

**Meeting of the Policy & Resources Committee**

4pm on Tuesday, 4 March 2014  
In 1B27, Technopark, London Road, SE1

**Agenda**

<i>No.</i>	<i>Item</i>	<i>Paper No.</i>	<i>Presenter</i>
1.	Welcome and apologies		Chair
2.	Declarations of interest		Chair
3.	Minutes of the previous meeting (for publication)	PR.01(14)	Chair
4.	Matters arising		Chair
5.	<b>Performance Matters</b> (for discussion)		
5.1	Student Recruitment	PR.02(14)	PVC (E)
5.2	Management Accounts to 31 <sup>st</sup> January 2014	PR.03(14)	CFO
5.3	Key Performance Indicators	PR.04(14)	VC
6.	<b>Matters for Approval</b>		
6.1	OFFA Agreement	PR.05(14)	PVC (A)
6.2	Governance Effectiveness Review Plan	PR.06(14)	Sec
7.	<b>Matters for Noting</b>		
7.1	London Pension Fund Authority 2013 Fund Valuation	PR.07(14)	CFO
7.2	Annual Report on fundraising	PR.08(14)	PVC(E)
7.3	Annual Report on charitable funds	PR.09(14)	Sec
7.4	Treasury Management Report	PR.10(14)	CFO
8.	Any other business		Chair
9.	Date of next meeting: 4pm on Tuesday 6 <sup>th</sup> May 2014		

Members: Sarah Mullally (Chair), David Longbottom (Chairman of the Board), David Phoenix (Vice Chancellor), Barbara Ahland, Ken Dytor, Hilary McCallion, Diana Parker, Jon Warwick.

Apologies: Anne Montgomery

With: Pro Vice Chancellor (Academic), Pro Vice Chancellor (External), Chief Financial Officer, University Secretary, Executive Director of Corporate Services (for item 5.3) and Governance Officer.



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HEFCE

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10 February 2014

Dear Tim,

## **HIGHER EDUCATION FUNDING 2014-15**

We are writing with details of the allocations we will make to the Funding Council for 2014-15 under section 68 of the Further and Higher Education Act 1992 and the priorities we wish to set the Council for that year.

The progressive implementation of our higher education reforms has put the system on a sound foundation. Combining HEFCE recurrent grant for teaching and estimated fee income from students subject to regulated fees, the resource for teaching rose from around £7.9bn in 2011-12 to almost £8.5bn in 2013-14. The Chancellor's Autumn Statement provided further funding to enable an expansion of higher education places and to increase levels of resource for the teaching of high cost subjects such as science and engineering.


However, in the context of stretched public finances, it has been necessary to make reductions to the indicative recurrent teaching budget for 14-15. Further recurrent savings will be required in 15-16. It is for you to take decisions on how you allocate your budgets. But you should deliver savings in ways that protect as far as possible high cost subjects (including STEM), widening participation and small and specialist institutions.

Set against these reductions in recurrent teaching grant, we are increasing Government investment in teaching capital in both years. This includes a £200m investment in STEM capital to ensure cutting edge teaching facilities. Research capital spend is also increasing, and research resource spend is being maintained. This will enable you to deliver our agenda for research and economic growth.

Finally, we think the sector needs to make greater progress in delivering efficiencies. Students will rightly expect value for the fees they pay. We would like HEFCE to work with BIS and Treasury Ministers, the Research Councils and Vice Chancellors to build on the Diamond and Wakeham reviews to drive further and faster improvements. There are excellent examples of good practice to build on. We are very concerned about the substantial upward drift of salaries of some top management. We want to see leaders in the sector exercise much greater restraint as part of continuing to hold down increases in pay generally.


The annexes to this letter set out the funding figures for 2014-15 and indicative figures for 2015-16, the priorities we want you to address when allocating this funding and the conditions of grant.

This letter is being copied to Madeleine Atkins.

A handwritten signature in blue ink, appearing to be 'Vince Cable', written in a cursive style.

**THE RT HON VINCE CABLE MP**

Secretary of State for  
Business, Innovation and Skills

A handwritten signature in black ink, appearing to be 'David Willetts', written in a cursive style.

**THE RT HON DAVID WILLETTS MP**

Minister of State for  
Universities and Science

## **Annex 1: Funding Priorities**

### **Introduction**

1. The Chancellor's Autumn Statement provided some positive outcomes for higher education. But public finances remain stretched and there is an increasing need to deliver efficiencies. BIS must continue to contribute to overall savings across Government and Higher Education, like other areas of public spending, has to take its share of savings.

2. The financial table (annex 2) sets out the funding figures for 2014-15 and indicative allocations for 2015-16. The pressures on BIS mean that it has been necessary to make reductions to the recurrent teaching grant budget in 2014-15 and in 2015-16. To give HEFCE as much flexibility as possible in managing these reductions we are mainstreaming into HEFCE budgets, government contributions of £62m to access and student success in 2014-15. After accounting for this mainstreaming and funding provided at the Autumn Statement for additional student places, there is a net reduction of £45m on the indicative 14-15 allocation for recurrent teaching grant in last year's grant letter. £20m of this will be compensated with extra capital funding. We are making £185m available, over four years, from 2015-16, to allow HEFCE to increase the unit of funding, supporting institutions to deliver high quality STEM provision. It is for you to take decisions on how you allocate the revised figures. But you should deliver savings in ways that protect as far as possible, high cost subjects (including STEM), widening participation and small and specialist institutions.

3. In September, we announced a new, £200 million, capital investment in 2015-16 fund for high cost subjects like Science Engineering and Technology. Matched by equal investment from institutions, this will invest some £400m in the creation and upgrading of teaching facilities to ensure students receive a high quality HE experience that fully equips them for the economy of the future. We will look to the Council to administer this fund and will write to you separately to provide further detail of the approach we want you to follow.

### **Social Mobility**

4. Government remains committed to improving access to higher education through a new framework that places increased responsibility on institutions to widen participation. We continue to support the Council's joint work with OFFA to help focus activity and funding where the evidence of positive impact is greatest. This includes HEFCE support for the development of a country-wide collaborative outreach network (for which we have provided funding, refocused from the National Scholarship Programme). However, in view of the forthcoming changes to student number controls (set out in the paragraph below), and evidence from recent application and admission data, you may wish to reconsider what you require from institutions by way of their widening participation strategies in 2014/15 and 2015/16.

5. The new funding system places greater responsibility on institutions to fund access and retention activities, including supporting students in cases of hardship. Spending by institutions with access agreements over the next two years is planned to exceed £680m and £690m consecutively. We expect the Council to continue to use the

best available evidence to maximise the impact of its funding and to simplify funding streams where they seek to deliver a similar objective. We therefore want you to bring together funding which supports student retention and success, specifically the Student Opportunity fund and the Access to Learning Fund. As you continue to support institutions to improve access for students with disabilities we want you to work with the Department in 2014-15 to review the way in which they use disability funding.

6. In 2015/16 government will invest an additional £50 million (refocused from the National Scholarship Programme as announced in the Spending Review) to help remove barriers to participation in postgraduate education. We want HEFCE to direct and administer this investment. We have agreed in principle that HEFCE will also assume responsibility for Professional and Career Development Loans subject to the outcome of due diligence activity from January 2014. Depending on the outcome of this work, the Council should work closely with the Skills Funding Agency and BIS to agree the date to take control of the scheme and develop options for managing this activity in future.

### **Teaching Quality and Enhancing the Student Experience**

7. Students clearly have the right to expect the highest quality learning opportunities. We want the Council to develop mechanisms that protect and assure the quality of the academic student experience when we remove student number controls in 2015/16.

8. The Council's review of public information on higher education should consider whether there are better indicators, such as measures of student engagement, to provide information on what a high quality student experience looks like. We expect the Council to continue to identify improvements through pilot studies over the coming year as well as setting in train longer term improvements for the benefit of future cohorts. The work should include providing students with greater transparency on how institutions use income and how we can maximise the impact of the QAA's guidance to institutions on publishing staff teaching qualifications, student evaluations, class size and student workload.

### **Science and Research**

9. The ring fenced settlement for Science and Research resource means that we can continue to support research and related training through to 2015-16 through the Dual Support framework. You should continue to work with the Research Councils to sustain the international competitiveness of the UK research base, to ensure that the overall impact agenda is delivered coherently. You should work with Research Councils and the National Academies to address collectively issues such as health of disciplines and research careers. Funding allocations for HEFCE for research, knowledge exchange and research capital for 2014-2015 and 2015-2016 are set out in the attached finance table.

10. You should continue to take forward funding both for research and for support for the next generation of researchers, by selectively funding on the basis of only internationally excellent research, and protecting funding leveraged from external sources such as the charitable and business sectors.

11. We are providing further allocations for the UK Research Partnership Investment

Fund of £100million pa for years 2015-16 and 2016-17 to support major research infrastructure projects in universities and colleges undertaking world-leading research and stimulating university/business collaboration in key industries. You should ensure that research projects supported must lever committed private co-investment amounting to at least £2 for every £1 from the Fund.

### **Progress on Research Excellence and Knowledge Exchange**

12. The Government is committed to providing incentives which enhance the economic and social impact of research and looks forward to the publication of the outcomes of the Research Excellence Framework 2014 by the end of 2014. You should use these outcomes to inform research allocations from 2015 onwards. Increasing Open Access (OA) to research outputs is a key Government objective which should be supported by research assessment methodology and by the QR research funding stream in due course.

13. University collaboration with industry provides a notable competitive advantage for the UK. The Government is committed to a long-term and fully rounded approach to funding all forms of knowledge exchange with all forms of partner through HEIF. In this context, the Council has committed to continue to support Knowledge Exchange funding through HEIF, for which £113m pa is specifically included from within the Science and Research budget, and to provide additional support for high knowledge exchange performance through HEIF where affordable. In allocating these funds, the Council should consider the issues raised in Sir Andrew Witty's review of Universities and Growth and should balance as far as possible our key priorities. These are:

- To make sure that the system of allocation is reasonably dynamic and rewards up-to-date performance
- To incentivise and give additional reward for measurable performance with SMEs
- To have an element of long-term predictability in the funding, including a de minimis cut-off at an appropriate level.

14. The Council is funding and supporting the development of the National Centre for Universities and Business (NCUB) which we see as a key driver of enhanced university/business activity, for example through its work to investigate improved brokerage services between business (especially SMEs) and universities.

15. Building on the work which HEFCE has done with TSB, RCUK and UUK we want HEFCE to further support universities engagement with Local Enterprise Partnerships and Local Authorities, particularly taking account of smart specialisation priorities where universities can make a distinctive contribution.

### **Efficiency**

16. There is an onus on institutions to demonstrate that they offer value for the fees students pay. At the same time, there remains a cross Government imperative to ensure that public money is spent efficiently. We are concerned about the substantial upward drift of salaries of some top management. We want to see leaders in the sector exercise much greater restraint here as part of continuing to hold down increases in pay generally. On research, you should deliver efficiency savings from Quality Related (QR)

recurrent research funding of at least £238 million over the period 2011-15 to be reinvested within QR. You should continue to work with the Research Councils to ensure that institutions take forward actions recommended by the Wakeham review to reduce indirect costs associated with research and related postgraduate training. In achieving these efficiencies you should encourage HEIs to collaborate, this includes through greater sharing of research equipment and infrastructure. We note your contributions to the work of the sector in implementing the recommendations of the Diamond review. We think it essential that the sector makes greater progress. So we would like the Council to work with BIS and Treasury Ministers, the Research Councils and Vice Chancellors to build on the Diamond and Wakeham reviews to drive further and faster improvements in efficiency, for example, considering pension costs and ways to reduce regulatory and bureaucratic burden. Ministers from this Department and HM Treasury have also asked Professor Sir Ian Diamond to carry out a further review of efficiency in Higher Education Institutions. We want the Council to work with Professor Diamond's review, which aims to produce an interim report in Summer and present final conclusions by February 2015.

## **Regulation**

17. The sector has a long tradition of independent regulation and co-regulation. Before introducing new regulations the Government wants HEFCE to continue working with sector representative bodies to develop a regulatory agreement that the sector will consult on shortly. We will ask HEFCE to monitor compliance with this agreement on behalf of Government, and expect you to act in a proportionate manner in promoting adherence to the agreement. If the sector embraces the agreement the new regulations may prove unnecessary.

## **Funding and Student Numbers**

18. The Chancellor announced in the Autumn Statement that Government will provide a maximum of 30,000 additional full-time student places in 2014/15 for HEFCE funded institutions and remove student number controls altogether in 2015/16 for publicly funded institutions. The Autumn Statement provided additional grant funding to ensure that institutions choosing to expand can maintain the quality of their provision for high cost subjects, and can continue to support widening participation and retention. In allocating student places in 2014/15, the Council should retain our high grades policy and the new flexibilities described in the outcomes of your consultation on student number controls for 2014/15 and beyond, which you published in September. In particular, we endorse your proposals to give greater flexibility to institutions which demonstrated strong recruitment in 2013/14. We want all popular universities and colleges to be able to expand and would like to see institutions in franchising arrangements allowing their FE partners to expand their provision to meet demand. We do not expect you to continue to monitor average fees at institutions which gained places from the core and margin process, though the Council should assure itself that those institutions are meeting their commitments in relation to the fees being charged to the relevant cohorts of students from 2012/13 and 2013/14. To support the removal of student number controls in 2015/16, the Council should develop mechanisms and corrective actions to ensure institutions maintain the quality of the student experience even when the size of their student population changes rapidly.

19. We remain committed to supporting high quality alternative providers in the HE



sector. We have made clear our intention to introduce student number controls for alternative providers in 2014/15, based on 2012/13 recruitment levels overall and reasonable, evidenced expansion plans. Our policy intent from 2015/16 is to replicate, as far as possible, for alternative providers, the arrangements for HEFCE funded institutions but we will retain controls for high risk providers.

20. We are removing student number controls to promote individual opportunity, support long term economic growth and promote social mobility. However, there remains a need to ensure that public funds are spent effectively and we continue to look to the Council to take action, where necessary, to ensure this. So, we are asking the Council to recoup unanticipated student support costs from over recruitment, in 2013/14, by publicly funded institutions. As we set out in our last grant letter to the Council, we would like this to be on the basis of cost recovery in 2013/14. To achieve this, grant adjustments should reflect both the average life time and the upfront outlay cost to Government of providing student support, recognising this latter is particularly influenced by the different fees institutions charge. So, we are asking you to make adjustments to institutions' allocations for each full time under-graduate and PGCE student recruited above the permitted level in 2013/14 as follows:

- a. by £5,000 for institutions charging average fees after fee waivers of up to £6,000; and
- b. by £1,000 less than the average fee after fee waivers charged by institutions that, on the basis of an OFFA Access Agreement, make an average charge exceeding £6,000.

The arrangements for recouping grant for unanticipated student support costs from previous years remain unchanged. We will confirm the arrangements for over recruitment should it occur in 2014/15, in the normal way, in our grant letter to the Council for 2015-16. But, you should plan on the basis that our approach will be similar to that set out above.

