well-connected;
  - c. not currently politically active;
  - d. high achiever who is prominent in a profession relevant to the University;
  - e. able to devote a reasonable amount of time to the academic life, mission and work of the University.

### **Pro Chancellor**

6. Pro Chancellors shall be appointed by the Board, from amongst the Independent Governors. The Chairman and Vice Chair shall usually be Pro Chancellors.
7. Individuals shall cease to be Pro Chancellors when they cease to be Independent Governors.

8. The role of Pro Chancellor shall be to assist the Chancellor in presiding at degree ceremonies and to promote the good reputation of the University.

# London South Bank University

	PAPER NO: BG.44(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	Corporate Risk Register	
Author:	John Baker, Corporate & Business Planning Manager	
Executive sponsor:	Richard Flatman, Executive Director of Finance	
<b>Recommendation by the Executive:</b>	The Executive recommends that the Board note the updated Risk Register.	
Aspect of Corporate Plan to which this will help deliver?	The corporate risk framework is aligned to the new corporate plan and effective management of corporate risk underpins successful delivery of all aspects of the plan.	
Matter previously considered by:	Executive On: 9/07/2013	Audit Committee On: 13/06/2013
Further approval required?	n/a	
Communications – who should be made aware of the decision?	n/a	

## Executive summary

Two risk area have had actions completed:

Risk **CO-10-06** 'Potential loss of NHS contract income'

Two actions: Review of faculty staffing until income assured, and contract discussions with LETBs, have now been completed.

Risk **CO-10-09** 'Poor staff engagement'

The action for delivery of the staff survey has now been completed. A new action is in progress regarding sharing of results, provision of analytical tools to managers and development of action plans.

The Board is requested to note the revised Corporate Risk Register.