21. At this point we wish to retain intake targets for undergraduate courses in medicine and dentistry, reflecting the need to manage the supply of newly qualified doctors and dentists and the high costs of their training. It remains important that institutions do not exceed their intake targets to these courses and we therefore ask the Council to impose further sanctions on institutions that continue to over-recruit, including reductions to grant that reflect the cost to Government of providing student support for the excess numbers recruited (set out in paragraph above).

### **Condition of Grant on Regulated Fees**

22. In accordance with the Secretary of State's duty under Section 23 of the Higher Education Act 2004, the Secretary of State is hereby imposing a condition on this grant to HEFCE for the Academic Year 2014/15, requiring them in turn to impose a condition, in accordance with section 24, on financial support given to the governing body of a relevant institution. The details of this condition of grant are set out in annex 3 attached.



## Annex 2: Funding for the HE sector via HEFCE and tuition fee income for 2014-15 and 2015-16

All figures in £m	This table shows the funding allocations for the HE sector for 2014-15 and Science and Research funding allocations for period up to 2015-16	Baseline	Budget	<i>Indicative allocations except for Research which are funding figures</i>
		2013-14	2014-15	2015-16
<b>a</b>	Recurrent grant for Teaching	2,861	1,915	1,669
<b>b</b>	Recurrent grant for Research	1,573	1,573	1,573
<b>c</b>	Recurrent Grants sub-total for HE (a+b)	4,434	3,488	3,242
<b>d</b>	HEIF	113	113	113
<b>e</b>	Total recurrent grant for English HEIs (c+d)	4,547	3,601	3,355

Additional Funding				
<b>f</b>	Access to Learning Fund	37	-	-
<b>g</b>	National Scholarship Programme	100	50	-
<b>h</b>	Postgraduate Provision	-	-	50

Capital funding to HEIs				
<b>i</b>	Teaching capital	79	154	300
<b>j</b>	Research Capital	251	286	303
<b>k</b>	Total Capital Grants (i+j)	330	440	603

<b>l</b>	Total funding for HE via HEFCE (e+f+g+h+k)	5,014	4,091	4,008
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Estimated fee income				
<b>m</b>	Estimate of fee income from students subject to regulated fees	5,600	7,000	8,200
<b>Total</b>				
<b>n</b>	Total of HEFCE funding plus estimated fee income (l+m)	10,600	11,100	12,200

### Notes

1) The amounts set out above are the Council's resource and capital budgets. They represent the maximum amount of resource and capital that the Council may consume in pursuance of the priorities agreed with the Department for the Spending Review

period. Figures may not sum due to rounding. Funding must not be moved between the recurrent, capital and non-cash resource lines, without explicit agreement from BIS. If the department's level of overall funding is decreased due to wider events or in order to cover other unavoidable financial pressures, the Department may, within the framework set by Parliament and the courts, need to make in year adjustments to allocations to our Partner Organisations in order to meet budget reductions.

2) The figures at 'a' in the above annex include £28m per year for the inherited staff liability. This amount represents the cash utilisation of HEFCE's provision and the charge against programme resource DEL: it does not include the unwinding, release, or revaluation of provision, all of which are charged against AME with budget amounts confirmed outside of this grant letter.

3) HEFCE will receive a separate letter detailing their administrative budget for 2014-15, but they should expect to make further contributions in 2015-16 to the Department's overall real terms reductions in administrative budgets. As in previous years, HEFCE will receive a separate letter confirming their finalised 2014-15 unrounded resource and capital budget totals.

4) Figures at 'a' include from 14-15 the government contribution (BIS and DoH) to the Access to Learning Fund and funding to pump prime a new national network supporting outreach activity, refocused from savings already announced to the National Scholarship Programme

5) Last year, Government announced £75 million postgraduate support funding. In December 2013, HEFCE announced the 20 recipients of the £25 million PSS funding, who will run a range of pilot projects to test options for finance and activity aimed at stimulating progression into taught postgraduate education, particularly among the under-represented groups and in areas that support the Government's ambitions for economic growth. After evaluating the success of these projects, a further one-off £50 million will be invested in 2015/16 to support students by removing barriers to participate in postgraduate education. Evidence from this investment will also help shape government policy beyond 2015/16.

6) Although it is not part of the Council's settlement, the figures also show the anticipated level of fee income from UK/EU undergraduates subject to regulated tuition fees in each of the financial years in question from both student loans and up-front payments. These figures include the estimated fee income from increased student entrants, announced in the Autumn Statement.

7) The table below shows allocations for Science and Research for the remainder of the current Spending Review period plus those for 2015-16. This includes an additional capital allocation for the UK Research Partnership Investment Fund which HEFCE is administering, working in collaboration with Devolved HE funding bodies.

<b>£ Millions</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>Total</b>
Science and Research Funding	1,937	1,973	1,989	5,899
o/w Recurrent grant for Research	1,573	1,573	1,573	4,719
o/w HEIF	113	113	113	339
o/w Research Capital England	67	55	117	239
o/w HEI Research Capital England	64	72	86	222
o/w UK-RPIF	120	160	100	380

8) Recurrent teaching grant for 13-14 and 14-15 has been adjusted by £2m in each year to reflect the transfer of specific funding from BIS to DELNI.



### **Annex 3: Conditions of Grant on Regulated Fees**

1. In accordance with the Secretary of State's duty under Section 23 of the Higher Education Act 2004, the Secretary of State is hereby imposing a condition on this grant to HEFCE for the Academic Year 2014/15, requiring them in turn to impose a condition, in accordance with section 24, on financial support given to the governing body of a relevant institution.

2. The condition that HEFCE must impose on the governing body of every relevant institution is that:-

- a) where an institution has an approved plan ("the plan") by the Director for Fair Access ("the Director") applying to students studying in the academic year 2014/15, its governing body must secure that in respect of that academic year the fees payable by a qualifying person in connection with his undertaking a qualifying course do not exceed the limit provided for that course in the plan for that academic year, and,
- b) the governing body must comply with the general provisions of the plan;
- c) where an institution does not have an approved plan for a student cohort in the academic year 2014/15, its governing body must secure that in respect of that academic year the fees payable by a qualifying person in connection with his undertaking a qualifying course do not exceed the basic fee cap.

3. Fees has the meaning set out in Section 41 of the Higher Education Act 2004 and in the Education (Student Fees) (Exceptions) (England) Regulations 1999 (Statutory Instrument 1999 No. 2265), which continue to apply.

Qualifying courses and persons have the meaning prescribed in the Student Fees (Qualifying Courses and Persons) (England) Regulations 2007, as amended<sup>1</sup>.

4. For students whose full-time courses started before 1 September 2012, the basic and higher amounts for the 2014/15 Academic Year are specified in the Student Fees (Amounts) (England) Regulations 2004 as amended by the Student Fees (Basic and Higher Amounts) (Approved plans)(England)(Amendment) Regulations 2012. For these courses, the basic amount will be £1,380, or £680 where regulation 5 of the 2004 Regulations applies, and the higher amount, £3,465, or £1,725 where regulation 5 of the 2004 Regulations applies.

5. For students whose full-time courses started on or after 1 September 2012<sup>2</sup>, for

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<sup>1</sup> Statutory Instrument 2007/778, as amended by Statutory Instruments 2007/2263, 2008/1640, 2011/87 and 2012/1653.

<sup>2</sup> Certain students are treated differently and the details are set out in regulation 3 of the Higher Education (Higher Amount) (England) Regulations 2010 as amended by the Student Fees (Basic and Higher Amounts) (Approved Plans) (England)(Amendment) Regulations 2012, and regulation 3 of the Higher

the academic year 2014/15, the basic amount under the Higher Education (Basic Amount) (England) Regulations 2010 is £6,000. The higher amount under the Higher Education (Higher Amount) Regulations 2010 is £9,000.

6. For students whose full-time courses started on or after 1 September 2012<sup>3</sup>, for the academic year 2014/15, the basic amount under the Higher Education (Basic Amount) (England) Regulations 2010 as amended by the Education (Fees and Student Support)(Amendment) Regulations 2013 where Regulation 5(1)(a) applies is £3,000. The Higher Amount under the Higher Education (Higher Amount)(England) Regulations 2010 as amended by the Education (Fees and Student Support) (Amendment) Regulations 2013 where Regulation 5(1)(a) applies is £4,500.

7. For students whose full-time courses started on or after 1 September 2012<sup>4</sup>, for the academic year 2014/15, the basic amount under the Higher Education (Basic Amount) (England) Regulations 2010 as amended by the Education (Fees and Student Support)(Amendment) Regulations 2013 where Regulation 5(1)(b) applies is £1,200. The Higher Amount under the Higher Education (Higher Amount)(England) Regulations 2010 as amended by the Education (Fees and Student Support) (Amendment) Regulations 2013 where Regulation 5(1)(b) applies is £1,800.

8. For students whose full-time courses started on or after 1 September 2012<sup>5</sup>, for the academic year 2014/15, the basic amount under the Higher Education (Basic Amount) (England) Regulations 2010 as amended by the Education (Fees and Student Support)(Amendment) Regulations 2013 where Regulations 5 (1)(c) and 5(1)(d) apply is £900. The Higher Amount under the Higher Education (Higher Amount)(England) Regulations 2010 as amended by the Education (Fees and Student Support)(Amendment) Regulations 2013 where Regulations 5(1)(c) and 5(1)(d) apply is £1,350.

9. The basic and higher amounts for students with part-time courses starting on or after 1 September 2012<sup>6</sup>, £4,500 and £6,750 respectively, are specified by the Higher Education (Basic Amount) (England) Regulations 2010 as amended by the Student Fees (Basic and Higher Amounts)(Approved Plans)(England)(Amendment) Regulations 2012 and the Higher Education (Higher Amount) Regulations 2010 as amended by the Student Fees (Basic and Higher Amounts)(Approved Plans) (England)(Amendment) Regulations 2012.

#### *Financial requirements/penalties*

10. The condition that HEFCE must impose on the governing body of every relevant institution must include, in the event of a failure to comply with the condition, the financial requirements set out in paragraphs 11 to 14.

#### *Financial requirements/penalties to be imposed by the Director*

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Education (Basic Amount) (England) Regulations 2010 as amended by the Student Fees (Basic and Higher Amounts) (Approved Plans) (England)(Amendment) Regulations 2012.

3 see footnote 2

4 see footnote 2

5 see footnote 2

6 see footnote 2



11. Where there is a failure to comply with the condition under paragraph **2(a)**, the financial requirement in relation to fees charged which exceed those provided for in the plan but do not exceed the higher fee cap, will be that imposed by the Director in a direction made in accordance with the Student Fees (Approved Plans)(England) Regulations 2004 (“the Approved Plans Regulations”).

12. Where there is a failure to comply with the condition under paragraph **2(b)**, the financial requirement will be that imposed by the Director in a direction made in accordance with the Approved Plans Regulations.

*Financial requirements/penalties to be imposed by HEFCE*

13. Where there is a failure to comply with the condition under paragraph **2(a)**, and the fee payable exceeds the higher fee cap, the financial requirement will be that imposed under paragraph **11** and, in addition, the amount determined by HEFCE in accordance with the following principles:

- (a) an amount of the Teaching and Research Grant which in the opinion of HEFCE equals the amount each student on a course has been charged in excess of the relevant higher fee cap, multiplied by the number of students HEFCE believes to have been overcharged, and,
- (b) 10% of the amount calculated in sub-paragraph (a);
- (c) that the amount determined under sub-paragraphs (a) and (b) will be repaid by the institution to HEFCE, or withheld from grant, and retained until the institution has satisfied HEFCE that reasonable efforts have been made to repay the amount charged in excess of the higher fee cap, either to every qualifying person overcharged, or to the Student Loans Company, as the case may be. Once HEFCE is so satisfied by a date it determines, the amount retained, or a proportion of that amount, will be repaid or given in grant to the institution;
- (d) the following further principles also apply:
  - (i) where it appears to HEFCE that an institution does not intend to comply with the higher fee cap, an amount up to the maximum of the total Teaching and Research grant for the current or any future grant period may be withheld from grant,
  - (ii) where it appears to HEFCE that a breach of the higher fee cap is minor or accidental there will be no financial penalty additional to that set out in sub-paragraphs a-c, and
  - (iii) in any other circumstances, an amount in the current grant period HEFCE considers appropriate in view of the severity of the failure to comply with the higher fee cap, up to a maximum of £500,000 less any

amount already imposed by the Director under paragraph 11, to be repaid by the institution to HEFCE or withheld from grant;

- (e) an amount determined under sub-paragraph (d) must not exceed in any grant period the total amount received from HEFCE in that grant period, less any amount withheld under subparagraphs a-c and the amount of any financial requirement imposed by the Director in a direction. An amount determined under sub-paragraph (d) will not be paid or repaid to the institution.

14. Where there is a failure to comply with the condition under paragraph **2(c)**, the financial requirement will be the amount determined by HEFCE in accordance with the following principles;

- (a) an amount of the Teaching and Research Grant which in the opinion of HEFCE equals the amount each student on a course has been charged in excess of the basic fee cap, multiplied by the number of students the HEFCE believes to have been overcharged, and,
- (b) 10% of the amount calculated in sub-paragraph (a);
- (c) that the amount determined under sub-paragraphs (a) and (b) will be repaid by the institution to HEFCE, or withheld from grant, and retained until the institution has satisfied HEFCE that reasonable efforts have been made to repay the amount charged in excess of the basic fee cap, either to every qualifying person overcharged, or to the Student Loans Company, as the case may be. Once HEFCE is so satisfied by a date it determines, the amount retained, or a proportion of that amount, will be returned or given in grant to the institution;
- (d) the following further principles also apply:
  - (i) where it appears to HEFCE that an institution does not intend to comply with the basic fee cap, an amount up to the maximum of the total Teaching and Research grant for the current or any future grant period may be withheld from grant,
  - (ii) where it appears to HEFCE that a breach of the basic fee cap is minor or accidental there will be no financial penalty additional to that set out in sub-paragraphs a-c, and
  - (iii) in any other circumstances, an amount in the current grant period HEFCE considers appropriate in view of the severity of the failure to comply with the basic fee cap, up to a maximum of £500,000, to be repaid by the institution to HEFCE or withheld from grant.
- (e) An amount determined under sub-paragraph (d) must not

exceed in any grant period the total amount received from HEFCE in that grant period, less any amount withheld under subparagraphs a-c. An amount determined under subparagraph (d) will not be paid or repaid to the institution.

# London South Bank University

	PAPER NO: PR.01(14)	
Board/Committee:	Policy and Resources Committee	
Date:	4 <sup>th</sup> March 2014	
Paper title:	Minutes of the meeting of 12th November 2013	
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors	
Board sponsor:	Dame Sarah Mullally, Chair of the Committee	
<b>Recommendation:</b>	The committee approve the minutes and the proposed redactions for publication	
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?	Published on the LSBU website	

## Executive Summary

The committee is requested to approve the minutes of its meeting of 12th November 2013 and the proposed redactions for publication. Proposed redactions are highlighted in grey.