**Attachment:** Corporate Risk Register

## Corporate Level - Risk Register

<b>Date</b>	10/07/2013
<b>Risk Status</b>	Open
<b>Risk Area</b>	Corporate

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
1	CP-01 Failure to position the university to effectively respond to changes in government policy and the competitive landscape  <b>Risk Owner: Martin Earwicker</b>  <b>Last Updated: 06/06/2013</b>	<p><b>Cause &amp; Effect:</b></p> <p><b>Causes:</b></p> <ul style="list-style-type: none"> <li>- Changes to fees and funding models</li> <li>- Increased competition, supported by Government policy</li> <li>- Failure to anticipate change</li> <li>- Failure to position (politically)</li> <li>- Failure to position (capacity/structure)</li> <li>- Failure to improve League Table position</li> </ul> <p><b>Effects:</b></p> <ul style="list-style-type: none"> <li>- Further loss of public funding</li> <li>- Loss of HEFCE contract numbers</li> <li>- Failure to recruit students</li> <li>- Business model becomes unsustainable</li> </ul>	4 3 <b>Critical</b>	<p>Financial controls (inc. forecasting/modelling, restructure) to enable achievement of operating surplus target</p> <hr/> <p>Maintain relationships with key politicians/influencers, boroughs and local FE</p> <hr/> <p>Annual review of corporate strategy by Executive and Board of Governors</p> <hr/> <p>OFFA agreement for 13/14 and 14/15</p> <hr/> <p>Recent work/modelling to establish a fee position net of fee waivers less than £7500. Monitoring of guidance and continual modelling/update as required in response to changing position.</p>	4 1 <b>High</b>	<p>Resolve the position with Hefce regarding recent correspondence over average fee levels relating to the 11/12 core and margin competition process</p> <p><b>Person Responsible: Martin Earwicker</b></p> <p><b>To be implemented by: 31/07/2013</b></p> <hr/> <p>Identifying and building on our academic strengths (Portfolio Review).</p> <p><b>Person Responsible: Beverley Jullien</b></p> <p><b>To be implemented by: 31/07/2013</b></p> <hr/> <p>Improve contacts with national and regional press</p> <p><b>Person Responsible: Lynn Grimes</b></p> <p><b>To be implemented by: 31/07/2013</b></p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
2	CO-01-02 Failure to meet revenue targets	<p><b>Cause &amp; Effect:</b></p> <p><b>Causes:</b></p> <ul style="list-style-type: none"> <li>- Changes to fees mechanisms for UGFT</li> <li>- Increased competition</li> <li>- Failure to develop and communicate brand</li> <li>- Lack of accurate real-time reporting mechanisms</li> <li>- LSBU late entrant to international student market and fails to catch-up</li> <li>- Poor league table position</li> <li>- Portfolio or modes of delivery do not reflect market need</li> <li>- Failure to engage with non-enterprise activities</li> </ul> <p><b>Effects:</b></p> <ul style="list-style-type: none"> <li>- Under recruitment</li> <li>- Loss of HEFCE contract numbers</li> <li>- Over recruitment leading to penalties on HEFCE numbers</li> <li>- Failure to meet income targets for non-HEFCE students</li> </ul>	4 3 <b>Critical</b>	<p>Report on student recruitment presented to every monthly Executive meeting and also reviewed by Board of Governors</p> <hr/> <p>Enterprise Business Plan submitted annually to SBUEL Board for approval and quarterly updates provided at Board meetings.</p> <hr/> <p>International Action Plan, including International Fees &amp; Discounting policy, simplified fee structure and discount/scholarship programme for targeted countries, enhanced in-market and partner activity</p> <hr/> <p>Sustainable internationalisation strategy</p> <hr/> <p>League Table action plan</p> <hr/> <p>Modelling of student recruitment numbers, including worse case scenarios which aid the planning process.</p> <hr/> <p>SBUEL has 2 Non-Executive Directors in place to oversee the Enterprise strategy</p> <hr/> <p>Differentiated campaigns started for postgraduate and part-time students</p>	4 2 <b>Critical</b>	<p>Identify, research, develop and implement a range of major long term investment opportunities with potential to generate significant income and contribution over ~5+ years under the auspices of the 16-20 Challenge programme, overseen by the University Executive (as Programme Board).</p> <p><b>Person Responsible: Beverley Jullien</b></p> <p><b>To be implemented by: 31/07/2013</b></p> <hr/> <p>Postgraduate action plan developed.</p> <p><b>Person Responsible: Beverley Jullien</b></p> <p><b>To be implemented by: 31/07/2013</b></p> <hr/> <p>Step-change in Internationalisation Plan to be incorporated.</p> <p><b>Person Responsible: Beverley Jullien</b></p> <p><b>To be implemented by: 31/07/2013</b></p> <hr/> <p>Identifying and building on our academic strengths (Portfolio Review).</p> <p><b>Person Responsible: Beverley Jullien</b></p> <p><b>To be implemented by: 31/07/2013</b></p>



Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
3	CO-10-01 Increasing pensions deficit	<p><b>Cause &amp; Effect:</b></p> <p>Causes:</p> <ul style="list-style-type: none"> <li>- Increased life expectancies</li> <li>- Reductions to long term bond yields, which drive the discount rate</li> <li>- Poor stock market performance</li> <li>- Poor performance of the LPFA fund manager relative to the market</li> <li>- TPS/USS schemes may also become subject to FRS17 accounting</li> </ul> <p>Effects:</p> <ul style="list-style-type: none"> <li>- Increased I&amp;E pension cost means other resources are restricted further if a surplus is to be maintained</li> <li>- Balance sheet is weakened and may move to a net liabilities position, though pension liability is disregarded by HEFCE</li> <li>- Significant cash injections into schemes may be required in the long term</li> </ul>	3 3 <b>High</b>	<p>Switch of inflator from RPI to CPI (expected to be lower in the long term)</p> <hr/> <p>Regular monitoring of national/sector pension developments and attendance at relevant conferences and briefing seminars</p> <hr/> <p>Regular valuation of pension scheme (actuarial and FRS 17). Most recent FRS valuation shows significant reduction in LPFA deficit and reduced I&amp;E cost moving forward following switch to CPI.</p> <hr/> <p>Reporting to HR committee on progress.</p> <hr/> <p>Tight control of staff costs in all areas (and reported to committee and Board via agreed KPIs)</p> <hr/> <p>Proposal for new LPFA scheme, effective April 2014</p> <hr/> <p>Strict control on early access to pension at redundancy/restructure</p> <hr/> <p>Active monitoring in year of trends in discount rate, life expectancy assumptions etc to ensure year-end adjustments are minimised</p>	3 3 <b>High</b>	<p>Create alternative, defined contribution pension option linked to creation of new enterprise subsidiary.</p> <p><b>Person Responsible: Richard Flatman</b></p> <p><b>To be implemented by: 30/06/2013</b></p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
6	CO-08-01 Ineffective data systems leading to failure to supply meaningful and reliable management information (internally) and to comply with the requirements of external agencies	<p><b>Cause &amp; Effect:</b></p> <p><b>Causes:</b></p> <ul style="list-style-type: none"> <li>- Data in systems is inaccurate</li> <li>- Data systems are insufficient to support effective delivery of management information</li> <li>- Financial constraints limit ability to improve systems</li> <li>- Insufficient capacity to deliver improved systems</li> <li>- Failure to manage data through the clearing period</li> <li>- Internal management information reporting insufficient to verify external reporting</li> <li>- Lack of data quality control and assurance mechanisms</li> </ul> <p><b>Effects:</b></p> <ul style="list-style-type: none"> <li>- Insufficient evidence to support effective decision-making at all levels</li> <li>- Inability to track trends or benchmark performance</li> <li>- Internal management information reporting insufficient to verify external reporting</li> <li>- Failure to manage recruitment levels through the clearing period resulting in over-recruitment</li> <li>- Failure to submit credible HESA/HESES return</li> <li>- Failure to satisfy requirements of UKBA leading to potential revocation of licence and loss of £8m+ in revenue in the short term, with reputational damage causing significant longer term revenue loss</li> </ul>	3 3 <b>High</b>	<p>Engagement with internal auditors to systematically check data in key systems (and processes around key systems):</p> <ul style="list-style-type: none"> <li>- Finance (including student fees)</li> <li>- Student data</li> <li>- HR systems</li> <li>- Space management systems</li> </ul> <hr/> <p>Systematic data quality checks of staff returns by HR in conjunction with faculties.</p> <hr/> <p>Engagement between International Office, Registry and Faculties to ensure compliance with UKBA requirements, specifically with regards to:</p> <ul style="list-style-type: none"> <li>- Visa applications and issue of Certificate of Acceptance to Study</li> <li>- English language requirements</li> <li>- Reporting of absence or withdrawal</li> </ul> <hr/> <p>Internal Audit system in place and conducted by PwC to provide assurances on data quality.</p> <hr/> <p>Internal Audit system in place and conducted by PwC to provide assurance on UKBA compliance</p>	3 2 <b>High</b>	<p>Annual education of all staff engaged with international students, to update on UKBA requirements; annual independent review by UKBA specialist to highlight areas for improvement.</p> <p><b>Person Responsible: Jennifer Parsons</b></p> <p><b>To be implemented by: 30/04/2013</b></p> <hr/> <p>Data management project</p> <p>Project has three stages. Project completion dates: Stage 1 - May 2013 Stage 2 - September 2013 Stage 3 - September 2014</p> <p><b>Person Responsible: David Swayne</b></p> <p><b>To be implemented by: 30/09/2014</b></p> <hr/> <p>HESA improvement project</p> <p>Project has two stages Project completion dates: Stage 1 - October 2012 Stage 2 - October 2013</p> <p><b>Person Responsible: Andrew Fisher</b></p> <p><b>To be implemented by: 31/10/2013</b></p> <hr/> <p>To improve admissions processes</p> <p><b>Person Responsible: Andrew Fisher</b></p> <p><b>To be implemented by: 30/09/2013</b></p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
		<p>- Failure to satisfy requirements of Professional, Statutory and Regulatory bodies (NHS, course accreditation etc)</p>		<p>Data warehousing, to construct a 'master data view' and reports therefrom, including:</p> <ul style="list-style-type: none"> <li>- Cleansing core systems to ensure all data as accurate and complete as possible</li> <li>- Ensuring reports use core data without manipulating results</li> <li>- Provision of standard reports on key aspects of data:                             <ul style="list-style-type: none"> <li>*Progression analysis</li> <li>*Student engagement</li> <li>*Admissions (especially during clearing)</li> <li>*Enrolment</li> </ul> </li> </ul> <hr/> <p>Systematic data quality checks of student returns by Registry in conjunction with faculties.</p>		