# London South Bank University

Minutes of a Meeting of the Policy and Resources Committee  
held at 4pm on Tuesday, 12 November 2013  
in 1B27, Technopark, London Road, SE1

## Present

David Longbottom	Chair ( <i>for Sarah Mullally</i> )
Prof Martin Earwicker	Vice Chancellor ( <i>for minutes 1 – 14</i> )
Ken Dytor	( <i>for minutes 1 – 11</i> )
Prof Hilary McCallion	
Anne Montgomery	
Diana Parker	( <i>for minutes 1 – 15</i> )
Prof Jon Warwick	

## In attendance

Prof Rao Bhamidimarri	Executive Dean, Faculty of Engineering, Science and the Built Environment ( <i>for minutes 15 – 17</i> )
Prof Phil Cardew	Pro Vice Chancellor (Academic)
Richard Flatman	Executive Director of Finance
Beverley Jullien	Pro Vice Chancellor (External)
Ian Mehrtens	Executive Director of Corporate Services ( <i>for minutes 9 – 14</i> )
Ralph Sanders	Financial Planning Manager ( <i>for minutes 9 – 17</i> )
Mike Simmons	Director of Development and Alumni Relations ( <i>for minutes 15 – 17</i> )
James Stevenson	University Secretary and Clerk to the Board of Governors
David Swayne	Chief Information Officer ( <i>for minutes 9 – 14</i> )
Michael Broadway	Governance Officer

## Welcome and Apologies

1. Apologies had been received from Sarah Mullally and Barbara Ahland.

## Declarations of Interest

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

## Minutes of the previous meeting

3. The minutes of the previous meeting were approved as a correct record. The minutes were approved for publication subject to the proposed redactions (paper **PR.42(13)**).

### **Matters Arising**

4. There were no matters arising which were not covered elsewhere on the agenda or at a future meeting.

### **Recruitment**

5. The committee noted a summary on recruitment for 2012/13 and learnings from the cycle (paper **PR.43(13)**). The committee welcomed the report and noted that the challenge was to continue to improve in future years. It was anticipated that the new website would improve connectivity for potential students and lead to an increase in applications.

### **Draft report and accounts for the year ended 31 July 2013**

6. The committee discussed the draft report and accounts for the year ended 31 July 2013 (paper **PR.44(13)**), which had been reviewed in detail by the audit committee. An operating surplus of £6.1m was reported which was ahead of the budget target of £2.5m.
7. The committee recommended the accounts to the Board for approval.

### **Draft Students' Union accounts for year ended 31 July 2013**

8. The committee noted the draft Students' Union (SU) accounts for the year ended 31 July 2013 (paper **PR.45(13)**). These accounts had been deconsolidated from the university's accounts and the SU were in the process of registering as an independent charity.

### **Business cases relating to LSBU / IBM strategic partnership**

*Ian Mehrtens, David Swayne and Ralph Sanders entered the meeting*

9. The committee discussed the business cases relating to a proposed strategic partnership between LSBU and IBM (paper **PR.46(13)**). The partnership would cover three separate strands: i) delivering an exceptional student experience; ii) outsourcing the data centre; and iii) replacing the identity and access management system. The outline proposals had been discussed at the board strategy day of 23 October 2013 and the objectives were supported by the Board.

# London South Bank University

10. The data centre outsourcing and identity and access management proposals mitigated current significant operational risks. It was anticipated that by delivering the exceptional student experience project, increased revenues would cover the costs of the three projects. Detailed analyses were noted which showed that the proposals were broadly cost neutral over the project's term of five years.
11. The exceptional student experience project would change the nature of engagement with students. It assumes an increase in progression rates and student satisfaction and a decrease in complaints. A senior project director would be appointed to deliver the project and related changes to ways of working within LSBU.

*Ken Dytor left the meeting*

12. The data centre outsourcing project reduced the risk to business resilience and continuity as the University's two data centres were both on the Southwark campus. The centres would be outsourced to a managed cloud service which could meet fluctuations in demand.
13. The committee recommended the business cases on the exceptional student experience project and data centre outsourcing to the Board for approval.
14. The business case on identity and access management had been approved by the executive under their delegated level of authority.

*Martin Earwicker, Ian Mehrtens and David Swayne left the meeting*

## **National Bakery School Redevelopment**

*Rao Bhamidimarri and Mike Simmons entered the meeting*

15. The committee discussed the business case for the proposed redevelopment of the National Bakery School to meet the demands of higher education teaching and professional development training (paper **PR.47(13)**). The School had established close links with industry and retailers and had engaged extensively on the redevelopment. Over £600,000 of cash and gifts in kind had been pledged to the redevelopment of the School. The redevelopment required £1m capital expenditure by the University with a further £500,000 from expected fundraising underwritten by the University. It was reported that the £500,000 from further fundraising was an achievable target.

# London South Bank University

*Diana Parker left the meeting*

16. The School intended to establish a National Bakery School advisory panel to attract some senior figures from the baking industry and capitalise on the current media interest in baking.
17. The committee recommended the proposal to the Board for approval. The committee agreed that the business case was an exemplar for future investment.

*Rao Bhamidimarri, Mike Simmons and Ralph Sanders left the meeting*

## **Articles of Association**

18. The committee noted the proposed revised articles of association (paper **PR.48(13)**). Consultation was on-going with the Charity Commission over the power to remunerate governors. The committee recommended the revised articles to the Board for approval subject to the outcome of the Charity Commission consultation. If the approval was not granted prior to the board meeting on 21<sup>st</sup> November 2013, the committee agreed that the matter should be withdrawn from the meeting and the annual general meeting.

## **Key Performance Indicators**

19. The committee noted the key performance indicators (KPI) which were tabled at the meeting (paper **PR.49(13)**). It was noted that these were the final KPIs for the year 2012/13. There were improvements in the indicators for student satisfaction, progression and good honours. The employability indicator had gone down compared to last year and actions were in hand to address this.

## **Insurance Claims**

20. The committee noted an update on insurance claims (paper **PR.50(13)**). The University's claims record was low.

## **Committee terms of reference**

21. Following the annual practice of all the committees, the committee noted its terms of reference (paper **PR.51(13)**), which remained unchanged for the year.

## **Any other business**



# **London South Bank**

## University

22. It was reported that the final account for the redevelopment of the Georgian Terraces had been settled. The final cost was £1.2m under budget.

### **Retirement of Prof Martin Earwicker**

23. The committee noted that this was Professor Martin Earwicker's final committee meeting prior to his retirement and warmly thanked him in absentia for his services to the University and support for the committee.

### **Date of next meeting**

24. The next meeting of the committee will be on Tuesday 4 March 2014 at 4pm.

The Chair closed the meeting.

Approved as a true record:

.....  
Chair



# Committee Action Points

24 February 2014

12:27:03

Committee	Date	Minute	Action	Person Res	Status	
Policy and Resources	12/11/2013	3	Publication of minutes	Secretary		<input checked="" type="checkbox"/> Completed
Policy and Resources	12/11/2013	7	Accounts to Board for approval	CFO	On Board agenda - 21 November 2013	<input checked="" type="checkbox"/> Completed
Policy and Resources	12/11/2013	13	IBM business cases to Board for approval	PVC - A	On Board agenda - 21 Nov 2013	<input checked="" type="checkbox"/> Completed
Policy and Resources	12/11/2013	17	National Bakery School business case to Board for approval		On Board agenda - 21 Nov 2013	<input checked="" type="checkbox"/> Completed

	PAPER NO: 02.(14)	
Board	Policy and Resource Committee	
Date:	4 <sup>th</sup> March 2014	
Paper title:	Student Recruitment Update – 2014/15	
Author:	Tere Daly – Deputy Director, Marketing and Student Recruitment; Jennifer Parsons, Director, Internationalisation	
Executive sponsor:	Bev Jullien	
Recommendation by the Executive:	To note the progress towards recruitment for 2014/15	
Aspect of the Corporate Plan to which this will help deliver?	Student choice	
Matter previously considered by:	Executive	
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	N/A	

### Executive Summary

- **Undergraduate Full-time SNC.** Applications continue to be ahead of the past two years and marginally ahead of the national trend. Our growth relative to our competitor group is strong. Within this, EU applications continue to grow strongly, albeit from a small base. Firm acceptances are up 22% over last year which is encouraging, although it is very early in the cycle.
- **Health.** A backlog occurred in processing applications for Health, because of testing, which has been conducted in-Faculty. . This is being addressed with an additional set of events run by central staff end February – mid March, to ensure that applications are processed as quickly as possible. In future, testing will be managed by central functions, with Faculty staff then focusing on interviews. Given the large number of applications for Health, this is not expected to represent a major threat to final student numbers, but there is a risk that the delays this year will have caused the loss of quality students to other institutions
- **Undergraduate part-time and postgraduate.** It is very early in the cycle to make judgements. However, so far part-time at both undergraduate and post graduate level is trending ahead of last year, post-graduate full-time behind
- **International.** Also very early in the cycle, but to date offers made are 35% ahead of this time last year, firm acceptances, 51%

- **Actions.** Recruitment and marketing plans which are differentiated by subject area and level of study are in place and being regularly updated and adapted as needed with the Faculties; more than twice the number of conversion events are being run for undergraduates, and a similar programme for post-graduate students is being put in place; a further programme of actions is being prepared to maximise development of EU prospects; a cross-disciplinary team has been tasked with looking at further strategies to minimise the loss of students who firmly accept at Clearing, in the light of the experience for this year; practical options for accelerating growth of international student numbers for 14/15 are being presented to the March 2014 Executive; Study Abroad student programmes are being further developed, based on strong growth this year

## Application Summary – Undergraduate Full-time students

### Application Comparison

	2012	2013	2014	% Change 2012/2014	% Change 2013/2014
LSBU Applications	18,125	19,087	20,348	12.26%	6.61%
UCAS Applications (Nationally)	2,445,561	2,509,089	2,616,898	7.01%	4.30%
Competitor Applications	141,733	141,693	146,231	3.17%	3.20%

### Domicile Breakdown

	2012	2013	2014	% Change 2012/2014	% Change 2013/2014
UK Applicants	16,975	17,647	18,706	10.20%	6.00%
EU Applicants	663	891	1,020	53.85%	14.48%

Source: Report based on UCAS Tracker 17 February 2014

LSBU is tracking to date ahead of both national and competitor trend. Growth continues to be particularly strong in applications from the EU. When the substantial number of applications for Health is taken out, those for SNC remain above national and competitor trend, at 4.8%.

Growth in applications since 2012/13 is strongest in social science, applied science and engineering and design; declines in current cycle compared to 2012/13 in Business Studies and the Built Environment (primarily driven by architecture – but with a market still slow nationally for full-time undergraduate building services).

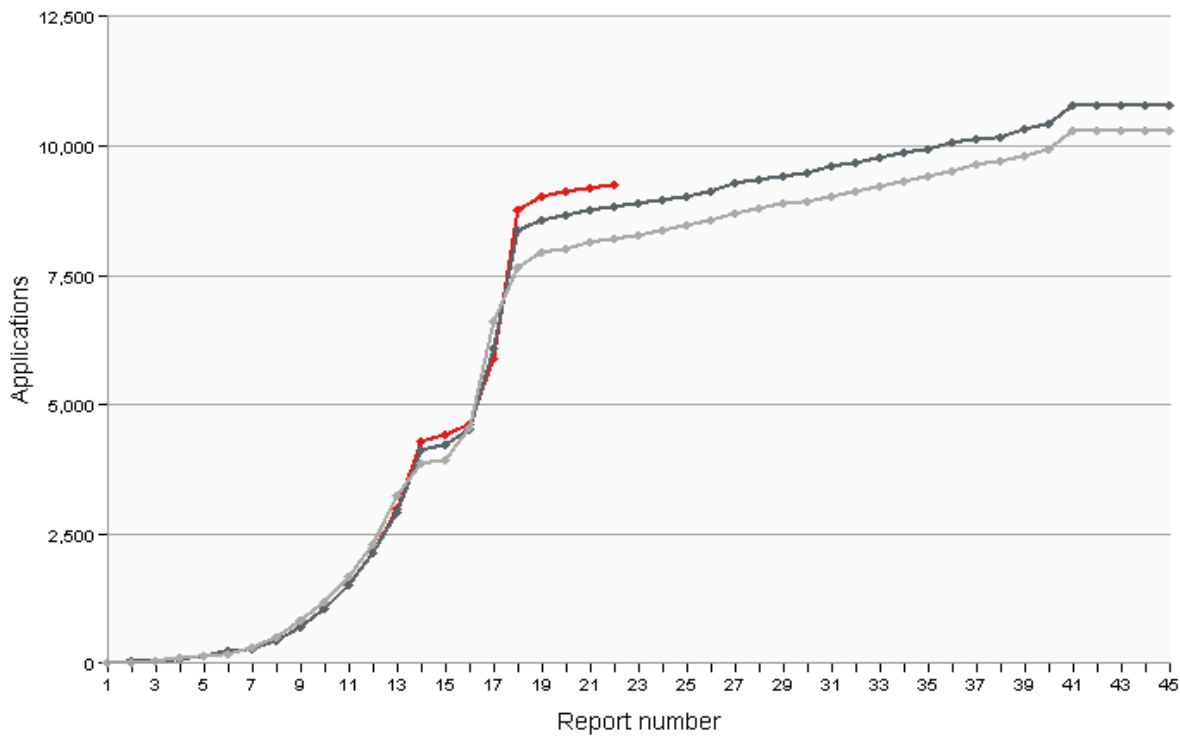
**Table One** – Comparison of total number of applications as at 17 February 2014

Department figures include foundation entry and top-up entry.

Faculties - Applications	LAST YEAR TO DATE (LYTD)				
	2012 Apps	2013 Apps	% - (2012/2013)	2014 Apps	% - (2013/2014)
Arts and Media	621	536	-13.69%	612	14.18%
Culture, Writing and Performance	909	1029	13.20%	1076	4.57%
Education	81	73	-9.88%	194	165.75%
Law	618	749	21.20%	740	-1.20%
Psychology	716	846	18.16%	857	1.30%
Social Science	628	602	-4.14%	693	15.12%
Urban, Environment and Leisure Studies	238	281	18.07%	269	-4.27%
<b>Faculty AHS Total</b>	<b>3811</b>	<b>4116</b>	<b>8.00%</b>	<b>4441</b>	<b>7.90%</b>
Accounting and Finance	524	624	19.08%	576	-7.69%
Business Studies	1045	985	-5.74%	985	0.00%
Informatics	481	511	6.24%	486	-4.89%
National Bakery School	35	57	62.86%	54	-5.26%
<b>Faculty BUS Total</b>	<b>2085</b>	<b>2177</b>	<b>4.41%</b>	<b>2101</b>	<b>-3.49%</b>
Applied Science	815	1027	26.01%	1088	5.94%
The Built Environment	652	641	-1.69%	580	-9.52%
Engineering and Design	551	614	11.43%	754	22.80%
Urban Engineering	299	266	-11.04%	298	12.03%
<b>Faculty ESBE Total</b>	<b>2317</b>	<b>2548</b>	<b>9.97%</b>	<b>2720</b>	<b>6.75%</b>
Adult Nursing and Midwifery	4663	4898	5.04%	5349	9.21%
Allied Health Professionals	1521	1728	13.61%	1810	4.75%
Children's Nursing	1218	1387	13.88%	1324	-4.54%
Mental Health and Learning Disabilities	1034	1047	1.26%	1140	8.88%
Primary and Social Care	1488	1186	-20.30%	1293	9.02%
<b>Faculty HSC Total</b>	<b>9924</b>	<b>10246</b>	<b>3.24%</b>	<b>10916</b>	<b>6.54%</b>
<b>University</b>	<b>18137</b>	<b>19087</b>	<b>5.24%</b>	<b>20178</b>	<b>5.72%</b>
<b>University (excluding HSC)</b>	<b>8213</b>	<b>8841</b>	<b>7.65%</b>	<b>9262</b>	<b>4.76%</b>

Source: Report based on UCAS Tracker 17 February 2014

chart One – Comparison of total number of applications as at 17 February 2014 (excluding HSC)

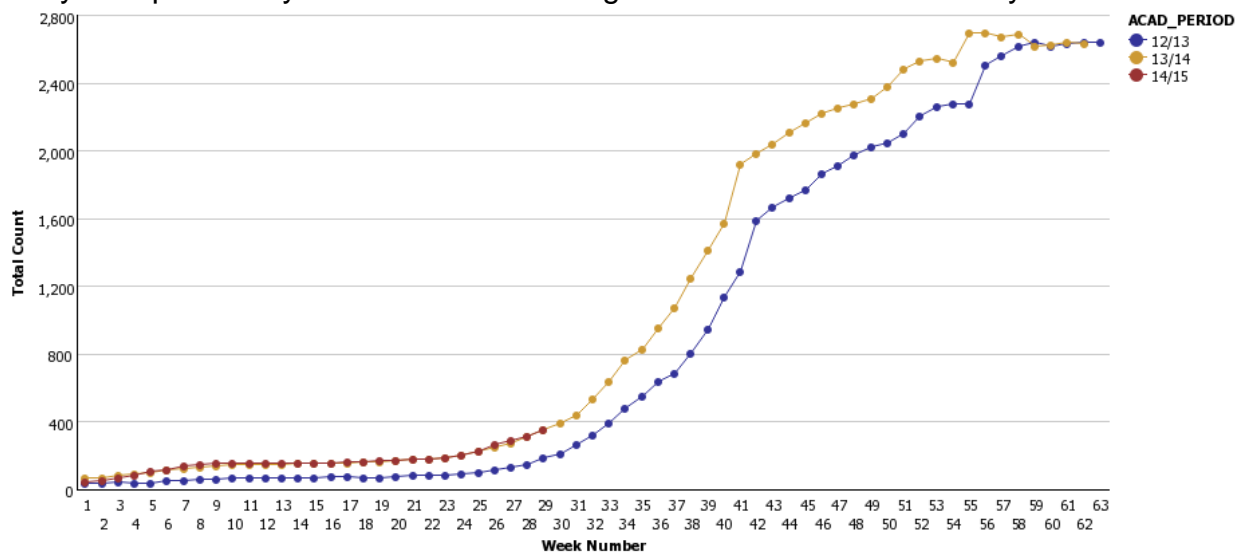


Source: Report based on UCAS Tracker Charts 17 February 2014

Key  
■ 2014/15 ■ 2013/14 ■ 2012/13

## Decisions: Undergraduate fulltime students

It is very early in the cycle, but overall, firm acceptances are up by 4% compared to last year, and offers by 14%. If you take out the Health decisions, which have been delayed by a backlog of processing of applicants through testing, which is now being addressed, acceptances are up by 22% and offers, by 18%. The chart below also shows the loss in clearing of students who had firmly accepted last year – a team is looking at how to address this this year:



**Table Two** – Comparison of decisions (Firm Acceptances, Offers and Total Applications)

Department figures include foundation entry and top-up entry.

London South Bank University	Firm Acceptances CYTD	Firm Acceptances LYTD	% change	Offers CYTD	Offers LYTD	% change
Arts And Media - Total	26	25	4.00%	439	423	3.78%
Culture Writing And Performance - Total	35	28	25.00%	691	655	5.50%
Education - Total	10	6	66.67%	127	42	202.38%
Law - Total	22	13	69.23%	532	569	-6.50%
Psychology - Total	27	26	3.85%	609	590	3.22%
Social Sciences - Total	19	7	171.43%	506	447	13.20%
Urban, Environment And Leisure Studies - Total	13	9	44.44%	172	174	-1.15%
Accounting & Finance - Total	21	4	425.00%	447	67	567.16%
Business Studies - Total	26	24	8.33%	550	511	7.63%
Informatics - Total	19	16	18.75%	366	363	0.83%
Management - Total	5	6	-16.67%	150	149	0.67%
Applied Science - Total	28	27	3.70%	732	513	42.69%
Built Environment - Total	9	14	-35.71%	228	233	-2.15%
Engineering And Design - Total	13	14	-7.14%	404	304	32.89%
National Bakery School (ESBE) - Total	1	6	-83.33%	0	1	-100.00%
Urban Engineering - Total	7	6	16.67%	154	151	1.99%
Allied Health Professions - Total	11	17	-35.29%	42	71	-40.85%
Adult Nursing - Total	25	39	-35.90%	75	142	-47.18%
Children's Nursing - Total	23	26	-11.54%	42	82	-48.78%
Mental Health Nursing - Total	6	16	-62.50%	26	41	-36.59%
Midwifery & Women's Health - Total	0	3	-100.00%	6	0	
Primary & Social Care - Total	4	4	0.00%	14	25	-44.00%
<b>Totals</b>	<b>350</b>	<b>336</b>	<b>4.17%</b>	<b>6,312</b>	<b>5,553</b>	<b>13.67%</b>
<b>All Programmes excluding Health</b>	<b>281</b>	<b>231</b>	<b>21.65%</b>	<b>6,107</b>	<b>5,192</b>	<b>17.62%</b>
<b>Health Only</b>	<b>69</b>	<b>105</b>	<b>-34.29%</b>	<b>205</b>	<b>361</b>	<b>-43.21%</b>

Source: Report based on YTD Admissions Report – COGNOS, 17 February 2014

## Undergraduate part-time, and postgraduate full and part-time students

It is too early in the cycle to show meaningful figures at this stage, but so far part-time undergraduate (+5%) and post-graduate (+20%) are trending ahead of last year. Post-graduate full-time is currently tracking 35% below last year, however, following 2 years of growth significantly ahead of the sector. This is driven by the withdrawal from PGCE – net of that the reduction is marginal (-4%). This is being tracked very closely, and targeted programmes are in place for priority subject areas. More details can be found in appendix A.

## International students

It is very early in the International cycle, but applications, offers and firm acceptances are all trending positively. Compared to the same period last year, offers have increased by 35% and firm acceptances by 51%. The overwhelming majority of acceptances so far are from post-graduate students (91%) with a more balanced pipeline of offers made (53% postgraduate)

Growth is expected to come particularly from China, following the significant development of the agent network and in-market activity starting last year; Brazil, since LSBU has been approved as a member of the Science without Borders scheme; Nigeria, following enhanced engagement from

# London South Bank University

the Faculties, particularly Business; and UK-based students from Foundation programmes, following the reinvigoration of the LSBU partnership with CEG, and establishment of contracts with Kaplan and INTO



## Actions

An extensive range of activity is planned to maximise the outcome for 2014/15, including:

- **Clearing the backlog of applications for Health (predominantly Adult Nursing and Midwifery).** It is estimated that this has affected approximately 2,000 applicants. This is being addressed by a move of the responsibility for testing from academics to central teams. A programme of extra sessions will run until mid-March to clear the backlog – and Faculty and Central teams are working to further streamline the process for the future
- **Conversion: student contact with applicants.** The student contact centre has recommenced with new engagements between current students and prospective student on the telephone – it is estimated that all applicants prior to 15 January 2014 will be contacted at least once personally by a current student by the end of March 2014. The focus of these calls is on student life, how to make a decision on UCAS, what to expect when you study at university and also offer additional routes for students to find out more information. The calls are also being used to promote the Applicant and Head Start Days.
- **Applicant Days - offered to all offer holders.** Last year 10% of offer holders attended. The goal this year is to more than double this, since conversion has been shown to be significantly better for those who attend
- **Head Start Days - offered to all who have firmly accepted.** The aim is also to double engagement through these. Last year, conversion to enrolment for attendees was approximately 90% compared to an overall average of approximately 65%
- **EU.** Work is being undertaken to see what else could be done to accelerate growth from the EU, recognising that it is quite late in the cycle, these activities will be clearly focused on conversion
- **Sponsored students.** LSBU is down to the final 2 in a bid for national provision for Network Rail. The other bidder is the current provider (Sheffield Hallam). The team is targeted with working with 2 new company prospects per month, aiming at one new contract per month
- **Clearing / pre-clearing.** A team has been tasked with coming to the Executive in April with options to minimise the loss of firmly accepting students over and above what is already in train, in the light of 2013/14 experience and a highly competitive market
- **International.** Practical proposals will be presented to the March Executive to maximise new student numbers for 2014/15, as well as potential for growth through in-country partnerships

## Appendix A – PT and PG figures for Home and EU (excluding HSC)

Undergraduate Part time	Firm Acceptances CYTD	Firm Acceptances LYTD	% change	Offers CYTD	Offers LYTD	% change	Total Applications CYTD	Total Applications LYTD	% change
Arts And Media - Total	0	0		0	0		0	0	
Culture Writing And Performance - Total	0	0		0	0		0	0	
Education - Total	0	0		0	0		0	0	
Law - Total	2	0		3	1	200.00%	14	11	27.27%
Psychology - Total	2	2	0.00%	1	0		11	8	37.50%
Social Sciences - Total	0	0		0	0		5	10	-50.00%
Urban, Environment And Leisure Studies - Total	6	1	500.00%	4	1		12	11	9.09%
Accounting & Finance - Total	4	5	-20.00%	1	2	-50.00%	12	12	0.00%
Business Studies - Total	1	1	0.00%	3	0		17	7	142.86%
Informatics - Total	1	0		3	0		7	8	-12.50%
Management - Total	0	1	-100.00%	0	0		1	4	-75.00%
Applied Science - Total	0	1	-100.00%	0	0		3	4	-25.00%
Built Environment - Total	7	4	75.00%	16	15	6.67%	63	33	90.91%
Engineering And Design - Total	6	11	-45.45%	0	2	-100.00%	19	19	0.00%
National Bakery School (ESBE) - Total	0	0		0	0		0	0	
Urban Engineering - Total	9	10	-10.00%	6	9	-33.33%	51	38	34.21%
Allied Health Professions - Total									
Adult Nursing - Total									
Children's Nursing - Total									
Mental Health Nursing - Total									
Midwifery & Women's Health - Total									
Primary & Social Care - Total									
	<b>38</b>	<b>36</b>	<b>5.56%</b>	<b>37</b>	<b>30</b>	<b>23.33%</b>	<b>215</b>	<b>165</b>	<b>30.30%</b>

Postgraduate Full time	Firm Acceptances CYTD	Firm Acceptances LYTD	% change	Offers CYTD	Offers LYTD	% change	Total Applications CYTD	Total Applications LYTD	% change
Arts And Media - Total	0	0		0	0		0	0	
Culture Writing And Performance - Total	0	1		0	0		7	3	133.33%
Education - Total	0	47	-100.00%	0	1	-100.00%	124	491	-74.75%
Law - Total	10	11	-9.09%	21	13	61.54%	36	32	12.50%
Psychology - Total	4	5	-20.00%	3	8	-62.50%	24	24	0.00%
Social Sciences - Total	5	4	25.00%	6	0		22	7	214.29%
Urban, Environment And Leisure Studies - Total	2	3	-33.33%	0	0		10	3	233.33%
Accounting & Finance - Total	9	6	50.00%	4	2	100.00%	25	13	92.31%
Business Studies - Total	0	2	-100.00%	1	3	-66.67%	3	8	-62.50%
Informatics - Total	0	0		0	1	-100.00%	3	3	0.00%
Management - Total	11	10	10.00%	4	13	-69.23%	27	34	-20.59%
Applied Science - Total	15	13	15.38%	9	3	200.00%	27	24	12.50%
Built Environment - Total	22	21	4.76%	6	16	-62.50%	52	65	-20.00%
Engineering And Design - Total	1	3	-66.67%	0	0		4	6	-33.33%
National Bakery School (ESBE) - Total	0	0		0	0		0	0	
Urban Engineering - Total	3	6	-50.00%	2	3	-33.33%	6	15	-60.00%
Allied Health Professions - Total									
Adult Nursing - Total									
Children's Nursing - Total									
Mental Health Nursing - Total									
Midwifery & Women's Health - Total									
Primary & Social Care - Total									
	<b>82</b>	<b>132</b>	<b>-37.88%</b>	<b>56</b>	<b>63</b>	<b>-11.11%</b>	<b>370</b>	<b>728</b>	<b>-49.18%</b>

Postgraduate Part time	Firm Acceptances CYTD	Firm Acceptances LYTD	% change	Offers CYTD	Offers LYTD	% change	Total Applications CYTD	Total Applications LYTD	% change
Arts And Media - Total	0	0		0	0		0	0	
Culture Writing And Performance - Total	0	0		0	0		0	0	
Education - Total	0	0		0	0		1	0	
Law - Total	5	4	25.00%	4	0		13	6	116.67%
Psychology - Total	4	12	-66.67%	2	2	0.00%	21	32	-34.38%
Social Sciences - Total	5	2	150.00%	0	0		13	3	333.33%
Urban, Environment And Leisure Studies - Total	1	5	-80.00%	1	0		7	5	40.00%
Accounting & Finance - Total	3	2	50.00%	1	2		7	6	16.67%
Business Studies - Total	4	0		0	0		4	1	300.00%
Informatics - Total	0	0		0	0		0	0	
Management - Total	8	2	300.00%	4	3	33.33%	18	13	38.46%
Applied Science - Total	3	0		0	0		3	1	
Built Environment - Total	8	9	-11.11%	4	2	100.00%	19	21	-9.52%
Engineering And Design - Total	1	1	0.00%	0	0		2	1	100.00%
National Bakery School (ESBE) - Total	0	0		0	0		0	0	
Urban Engineering - Total	7	4	75.00%	3	1	200.00%	11	8	37.50%
Allied Health Professions - Total									
Adult Nursing - Total									
Children's Nursing - Total									
Mental Health Nursing - Total									
Midwifery & Women's Health - Total									
Primary & Social Care - Total									
	<b>49</b>	<b>41</b>	<b>19.51%</b>	<b>19</b>	<b>10</b>	<b>90.00%</b>	<b>119</b>	<b>97</b>	<b>22.68%</b>

	PAPER NO: PR.03(14)	
Board/Committee:	Policy & Resources Committee	
Date:	4 March 2014	
Paper title:	Management Accounts (31 January 2014)	
Author:	Ralph Sanders, Head of Financial Planning & Reporting	
Executive sponsor:	Richard Flatman, CFO	
<b>Recommendation by the Executive:</b>	The Executive recommends that the Policy and Resources Committee note the report.	
Aspect of Corporate Plan this will help deliver?	Financial Sustainability	
Matter previously considered by:	P&R Committee	On: At each meeting
Further approval required?	Board (Summary for information)	On: 20 <sup>th</sup> March 2014
Communications – who should be made aware of the decision?	n/a	

### Executive summary

The Full Year Forecast as of January 2014 is trending towards a surplus of £1.8M, against a budget target of £2.5M.