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
14	CO-10-06 Potential loss of NHS contract income  <b>Risk Owner: Judith Ellis</b>  <b>Last Updated: 08/07/2013</b>	<b>Cause &amp; Effect:</b> Cause: Reduction in expected CPPD funding due to ongoing NHS financial challenges/ structural change. In addition potential problems with NHS deanery recruitment to community programmes. Failure to maintain student numbers on the contract resulting in clawback Effect: Reduction in income Reduced staff numbers Negative impact on reputation	4 3 <b>Critical</b>	Named Customer Manager roles with NHS Trusts, CCGs and HEE. <hr/> Monitor quality of courses (CPM and NMC) annually in autumn (CPM) and winter (NMC) <hr/> Regular contact with commissioning contract managers and deanery	4 2 <b>Critical</b>	Submit a strong return to next REF exercise. <b>Person Responsible: Nicola Crichton</b> <b>To be implemented by: 31/12/2013</b> <hr/> Ensure a quality campus in each HEE/ LETB area. <b>Person Responsible: Warren Turner</b> <b>To be implemented by: 01/09/2013</b> <hr/> Grow into new markets for medical and private sector CPPD provision <b>Person Responsible: Warren Turner</b> <b>To be implemented by: 31/08/2013</b> <hr/> Improvement in NSS returns and scores <b>Person Responsible: Judith Ellis</b> <b>To be implemented by: 31/07/2013</b> <hr/> Develop opportunities for further International 'in-country' activity. <b>Person Responsible: Dr Michelle Spruce</b> <b>To be implemented by: 30/09/2013</b> <hr/> Increase uptake in band 1-4 activity Support Trusts in seeking external (non NHS) funding <b>Person Responsible: Sheelagh Mealing</b> <b>To be implemented by: 01/09/2013</b>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
37	CO-10-08 Potential impact of estates strategy delivery on financial position	<p><b>Cause &amp; Effect:</b></p> <p>Causes:</p> <ul style="list-style-type: none"> <li>- Poor project controls</li> <li>- Lack of capacity to manage/deliver projects</li> <li>- Reduction in agreed/assumed capital funding</li> <li>- Reduction in other government funding</li> </ul> <p>Effects:</p> <ul style="list-style-type: none"> <li>- Adverse financial impact</li> <li>- Reputational damage</li> <li>- Reduced surplus</li> <li>- Planned improvement to student experience not delivered</li> <li>- Inability to attract new students</li> </ul>	3 3 <b>High</b>	<p>Regular Reports are provided to both P&amp;R and the Board on planned capital expenditure.</p> <hr/> <p>Full Business Case including clarity on cost and funding prepared for each element of Estates Strategy and approved by Board of Governors</p> <hr/> <p>Clear requirement (including authority levels) for all major (&gt;£1m) capital expenditure to have Board approval</p> <hr/> <p>Property Committee is a sub-committee of the Board of Governors and has a remit to review all property related capital decisions.</p> <hr/> <p>Automated process developed for business cases including all capital spend. Guidance developed as part of new process.</p> <hr/> <p>Financial forecasts regularly updated to take account of changing assumptions about future capital funding.</p> <hr/> <p>Clear project governance established for both the renovation of the Terraces and the Student Centre</p> <hr/> <p>Estates &amp; Facilities Dept project controls</p>	3 1 <b>Medium</b>	<p>Completion of the Terraces Project will see the completion also of the current development plan in relation to the Anchor Projects. The potential acquisition of the Hugh Aster Court (Peabody Building) on Keyworth Street opens up the opportunity for the redevelopment of the North West quarter of the campus and the creation of a clear University 'front door'.