The key drivers for the decline in profitability since the last report to the P&R committee are lower than expected Post Graduate and Overseas income within the faculty of Business and a reduction in Health Contract income within the faculty of Health and Social Care. The Business faculty are currently reviewing their staff profile and expenditure in order to get closer to budget although changes to staff profile are unlikely to have a significant impact on current year. HSC are reviewing their NHS Contract clawback forecast and IGA activity and developing plans for returning to budget in year.

Although LSBU is currently £0.7M behind budget, the Full Year Forecast does include provision for the following unbudgeted costs:

- £1.2M revenue cost in respect of the IBM investment in 2013/14, plus
- £0.2M cost of recruiting the DVC and the Deans to the new School structure.

The University also has a £0.4M Operating expenditure (opex) contingency and a £1.5M restructuring provision in the forecast, both of which are currently unused. The in-year

restructuring cost associated with the ongoing consultation process will become clearer over the next few months as more detailed plans are developed by the Schools and new Professional Service groups. The extent to which the £1.5m will be utilised in year is unclear at this stage.

For 2014/15 our focus continues to be on recruitment, income generation particularly with regard to Research and Enterprise, cost control and ensuring that the investments in IBM begin to payback through improved student progression and satisfaction.

**Attachment:** *January Management accounts pack*

January 2014 Summary

1) This Executive Summary reports on the Financial position of London South Bank University as at January 2014 and summarises the changes since the December Forecast

2) RAG Status

YTD Income 3.9% YTD Staff -0.7% YTD Opex 8.5% FYF Income -1.4% FYF Staff % 55.5% FYF Opex 0.4% FYF Contribution -27.7%

FYF < 5% -  
 FYF > 5% < 10% -  
 FYF > 10% -

3) Summary

The Full year forecast as of January 2014 is trending towards a contribution of £1.8M. This is a decrease of £0.1M compared to the previous month and would leave the University £0.7M behind budget. In terms of the RAG status, our YTD income is slightly ahead of the comparable position in 2012/13 due to the increase in Refectory income and the early billing of PG students. Staff costs are slightly behind the comparable position in 2012/13 and we are on target to deliver the planned reduction in staffing costs and are not expected to breach our 55% cap. Operating expenses are £1.3m ahead of the comparable YTD position which is largely driven by increased refectory sales, refectory staff now being classed as Opex and the early capture of Bursary expenses. Our income for the year is currently forecast to be 1.4% below budget, (1.9% lower than 12/13) which is having a direct impact on our contribution forecast.

4) Table 1: Full Year Forecast vs. Budget

Financial Summary in £'m				Dec 13 / 14 FYF	Monthly Move	Jan 13 / 14 FYF	variance to Budget	variance to Budget %	12 / 13 YTD	13 / 14 YTD	Variance to 12/13	Variance %
	12 / 13 Actual	13/14 Budget	Change %									
Funding Council Grant	34.7	26.9	-22.6%	27.4	0.0	27.4	0.5	2.0%	17.0	13.9	-3.1	-18.3%
Academic Fees & Support Grants	84.8	93.3	10.1%	91.6	-0.6	91.0	-2.3	-2.5%	69.4	75.4	5.9	8.6%
Research Grants & Contracts	3.3	2.3	-30.3%	2.3	-0.0	2.3	0.0	2.0%	1.6	1.3	-0.3	-19.6%
Other Operating	15.0	14.7	-2.4%	14.5	0.1	14.6	-0.1	-0.5%	6.7	8.0	1.3	19.0%
Endowments & Interest	0.6	0.5	-12.6%	0.5	-0.1	0.4	-0.1	-16.0%	0.1	0.1	-0.0	-17.9%
<b>Income</b>	<b>138.4</b>	<b>137.6</b>	<b>-0.5%</b>	<b>136.3</b>	<b>-0.5</b>	<b>135.8</b>	<b>-1.9</b>	<b>-1.4%</b>	<b>94.9</b>	<b>98.6</b>	<b>3.7</b>	<b>3.9%</b>
<b>in £'m</b>												
Staff Costs	77.1	76.4	-0.9%	75.6	-0.3	75.3	-1.1	-1.5%	37.4	37.1	-0.3	-0.7%
Depreciation	7.9	8.6	9.5%	8.6	-0.2	8.5	-0.2	-1.8%	3.9	4.1	0.3	7.2%
Operating Expenses	43.9	42.1	-4.0%	42.3	0.0	42.3	0.2	0.4%	16.5	17.9	1.4	8.5%
Interest Payable	3.4	4.8	39.2%	4.8	-0.0	4.8	-0.0	-0.6%	1.8	1.9	0.1	5.7%
Exceptional Items	0.0	3.2	0.0%	3.2	-0.1	3.1	-0.1	-1.7%	-0.0	0.0	0.0	
<b>Expenditure</b>	<b>132.3</b>	<b>135.2</b>	<b>2.1%</b>	<b>134.4</b>	<b>-0.4</b>	<b>134.0</b>	<b>-1.2</b>	<b>-0.9%</b>	<b>59.6</b>	<b>61.1</b>	<b>1.5</b>	<b>2.5%</b>
<b>Surplus for the year</b>	<b>6.1</b>	<b>2.5</b>	<b>-58.8%</b>	<b>1.9</b>	<b>-0.1</b>	<b>1.8</b>	<b>-0.7</b>	<b>-27.7%</b>				
<b>Surplus as % of income</b>	<b>4.4%</b>	<b>1.8%</b>		<b>1.4%</b>		<b>1.3%</b>			<b>48.4%</b>	<b>49.2%</b>		<b>YTD Staff Cost %</b>
<b>Surplus per student FTE</b>	<b>£423.7</b>	<b>£174.6</b>		<b>£132.9</b>		<b>£126.2</b>			<b>37.6%</b>	<b>42.3%</b>		<b>YTD OPEX Cost %</b>
<b>Staff cost as % of income</b>	<b>55.7%</b>	<b>55.5%</b>		<b>55.5%</b>		<b>55.5%</b>			<b>45.0%</b>	<b>45.6%</b>		<b>Total YTD cost %</b>

5) Forecast Summary

The key drivers for the change in forecast surplus this month are a reduction in the forecast contribution from the Faculty of Health & Social Care following a review of CPPD activity and a delay in the establishment of International partnerships, an increase in expenditure within ICT driven by investments in the Virtual Learning Environment project and a decrease in forecast interest receivables within Finance following the tightening of bank interest rates. The Faculty of Arts & Human Sciences is now forecast to deliver on budget following a review of expenditure within the department of Education, Estates have reduced their depreciation forecast and are reviewing their expenditure for savings of £300k due to concerns about affordability.

6) Income Summary

The key drivers for the monthly change in Income is a review of HSC activity. There has been an impact following the delay in enrolment of the first cohort of the Malaysian Nursing programme. The recent reforecast of student numbers has reduced the NHS contract by £239k, largely due to Children's nursing, and other student fee income by £238k. Review of the CPPD infill has reduced the forecast by £392k. These have been offset by an increase in income of £428k for a new IGA relating to the Health Visitor's Programme. BUS are continuing their review following second semester enrolments and will report next month. The net position however is that on-going faculty income has reduced by £4.5M year on year. The interest receivable forecast has also been reduced by £100k. Further analysis is shown below.

**January 2014 Summary**

**7) Expenditure Summary**

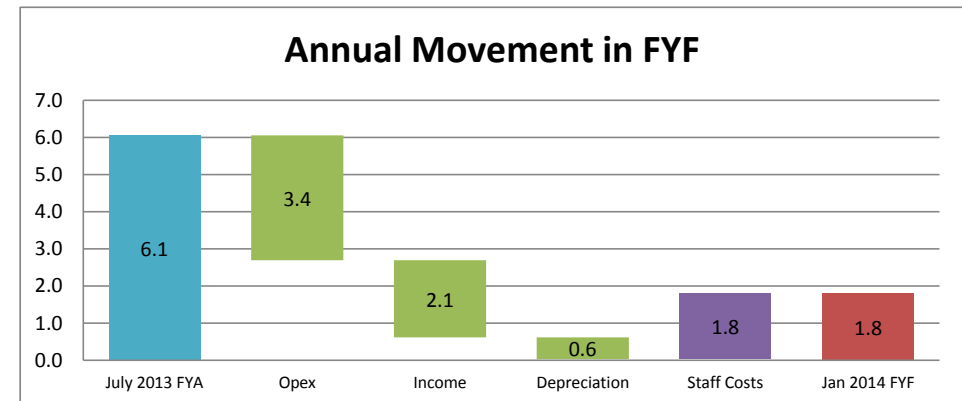
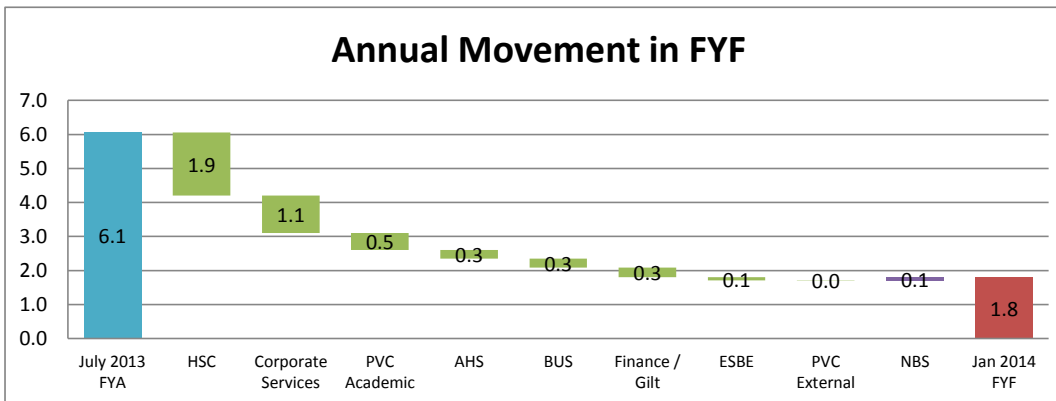
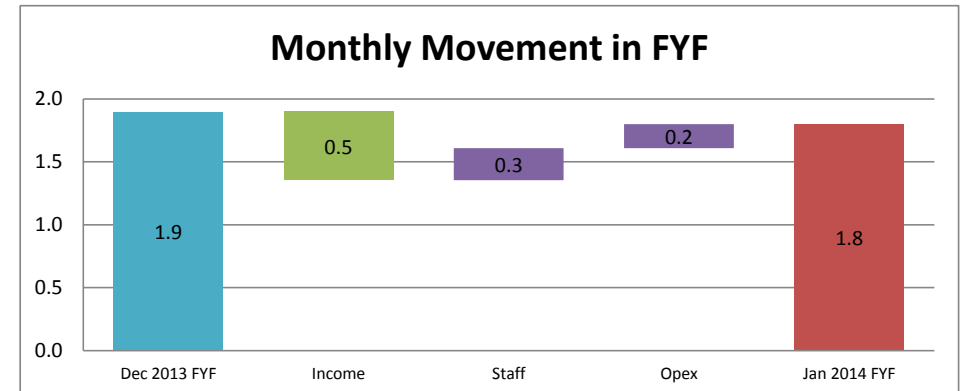
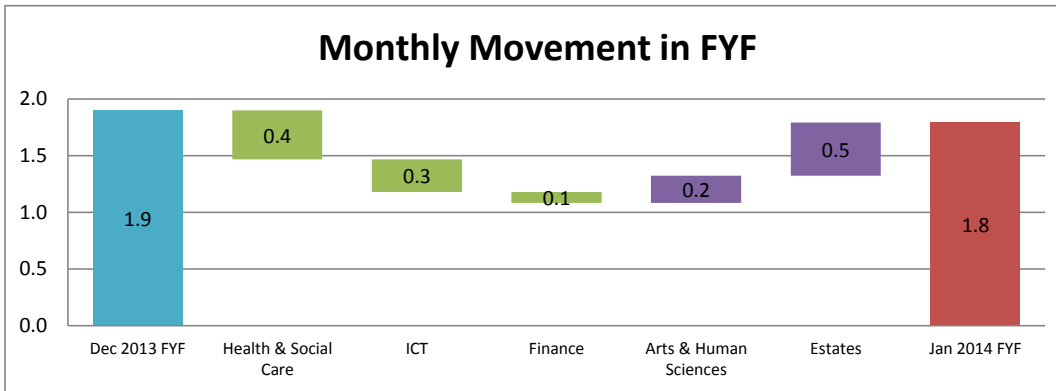
In terms of expenditure, the key drivers for the monthly change in our cost forecast include investments in Research staff in ESBE and investments in the Estates team. This has been offset by reductions in HSC administration costs. Following a review of expenses within AHS, this faculty is now forecast to deliver to budget. In terms of budget profiles there continues to be a switch between Support Staff and Third party staff, this is primarily driven by agency staff within ICT. Of the £1.6M spent YTD on third party staff, £1.1M has been spent on Agency staff.

**8) Risks and Contingencies**

The Full Year Forecast contains a number of risks particularly with regard to student recruitment and therefore student income. The HESES13 return indicated a potential HEFCE income shortfall of £1M based on a forecast of old regime students. This risk is being monitored and will be reviewed in 3 months once full modular enrolment has occurred. In terms of specific contingencies, we have a £0.4M Opex contingency which is not required for the IBM project, a restructuring provision of £1.5M although some of that will be required by the Faculty of Business and an FRS 17 Contingency of £1M. In terms of the investment pot, following the approval of the IBM investment and the recruitment costs for the DVC, Deans and the new Chair of the Board of Governors we have made awards of the full £2.0M. Given that we are still £0.7M short of budget it may be necessary to review all support department budgets if the forecast faculty income continues to fall.

**9) Contribution Analysis**

The Full Year Forecast Contribution is currently forecast to be £1.8M. This is a reduction of £4.3M as compared to the core 2012/13 outturn. The reduction in profitability is primarily driven by an increase in centrally held contingency of £3M, which is reported as Opex, an increase in depreciation and a reduction in income. Staff costs are expected to reduce year on year. The income reductions within the faculty of Health & Social Care and Business and the extra investment in Corporate Services and increase in depreciation are the key negative drivers as compared to 2012/13. Additional costs with Finance represent the contingencies that continue to be held in this area. The key driver for the increased profitability of PVC External is additional Enterprise income.



## January 2014 Summary

### Contribution Per Student and per Faculty Staff

	AHS		BUS		ESBE		HSC		NBS		Total Faculty		Change
	12 / 13 Actual	Jan 13 / 14 FYF	12 / 13 Actual	Jan 13 / 14 FYF	12 / 13 Actual	Jan 13 / 14 FYF	12 / 13 Actual	Jan 13 / 14 FYF	12 / 13 Actual	Jan 13 / 14 FYF	12 / 13 Actual	Jan 13 / 14 FYF	
Income (£m)	28.2	27.3	21.5	20.8	34.3	34.3	35.6	33.2	0.9	1.1	120.5	116.6	-3.9
Expenditure (£m)	15.8	15.1	13.5	13.1	22.1	22.1	21.6	21.0	0.6	0.7	73.6	72.0	-1.5
Contribution (£m)	12.4	12.2	8.0	7.8	12.2	12.1	14.0	12.1	0.3	0.4	46.9	44.6	-2.4
Contribution %	44%	45%	37%	37%	36%	35%	39%	37%	30%	35%	39%	38%	
Student FTE	3,764	3,468	3,169	2,953	3,664	3,649	3,599	4,101	98	115	14,294	14,286	
Contribution per FTE	£3,299	£3,506	£2,537	£2,635	£3,341	£3,329	£3,880	£2,952	£2,832	£3,259	£3,284	£3,120	
Staff FTE	181	171	156	148	228	240	282	260	5	5	851	825	
Contribution per Staff FTE	£68,656	£70,909	£51,663	£52,613	£53,606	£50,518	£49,582	£46,505	£55,504	£74,959	£55,128	£54,013	

Total faculty income from continuing operations is now anticipated to drop by £4.5M as compared to 2012 / 13, the release by AHS of £0.6M from the balance sheet means that the net reduction is £3.9M. This is driven by reductions in core Health Contract income within the faculty of Health and the decline of PG income and Overseas income both PG and UG within the faculty of Business. There is a further reduction in AHS due to a decline in income from Education. Faculty expenses are forecast to fall by £1.5M compared to 12/13, £1.4M of this fall is due to decreased Bursary payments as the University transitions from the old fee regime to the new regime and the replacement of Bursaries with Fee Waivers. The net result is that faculty expenses have increased by £0.1M. Overall, because of the combination of declining income and increased costs the collective contribution from the faculties is £2.4M down on 2012/13. In terms of profitability AHS remains the most profitable department when measured in terms of return on income and contribution per student.

Student FTEs have been taken from the a HESES recreation as of January 31 which shows a net growth of 388 FTE following second semester enrolment and continuing students completing. The biggest fall in student FTEs year on year are from AHS and BUS, whereas HSC would appear to have grown. There are some concerns with regard to HSC numbers and these are being investigated to ensure consistency with 2012/13. Student FTEs will decline during the year as students drop out and the chart in Appendix 2a shows the current withdrawal rate. We have currently withdrawn 490 students from all courses for intake 13/14. This stands at £2,054k of "lost income" being the difference between the full fee and the final charge. This is 2.8% of the student population which is significantly better than previous performance. This is being monitored to determine if it caused by a change in student behaviour or in LSBU processes.

#### Withdrawal Analysis

Academic year	Total Students	Withdrawals	% of Total Students	Comparable at 31/01	
10/11	23,062	1,600	6.9%	1,054	4.6%
11/12	21,127	1,189	5.6%	742	3.5%
12/13	19,262	1,020	5.3%	636	3.3%
13/14	17,572	490	2.8%	490	2.8%

## 10) Income Analysis

### Academic Fees

	12 / 13 Actual	13/14 Budget	Increase %	Dec 13 / 14 FYF	Monthly Move	Jan 13 / 14 FYF	variance to Budget	variance to Budget %	12 / 13 YTD	13 / 14 YTD	Variance to 12/13	Variance %
	Health Contract	27.5	25.9	-6.0%	25.1	-0.1	24.9	-1.0	-3.7%	13.7	12.2	-1.5
Home & EU Fees - UG	37.0	45.3	22.2%	45.9	-0.1	45.7	0.5	1.0%	39.0	46.2	7.2	18.6%
Home & EU Fees - PG	7.2	8.8	20.8%	7.4	-0.2	7.3	-1.5	-17.2%	4.5	7.1	2.5	55.5%
Overseas Fees - UG	5.4	5.6	4.2%	5.5	0.0	5.5	-0.1	-1.6%	5.4	5.0	-0.4	-7.3%
Overseas Fees - PG	3.4	3.8	9.7%	3.0	0.0	3.0	-0.8	-20.3%	2.6	2.7	0.1	3.4%
Other Fees	4.2	4.0	-3.2%	4.8	-0.2	4.6	0.5	13.5%	4.2	2.2	-2.0	-48.3%
<b>Total</b>	<b>84.8</b>	<b>93.3</b>	<b>10.1%</b>	<b>91.6</b>	<b>-0.6</b>	<b>91.0</b>	<b>-2.3</b>	<b>-2.5%</b>	<b>69.4</b>	<b>75.4</b>	<b>5.9</b>	<b>8.6%</b>

In terms of Academic Fees the 2013/14 Budget continues the transition from HEFCE funding to student led funding so we would expect there to be large growth in Home & EU Fees - UG. The budget target is 22% higher than 2012/13 so the YTD figures of 19% reflect the fact that after the BUS review we will no longer expect to deliver to budget.



## January 2014 Summary

Health Contract Income is budgeted to decline by 6% year on year but has now been reforecast to decline by 9%, this is inline with the YTD position. Home & EU Fees - PG are budgeted to be 20% higher than the 2012/13 Outturn and the YTD figures are on trend to deliver this, however this is due to a more efficient enrolment process particularly with regard to AHS. Overseas UG income was budgeted to increase by 4% however the YTD figure is down by 7.3% and we have reduced our full year forecast. The Overseas PG growth target of 9.7% is no longer supported by YTD figures and is now expected to decline year on year.

### Faculty Detail

In terms of Academic Fees, AHS, ESBE and HSC have now reforecasted their 13/14 income. BUS is still under review and will report next month. AHS is expected to overdeliver in terms of Home and EU undergraduate income however it is not expected to deliver the PG income target or budgeted levels of Overseas income. The faculty of Business is behind its Home & EU UG income targets and may miss both PG and OS targets. ESBE may well be short on UG income but rather than recruitment this is due to a smaller number of enrolling continuing students. HSC is almost recruiting to budget in terms of UG but is struggling with both OS and PG. The full cost allocation, shown in Appendix 9 suggests that central costs are £2,913 per FTE for Home & EU students and £3,841 per Overseas FTE

### Academic Fees (£m)

AHS	12 / 13 Actual	13/14 Budget	Increase %
Home & EU Fees - UG	12.9	15.4	19.5%
Home & EU Fees - PG	2.7	3.7	35.5%
Overseas Fees - UG	0.8	0.9	17.0%
Overseas Fees - PG	0.5	0.7	38.6%
Other Fees	0.9	0.1	-88.2%
<b>Total</b>	<b>17.8</b>	<b>20.8</b>	<b>16.8%</b>

12 / 13 YTD	13 / 14 YTD	Variance to 12/13	Variance %
13.5	16.0	2.5	18.2%
0.7	2.6	1.9	260.7%
0.8	0.8	0.0	5.3%
0.5	0.6	0.1	22.2%
2.4	0.3	-2.2	-89.0%
<b>17.9</b>	<b>20.3</b>	<b>2.3</b>	<b>13.0%</b>

Jan 13 / 14 FYF	variance to Budget	variance to Budget %
15.7	0.4	2.4%
2.6	-1.1	-30.3%
1.0	0.1	7.6%
0.5	-0.2	-24.9%
0.1	0.0	23.9%
<b>20.0</b>	<b>-0.8</b>	<b>-4.0%</b>

The Year on Year performance of AHS is distorted by the improvement in PG enrolment. Whilst UG income is strong PG and OS PG are no longer forecast to deliver to budget

BUS	12 / 13 Actual	13/14 Budget	Increase %
Home & EU Fees - UG	10.0	11.9	18.6%
Home & EU Fees - PG	1.6	1.8	10.9%
Overseas Fees - UG	2.0	1.7	-12.1%
Overseas Fees - PG	1.6	1.9	16.9%
Other Fees	0.5	0.5	9.0%
<b>Total</b>	<b>15.7</b>	<b>17.8</b>	<b>13.4%</b>

12 / 13 YTD	13 / 14 YTD	Variance to 12/13	Variance %
10.7	11.9	1.2	11.6%
1.1	1.3	0.2	16.0%
2.0	1.6	-0.3	-17.6%
1.1	1.0	-0.1	-7.6%
0.3	0.1	-0.2	-72.6%
<b>15.2</b>	<b>16.0</b>	<b>0.8</b>	<b>5.2%</b>

Jan 13 / 14 FYF	variance to Budget	variance to Budget %
12.1	0.2	2.0%
1.3	-0.5	-29.6%
1.6	-0.1	-6.0%
1.3	-0.6	-31.6%
0.5	0.0	0.0%
<b>16.8</b>	<b>-1.0</b>	<b>-5.6%</b>

BUS is slipping against target UG recruitment and is struggling with regard to OS and PG income.

ESBE	12 / 13 Actual	13/14 Budget	Increase %
Home & EU Fees - UG	12.3	15.9	29.5%
Home & EU Fees - PG	2.1	2.1	2.0%
Overseas Fees - UG	2.3	2.3	2.0%
Overseas Fees - PG	1.2	1.1	-9.1%
Other Fees	0.4	0.2	-44.0%
<b>Total</b>	<b>18.2</b>	<b>21.7</b>	<b>18.9%</b>

12 / 13 YTD	13 / 14 YTD	Variance to 12/13	Variance %
12.8	15.8	3.1	23.9%
1.9	2.1	0.2	8.2%
2.3	2.3	0.0	1.2%
0.9	1.0	0.1	5.3%
0.2	0.1	-0.0	-24.1%
<b>18.1</b>	<b>21.4</b>	<b>3.2</b>	<b>17.9%</b>

Jan 13 / 14 FYF	variance to Budget	variance to Budget %
15.4	-0.5	-3.1%
2.3	0.2	7.4%
2.3	-0.0	-0.7%
1.0	-0.0	-4.0%
0.5	0.3	153.8%
<b>21.6</b>	<b>-0.1</b>	<b>-0.3%</b>

ESBE is performing well in terms of UG and PG recruitment but is struggling with regard to OS income and income from continuing UG students.

January 2014 Summary

HSC	12 / 13 Actual	13/14 Budget	Increase %
Health Contract	27.5	25.8	-6.3%
Home & EU Fees - UG	1.4	1.9	34.8%
Home & EU Fees - PG	0.8	1.2	52.8%
Overseas Fees - UG	0.3	0.2	-17.9%
Overseas Fees - PG	0.1	0.1	-26.0%
Other Fees	2.3	2.8	25.0%
<b>Total</b>	<b>32.4</b>	<b>32.0</b>	<b>-1.1%</b>

12 / 13 YTD	13 / 14 YTD	Variance to 12/13	Variance %
13.7	12.2	-1.5	-10.9%
1.5	1.7	0.2	14.5%
0.7	1.0	0.2	31.3%
0.3	0.2	-0.1	-31.1%
0.1	0.1	0.0	14.9%
1.2	1.5	0.3	24.0%
<b>17.6</b>	<b>16.7</b>	<b>-0.8</b>	<b>-4.7%</b>

Jan 13 / 14 FYF	variance to Budget	variance to Budget %
24.9	-0.9	-3.3%
1.7	-0.2	-10.0%
1.1	-0.2	-12.7%
0.2	-0.0	-16.3%
0.1	0.1	58.8%
3.1	0.3	9.2%
<b>31.1</b>	<b>-0.9</b>	<b>-2.9%</b>

HSC remains extremely dependent on Health Contract income and has reflected the potential shortfall in its income forecast. Non Health Contract income is also now expected to be behind budget

Additional Income Analysis (£m)

	12 / 13 Actual	13/14 Budget	Increase %
Research Grants & Contracts	3.3	2.3	-30.3%
Other Operating Income	6.0	4.5	-25.4%
Endowment Income & Interest Receivable	0.6	0.5	-12.6%
<b>Total</b>	<b>14.0</b>	<b>7.3</b>	<b>-48.2%</b>

Dec 13 / 14 FYF	Monthly Move	Jan 13 / 14 FYF	variance to Budget	variance to Budget %
2.3	-0.0	2.3	0.0	2.0%
4.3	0.1	4.4	-0.1	-1.6%
0.5	-0.1	0.4	-0.1	-16.0%
<b>7.1</b>	<b>0.0</b>	<b>7.1</b>	<b>-0.1</b>	<b>-1.5%</b>

12 / 13 YTD	13 / 14 YTD	Variance to 12/13	Variance %
1.6	1.3	-0.3	-19.6%
2.3	2.5	0.3	11.7%
0.1	0.1	-0.0	-17.9%
<b>4.0</b>	<b>4.0</b>	<b>-0.1</b>	<b>-1.9%</b>

The YTD decline in Endowment Income and Interest receivable has now been reflected in the Full year forecast. There has been no change to anticipated Research income although other operating income continues to reflect growth in Refectory sales

11 Staff Cost Analysis (£m)

	12 / 13 Actual	13/14 Budget	Increase %
Academic - Permanent staff	39.5	39.2	-0.8%
Academic - Temporary staff	3.8	3.4	-10.3%
Technicians staff	2.8	2.8	1.2%
Support - Permanent staff	27.1	28.7	6.1%
Support - Temporary staff	0.5	0.5	-14.5%
Third party staff	3.5	1.9	-45.6%
Restructuring Provision		1.5	
<b>Total</b>	<b>77.1</b>	<b>77.9</b>	<b>1.1%</b>

Dec 13 / 14 FYF	Monthly Move	Jan 13 / 14 FYF	variance to Budget	variance to Budget %
38.3	-0.2	38.1	-1.1	-2.8%
3.3	0.1	3.4	0.0	1.4%
2.8	-0.0	2.8	-0.0	-1.1%
28.4	-0.7	27.7	-1.0	-3.5%
0.5	0.1	0.6	0.2	33.4%
2.4	0.4	2.7	0.8	43.5%
1.5		1.5		
<b>77.1</b>	<b>-0.3</b>	<b>76.8</b>	<b>-1.1</b>	<b>-1.4%</b>

12 / 13 YTD	13 / 14 YTD	Variance to 12/13	Variance %
19.5	18.9	-0.6	-2.9%
1.5	1.4	-0.1	-5.2%
1.4	1.4	0.0	0.8%
13.3	13.5	0.2	1.4%
0.2	0.4	0.2	75.3%
1.5	1.6	0.0	1.7%
<b>37.4</b>	<b>37.1</b>	<b>-0.3</b>	<b>-0.7%</b>

In terms of staffing, as per Appendix 3, the University has reduced its staff base year on year by 25.8 FTE. This is driven by staffing reductions within the faculties of AHS, BUS and HSC and additional academics within ESBE as the University position itself for new areas of student demand. There has been a reduction in the staff within Residential and Catering services as these staff transition to a new arrangement with our catering provider. The reduction in Academic staff costs YTD is expected given the staff reductions within the faculties. The YTD increase in support staff costs and third party staff costs is primarily driven by Investments in Marketing, Finance and the Library. The variance in Third party staff is primarily driven by ICT which is in the process of transition whilst awaiting potential changes to its infrastructure

## January 2014 Summary

### Staff Cost Analysis (£m)

	12 / 13 Actual	13/14 Budget	Increase %	Dec 13 / 14 FYF	Monthly Move	Jan 13 / 14 FYF	variance to Budget	variance to Budget %	12 / 13 YTD	13 / 14 YTD	Variance to 12/13	Variance %
Total Faculty	49.3	50.2	1.8%	49.3	-0.3	49.1	-1.1	-2.3%	24.4	23.7	-0.7	-2.9%
Total Corporate Services	8.8	8.3	-6.5%	8.3	0.1	8.4	0.1	1.7%	4.3	4.1	-0.2	-4.8%
Total PVC External	4.8	5.5	13.1%	5.5	0.0	5.5	0.0	0.0%	2.3	2.4	0.1	2.7%
Total PVC Academic	7.3	8.1	10.5%	8.1	-0.1	8.0	-0.1	-1.4%	3.7	3.8	0.1	2.8%
Total Finance & GILT	6.9	6.0	-13.1%	6.0	-0.0	6.0	-0.0	-0.1%	2.6	3.1	0.5	18.4%
<b>Total</b>	<b>77.1</b>	<b>77.9</b>	<b>1.1%</b>	<b>77.1</b>	<b>-0.3</b>	<b>76.8</b>	<b>-1.1</b>	<b>-1.4%</b>	<b>37.4</b>	<b>37.1</b>	<b>-0.3</b>	<b>-0.7%</b>

The year on year increase in PVC External is driven by investments in Enterprise staff, the increase in PVC Academic is driven by investments in Library and Student Services. The YTD figures are slightly behind in both these areas. The year on Year increase in Finance is due to additional support to cover the implementation of the payroll project. Given the risk within our income forecast we are closely monitoring staff cost growth.