</p> <p>Plans have been developed for a major redevelopment scheme that will be shared with the Executive in July and following consultation with the Faculties and major stakeholders, the 2013 Estate Development Plan will be shared with Governors for consideration and consultation in the Autumn 2013.</p> <p><b>Person Responsible: Ian Mehrtens</b> <b>To be implemented by: 30/11/2013</b></p> <hr/> <p>Deliver the renovation of the Terraces in accordance with agreed budget.</p> <p><b>Person Responsible: Beverley Jullien</b> <b>To be implemented by: 31/07/2013</b></p> <hr/> <p>Complete and report on the final negotiations for the Student Centre</p> <p><b>Person Responsible: Ian Mehrtens</b> <b>To be implemented by: 30/04/2013</b></p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
305	CO-13-01 Data protection (Upgraded from Registry's operational register)  <b>Risk Owner: Richard Flatman</b>  <b>Last Updated: 05/06/2013</b>	<b>Cause &amp; Effect:</b> Loss of student data security either en masse (e.g. address harvesting) or in specific cases (e.g. loss of sensitive personal files)	3 2 <b>High</b>	Following a meeting on 16/11/12, David Swayne has taken responsibility for improving our control over data protection risks at an institutional level.	3 2 <b>High</b>	Define an Information Security solution for LSBU and implement it. LSBU has no Information Security Manager - the post was removed some time ago. To rectify this situation a Managed Security Service is being procured.  <b>Person Responsible: David Swayne</b> <b>To be implemented by: 30/09/2013</b> <hr/> 1. Define Mobile Device Policy - this is agreed and published 2. Prepare and deliver a training course on this topic - this is in progress in collaboration between ICT and OSDT 3. Ensure that all mobile devices have adequate protection - laptop encryption tool being selected, mobile device management tool purchased and being deployed  <b>Person Responsible: David Swayne</b> <b>To be implemented by: 31/07/2013</b>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
362	CO-10-09 Poor staff engagement	<p><b>Cause &amp; Effect:</b></p> <p>Causes:</p> <ul style="list-style-type: none"> <li>•Bureaucracy involved in decision making at the University</li> <li>•No teamwork amongst departments at the University</li> <li>•Staff feeling that they do not receive relevant information directly linked to them and their jobs</li> <li>•Poor pay and reward packages</li> <li>•Poor diversity and inclusion practises</li> </ul> <p>Effects:</p> <ul style="list-style-type: none"> <li>•Decreased customer (student) satisfaction</li> <li>•Overall University performance decreases</li> <li>•Low staff satisfaction results</li> <li>•Increased staff turnover</li> <li>•Quality of service delivered decreases</li> </ul>	3 3 <b>High</b>	<p>Departmental Business Planning process</p> <hr/> <p>Feedback page for staff to leave comments on staff Gateway</p> <hr/> <p>Scheduled Team meetings</p> <hr/> <p>Corporate Roadshows</p> <hr/> <p>Staff engagement survey</p> <hr/> <p>Quarterly review meetings</p>	3 2 <b>High</b>	<p>The Executive and Departmental Managers will be required to develop and implement relevant action plans to address outcomes from the survey. Each manager will have access to an interactive tool that will have them with the action planning process. In addition to this, there will be staff and managers' briefing session to discuss the results. Some of the areas highlighted as least positive in the survey will be addressed in the Organisational Development Strategy.</p> <p><b>Person Responsible: Mrs Vongai Nyahunzvi</b></p> <p><b>To be implemented by: 27/06/2014</b></p>