### 12 Opex Analysis (m)

	12 / 13 Actual	13/14 Budget	Increase %	Dec 13 / 14 FYF	Monthly Move	Jan 13 / 14 FYF	variance to Budget	variance to Budget %	12 / 13 YTD	13 / 14 YTD	Variance to 12/13	Variance %
Depreciation	7.9	8.6	9.5%	8.6	-0.2	8.5	-0.2	-1.8%	3.9	4.1	0.3	7.2%
Total Other Operating Expenses	43.9	42.1	-4.0%	42.3	0.0	42.3	0.2	0.4%	16.5	17.9	1.4	8.5%
Interest Payable	3.4	4.8	39.2%	4.8	-0.0	4.8	-0.0	-0.6%	1.8	1.9	0.1	5.7%
Exceptional Items	0.0	3.2	-100.0%	3.2	0.0	3.2	0.0	0.0%	0.0	0.0	0.0	0.0%
<b>Total</b>	<b>55.2</b>	<b>58.7</b>	<b>6.3%</b>	<b>58.8</b>	<b>-0.1</b>	<b>58.7</b>	<b>-0.0</b>	<b>0.0%</b>	<b>22.2</b>	<b>24.0</b>	<b>1.8</b>	<b>8.0%</b>

The University is significantly overspent YTD on operating expenses. This is driven by additional expenditure within the Library as they have brought forward expenditure on learning materials, additional expenditure on Bursaries and Staff Fee waivers, although these are considered timing differences and are expected to balance out over the year. There is a large variance in Corporate Services which relates to the new catering contract, this additional expenditure is however matched by additional income. The Increase in exceptional items relates to contingencies particularly with regard to FRS 17 and restructuring. As per Appendix 7, Marketing, primarily due to the costs associated with Graduation Ceremonies, and the International Office are spending significantly ahead of budget however they are forecast to deliver on budget.

	12 / 13 Actual	13/14 Budget	Increase %	Dec 13 / 14 FYF	Monthly Move	Jan 13 / 14 FYF	variance to Budget	variance to Budget %	12 / 13 YTD	13 / 14 YTD	Variance to 12/13	Variance %
Total Faculty Spend	12.0	10.2	-15.2%	10.4	-0.0	10.4	0.1	1.4%	4.0	3.8	-0.2	-3.9%
Total Corporate Services	28.0	30.5	8.8%	30.5	-0.3	30.2	-0.3	-1.0%	13.0	13.6	0.7	5.2%
Total PVC External	4.8	5.0	4.8%	5.0	0.1	5.0	-0.0	-0.2%	2.1	2.6	0.6	27.0%
Total PVC Academic	4.5	4.3	-4.9%	4.3	0.1	4.4	0.2	3.6%	1.6	1.8	0.2	14.4%
Total Finance & GILT	5.8	8.7	48.4%	8.7	0.0	8.7	0.0	0.1%	1.6	2.0	0.5	30.3%
<b>Total</b>	<b>55.2</b>	<b>58.7</b>	<b>6.3%</b>	<b>58.8</b>	<b>-0.1</b>	<b>58.7</b>	<b>-0.0</b>	<b>0.0%</b>	<b>22.2</b>	<b>24.0</b>	<b>1.8</b>	<b>8.0%</b>

The YTD increase in Finance and GILT is due to SLC Bursary payments which are held in FUNI until they are charged to the appropriate faculty. The increase in PVC Academic is due to investments in the library as mentioned above. YTD Increases in Corporate Services are due to the structure of the new catering contract.

### 13 Capital Expenditure Analysis

In terms of Capital Expenditure, The University invested £0.6M in January taking our total for the year to date to £4.7M. The University is forecast to spend an additional £12.2M in 2013/14 on projects that have been approved as at 31 January 2014. Of the 47 live capital projects, 8 are forecast to overspend at a total unbudgeted cost of £0.1M. This is offset by a forecast underspend of £3.1M on the remaining 39 projects to show a net forecast capital underspend of £3.0M. There are currently bids in process totalling a further £1.9M

LONDON SOUTH BANK UNIVERSITY / ENTERPRISES

Management Summary Report from August 2013 To The End Of January 2014

SMT Area: All

Cost Centre: %

**London South Bank University**

REF MANSUM

Full Year Outturn Last Year (£)	YTD Actuals Last Year (£)	Description	FULL YEAR				YEAR TO DATE				Full year Forecast less Actual YTD (£)		
			2013 Forecast (£)	2013 Budget (£)	Variance - Forecast to Budget (£) %		Note	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£) %		Note	
-138,388,359	-94,905,863	<b>Total Income</b>	-135,770,376	-137,646,818	(1,876,442)	(1%)		-98,648,026	-100,422,870	(1,774,843)	(2%)		-37,122,350
77,115,681	37,360,543	<b>Total Staff Costs</b>	75,337,252	76,448,274	1,111,021	1%		37,090,789	38,039,176	948,388	2%		38,246,464
7,870,225	3,864,071	<b>Total Depreciation</b>	8,458,011	8,614,738	156,727	2%		4,141,104	4,369,186	228,083	5%		4,316,907
43,912,551	16,517,567	<b>Total Other Operating Expenses</b>	42,304,610	42,142,181	(162,429)	(%)		17,915,125	19,292,130	1,377,004	7%		24,389,485
3,433,426	1,811,807	<b>Total Interest Payable</b>	4,753,879	4,780,332	26,453	1%		1,915,548	2,390,166	474,618	20%		2,838,331
		<b>Total Exceptional Items</b>	3,167,504	3,167,504		%			1,454,169	1,454,169	100%		3,167,504
	-	<b>Total Internal Allocations</b>	-53,337	-	53,337				-1,366	(1,366)	(100%)		-53,337
-6,056,476	-35,351,876	<b>Contribution</b>	-1,802,456	-2,493,789	(691,333)	(28%)		-37,585,461	-34,879,408	2,706,053	8%		35,783,005
55.7%		Staff costs as % of income	55.5%	55.5%				37.6%	37.9%				
4.4%		Contribution %	1.3%	1.8%				38.1%	34.7%				

**Full Time Students**

	UG1	UG2	UG3
Home / EU			
New	3,253	161	125
Continuing	474	2,464	2,623
<b>Total Home / EU</b>	<b>3,727</b>	<b>2,625</b>	<b>2,748</b>
Overseas			
New	212	69	7
Continuing	15	109	201
<b>Total Overseas F</b>	<b>227</b>	<b>178</b>	<b>208</b>
<b>Total FT UG</b>	<b>3,954</b>	<b>2,803</b>	<b>2,956</b>

**Full Time Students**

	PG 1	PG 2	PG 3
Home / EU			
New	755	8	0
Continuing	165	203	25
<b>Total</b>	<b>920</b>	<b>211</b>	<b>25</b>
Overseas			
New	301	4	0
Continuing	128	34	24
<b>Total Overseas</b>	<b>429</b>	<b>38</b>	<b>24</b>
<b>Total FT PG</b>	<b>1,349</b>	<b>249</b>	<b>49</b>

Total FTEs 14,286

In terms of years not completed, HESES 13 assumes

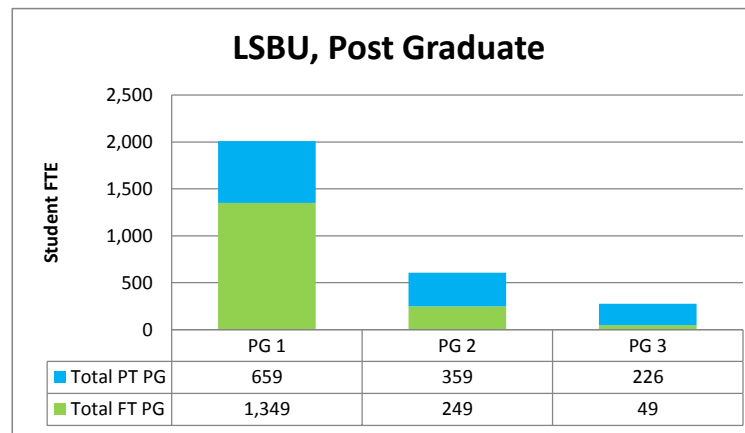
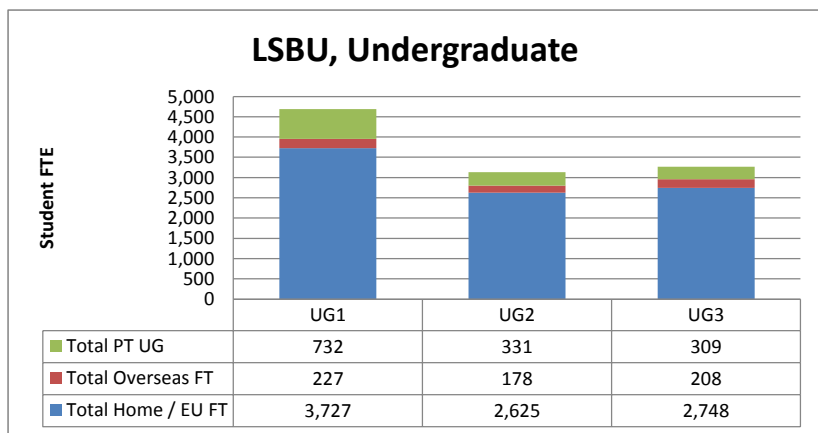
	Home / EU	Overseas
UG - New Regime	-21%	-11%
UG - Old Regime	-13%	-11%
PG (Std) - New Regime	-13%	-13%
PG (Std) - Old Regime	-18%	-13%
PG (Long) - New Regime	-24%	-13%

**Part Time Students**

	UG1	UG2	UG3	UG4	UG5
Home / EU					
New	508	25	69	9	0
Continuing	216	304	239	188	58
<b>Total</b>	<b>724</b>	<b>329</b>	<b>308</b>	<b>197</b>	<b>58</b>
Overseas					
New	3	0	0	1	0
Continuing	5	2	1	0	0
<b>Total</b>	<b>8</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>0</b>
<b>Total PT UG</b>	<b>732</b>	<b>331</b>	<b>309</b>	<b>198</b>	<b>58</b>

**Part Time Students**

	PG 1	PG 2	PG 3	PG 4	PG 5	PG 6	PG 7	PG 8	PG 9
Home / EU									
New	403	51	20	0	0	0	0	0	0
Continuing	207	248	199	21	27	0	0	0	0
<b>Total</b>	<b>610</b>	<b>299</b>	<b>219</b>	<b>21</b>	<b>27</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>
Overseas									
New	8	53	0	0	0	0	0	0	0
Continuing	41	7	7	3	3	0	0	0	0
<b>Total</b>	<b>49</b>	<b>60</b>	<b>7</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total PT PG</b>	<b>659</b>	<b>359</b>	<b>226</b>	<b>24</b>	<b>30</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>



### Change in Student FTEs HESES13 vs 31 January

LSBU London South Bank University

#### Full Time Students

	UG1	UG2	UG3
Home / EU			
New	-81	-9	-3
Continuing	58	-8	-141
<b>Total Home / EU</b>	<b>-23</b>	<b>-17</b>	<b>-144</b>
Overseas			
New	75	-3	-1
Continuing	3	-6	0
<b>Total Overseas F</b>	<b>78</b>	<b>-9</b>	<b>-1</b>
<b>Total FT UG</b>	<b>55</b>	<b>-26</b>	<b>-145</b>

#### Full Time Students

	PG 1	PG 2	PG 3
Home / EU			
New	100	8	0
Continuing	53	-15	2
<b>Total</b>	<b>153</b>	<b>-7</b>	<b>2</b>
Overseas			
New	47	4	0
Continuing	30	-9	2
<b>Total Overseas</b>	<b>77</b>	<b>-5</b>	<b>2</b>
<b>Total FT PG</b>	<b>230</b>	<b>-12</b>	<b>4</b>

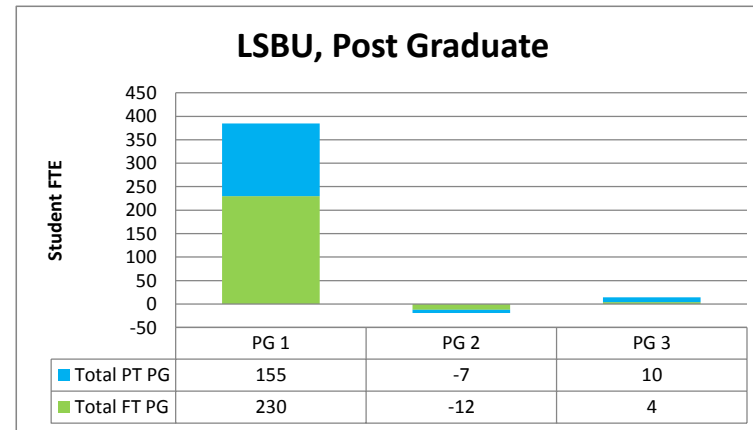
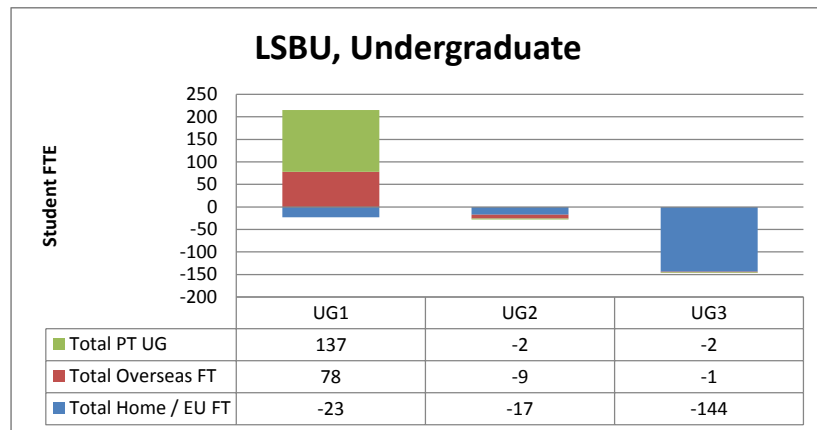
Total FTEs	388
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#### Part Time Students