# London South Bank University

	PAPER NO: BG.45(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	Conflicts of Interest declaration	
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors	
Executive sponsor:	James Stevenson, University Secretary and Clerk to the Board of Governors	
<b>Recommendation by the Executive:</b>	That the Board authorises the situational conflicts listed below	
Aspect of the Corporate Plan to which this will help deliver?	N/A - Compliance with Companies Act 2006.	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	Register of Interests published on website.	

## Executive summary

In November each year the Board is asked to authorise the situational conflicts of interest of its members and the Executive. Two governors have since joined the Board and an Executive member's updated. The Board are asked to authorise their situational conflicts of interest.

The Board is requested to authorise the interests as listed below. These entries are published on LSBU's external website along with the entries for all governors.





<b>Hilary McCallion</b>					
<b>Organisation with which connected</b>	<b>Sector</b>	<b>Relationship with organisation</b>	<b>As of date</b>	<b>Notes</b>	<b>Date authorised by Board</b>
Hilary McCallion Consultancy Limited	Healthcare Consultancy	Owner and director (remunerated)	April 2013	Provision of service to NHS and possibly Educational bodies	

<b>Mee Ling Ng</b>					
<b>Organisation with which connected</b>	<b>Sector</b>	<b>Relationship with organisation</b>	<b>As of date</b>	<b>Notes</b>	<b>Date authorised by Board</b>
Habinteg Housing Association Ltd	Housing	Director	July 2011		

<b>Beverley Jullien</b>					
<b>Organisation with which connected</b>	<b>Sector</b>	<b>Relationship with organisation</b>	<b>As of date</b>	<b>Notes</b>	<b>Date authorised by Board</b>
Lambeth College	FE	Chairman	Aug 2013		

	PAPER NO: BG.46(13)	
Board/Committee:	Board of Governors	
Date:	18 July 2013	
Paper title:	Amendments to Financial Regulations	
Author:	Natalie Ferer, Financial Controller	
Executive sponsor:	Richard Flatman, Executive Director of Finance	
<b>Recommendation by the Executive:</b>	That the Board notes amendments to the Financial Regulations as approved by the Policy and Resources Committee	
Aspect of the Corporate Plan to which this will help deliver?	Creating an environment in which excellence can thrive by ensuring that our underpinning business processes, systems, policies and investments create an environment that enables success	
Matter previously considered by:	Audit Committee  Policy and Resources Committee	On: 13 June 2013  3 July 2013
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	All staff	

### **Executive summary**

1. An annual update of the University's Financial Regulations is brought to the Policy and Resources Committee each year for approval. This is to ensure that the Financial Regulations remain relevant and reflect the structure and organisation of the University.
2. Changes to the regulations are shown in the table below. A marked up version of the regulations is available on Sharepoint or on request from the Secretary

Paragraph	Page	Update
Corporate Governance	6 - 7	Update Committee details and responsibilities
Whistleblowing	8	Replace reference to Whistleblowing policy with Speak Up policy
Budgetary control	10	Insert paragraph to give budget authority to the Finance Member of the Emergency Management Team
Capitalisation and Depreciation	11	Amend the Accounting Policy for deprecation of computer equipment from 5 years to 4 years
External and Internal Audit	12 - 13	Update responsibility for appointing auditors from the Audit Committee to the Board on the recommendation of the Audit Committee and update the role of Internal Audit
Fraud and Corruption	13	Clearer wording and reference to the Fraud Response Plan
Income	14	Remove responsibility of Policy and Resources Committee for approving levels of charges as this is covered adequately in section 4.18
Write off of debt	16	Amend authorisation levels for the write off of debt. Currently audit committee must approve all debts to be written off. Amended to allow Director of Finance to approve the annual write off of debts up to a value of £50,000 and to approve the write off of individual debts up to £10,000.
Residences and Catering	17	(and throughout) Replace reference to Residence and Catering with Estates
Staff Expenditure	21	Rewrite of section to remove reference to a 'staffing establishment' and explain the responsibility of holders of Letters of Delegation to ensure that staffing remains within the budget for the year
Employment	22	Amend wording allowing the Board to delegate employment conditions of service to the HR committee or the Executive
Investment Appraisal	26	Update regulations on when an investment bid requires a business case to be prepared
Authorisation Levels	29	Add requirement that where Board approval is needed, that papers go first to Policy and Resources Committee
Purchase orders	30	Addition of contract catering to the list of purchases not requiring a purchase order
Equipment removal	32	Add that the requirement Board approval for the disposal of Land and Buildings be made on the recommendation of the Policy and

Resources Committee		
Investments	38 - 39	<p>Replace the Board with Policy and Resources Committee as being responsible for establishing and Investment Policy. Replace Vice Chancellor with the Executive Director of Finance as being able to determine long term investments within this policy</p> <p>Replace reference to Charitable Funds Sub Committee with Policy and Resources Committee</p>
Insurance	40	Replace the Board with Policy and Resources Committee as being responsible for approving terms of insurance arrangements
Fraud Response Plan	45	Update in line with Anti-Fraud Policy approved by Audit Committee
Anti-Bribery Policy	48	Removal from Financial Regulations and listed as an associated document
Specific procedures relating to SBUEL	52	Added 'Travel, subsistence and expense policy' to list of separate financial procedures for SBUEL
List of Associated Documents	54	Added Letter of Delegated Authority, Speak Up Policy, Risk Policy , Procurement Tendering Policy and Anti-Bribery Policy to list of associated documents