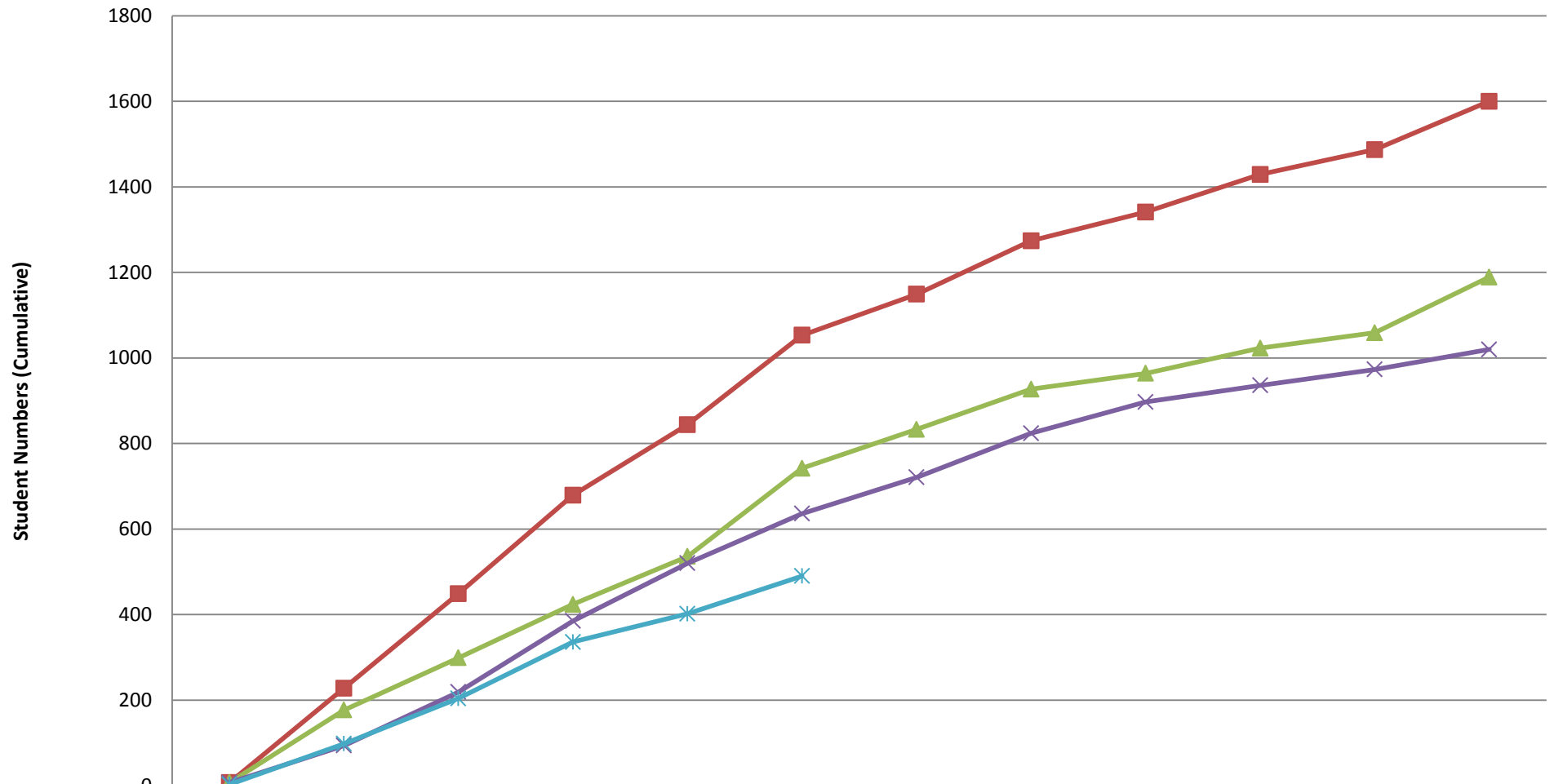
	UG1	UG2	UG3	UG4	UG5
Home / EU					
New	126	1	14	0	-3
Continuing	7	-4	-16	-1	-1
<b>Total</b>	<b>132</b>	<b>-2</b>	<b>-2</b>	<b>-1</b>	<b>-4</b>
Overseas					
New	1	-1	0	1	0
Continuing	3	1	0	-1	0
<b>Total</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>Total PT UG</b>	<b>137</b>	<b>-2</b>	<b>-2</b>	<b>0</b>	<b>-4</b>

#### Part Time Students

	PG 1	PG 2	PG 3	PG 4	PG 5	PG 6	PG 7	PG 8	PG 9
Home / EU									
New	70	42	14	0	0	0	0	0	0
Continuing	63	-51	-3	-6	14	-6	-5	-2	0
<b>Total</b>	<b>133</b>	<b>-8</b>	<b>10</b>	<b>-6</b>	<b>14</b>	<b>-6</b>	<b>-5</b>	<b>-1.8</b>	<b>0.0</b>
Overseas									
New	1	53	0	0	0	0	0	0	0
Continuing	21	-52	0	1	1	0	0	0	-2
<b>Total</b>	<b>22</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>-1.8</b>
<b>Total PT PG</b>	<b>155</b>	<b>-7</b>	<b>10</b>	<b>-5</b>	<b>15</b>	<b>-6</b>	<b>-5</b>	<b>-1.8</b>	<b>-1.8</b>



## Interruption & Withdrawal Analysis



■ 2010/2011	7	228	449	679	844	1053	1149	1274	1341	1429	1487	1600
▲ 2011/2012	7	177	299	424	536	742	833	927	964	1023	1059	1189
✕ 2012/2013	7	94	219	385	520	636	721	824	897	936	973	1020
✱ 2013/2014	3	98	204	336	402	490						

**January 31 QLS Student FTEs**

AHS Arts & Human Sciences

**Full Time Students**

	UG1	UG2	UG3
Home / EU			
New	894	20	21
Continuing	62	718	736
<b>Total Home / EU</b>	<b>956</b>	<b>738</b>	<b>757</b>
Overseas			
New	105		3
Continuing	2	16	31
<b>Total Overseas F</b>	<b>107</b>	<b>16</b>	<b>34</b>
<b>Total FT UG</b>	<b>1,063</b>	<b>754</b>	<b>791</b>

**Full Time Students**

	PG 1	PG 2	PG 3
Home / EU			
New	270		
Continuing	65	25	8
<b>Total</b>	<b>335</b>	<b>25</b>	<b>8</b>
Overseas			
New	94		
Continuing	23	3	5
<b>Total Overseas</b>	<b>117</b>	<b>3</b>	<b>5</b>
<b>Total FT PG</b>	<b>452</b>	<b>28</b>	<b>13</b>

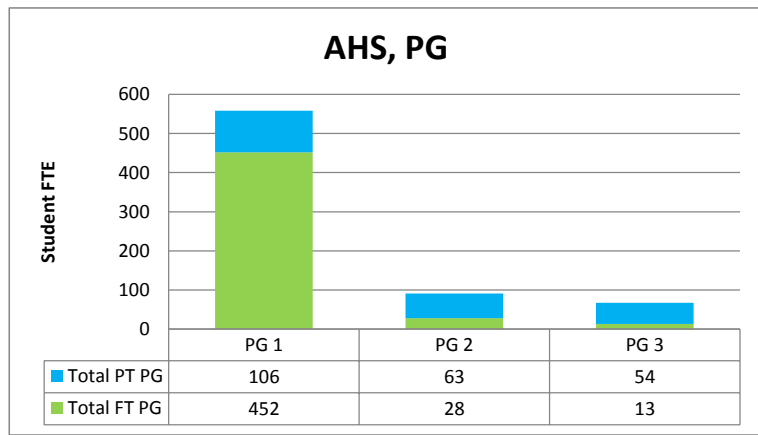
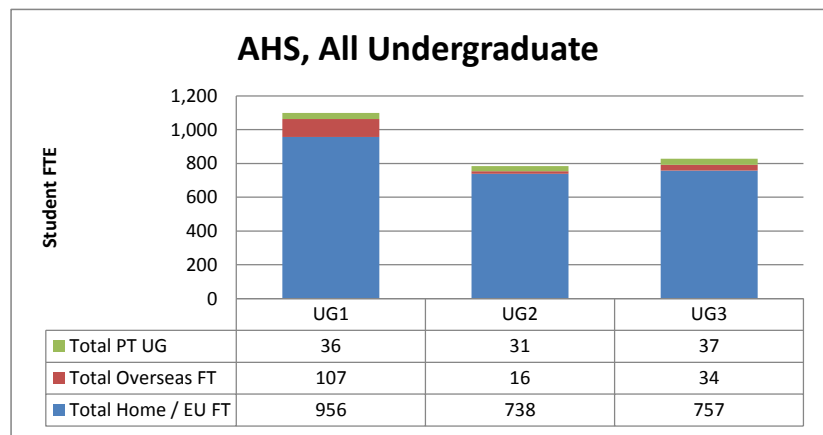
<b>Total FTEs</b>	<b>3,468</b>
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**Part Time Students**

	UG1	UG2	UG3	UG4	UG5
Home / EU					
New	20	1	1		
Continuing	16	30	36	12	4
<b>Total</b>	<b>36</b>	<b>31</b>	<b>37</b>	<b>12</b>	<b>4</b>
Overseas					
New	0	0	0	0	0
Continuing	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total PT UG</b>	<b>36</b>	<b>31</b>	<b>37</b>	<b>12</b>	<b>4</b>

**Part Time Students**

	PG 1	PG 2	PG 3	PG 4	PG 5	PG 6	PG 7	PG 8	PG 9
Home / EU									
New	57	1	13						
Continuing	32	59	40	10	12				
<b>Total</b>	<b>89</b>	<b>60</b>	<b>53</b>	<b>10</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Overseas									
New	4	1							
Continuing	13	2	1	1	1				
<b>Total</b>	<b>17</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total PT PG</b>	<b>106</b>	<b>63</b>	<b>54</b>	<b>11</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>





**Full Time Students**

	UG1	UG2	UG3
Home / EU			
New	661	76	73
Continuing	92	477	422
<b>Total Home / EU</b>	<b>753</b>	<b>553</b>	<b>495</b>
Overseas			
New	24	42	4
Continuing	2	38	82
<b>Total Overseas F</b>	<b>26</b>	<b>80</b>	<b>86</b>
<b>Total FT UG</b>	<b>779</b>	<b>633</b>	<b>581</b>

**Full Time Students**

	PG 1	PG 2	PG 3
Home / EU			
New	140	6	
Continuing	34	2	4
<b>Total</b>	<b>174</b>	<b>8</b>	<b>4</b>
Overseas			
New	132	1	
Continuing	71	8	3
<b>Total Overseas</b>	<b>203</b>	<b>9</b>	<b>3</b>
<b>Total FT PG</b>	<b>377</b>	<b>17</b>	<b>7</b>

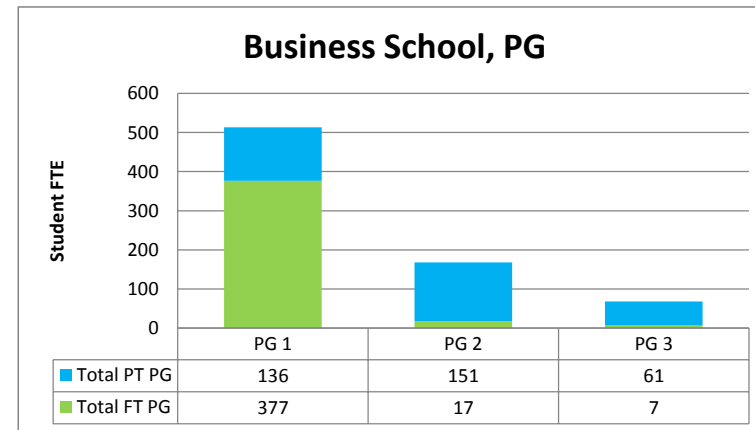
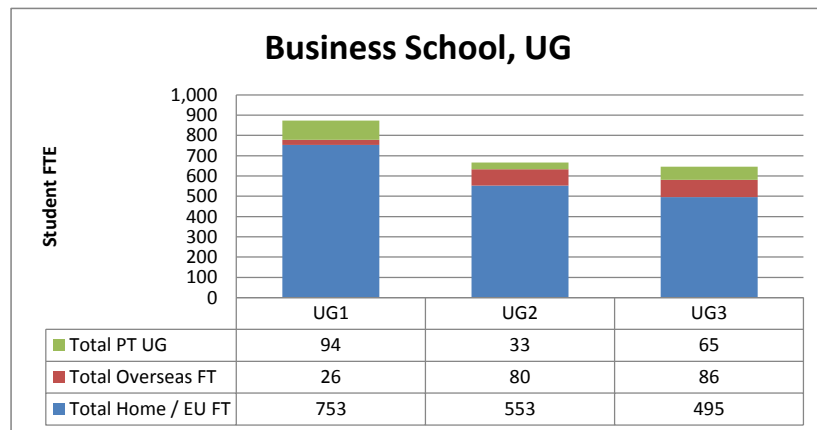
Total FTEs	2,953
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**Part Time Students**

	UG1	UG2	UG3	UG4	UG5
Home / EU					
New	56	1	5	1	
Continuing	37	32	59	9	
<b>Total</b>	<b>93</b>	<b>33</b>	<b>64</b>	<b>10</b>	<b>0</b>
Overseas					
New	1				
Continuing			1		
<b>Total</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>Total PT UG</b>	<b>94</b>	<b>33</b>	<b>65</b>	<b>10</b>	<b>0</b>

**Part Time Students**

	PG 1	PG 2	PG 3	PG 4	PG 5	PG 6	PG 7	PG 8	PG 9
Home / EU									
New	104	41							
Continuing	28	59	59	3	3				
<b>Total</b>	<b>132</b>	<b>100</b>	<b>59</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Overseas									
New	3	50							
Continuing	1	1	2	1	2				
<b>Total</b>	<b>4</b>	<b>51</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total PT PG</b>	<b>136</b>	<b>151</b>	<b>61</b>	<b>4</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Full Time Students**

	UG1	UG2	UG3
Home / EU			
New	67		
Continuing	1	40	
<b>Total Home / EU</b>	<b>68</b>	<b>40</b>	<b>0</b>
Overseas			
New	3		
Continuing	3		
<b>Total Overseas F</b>	<b>6</b>	<b>0</b>	<b>0</b>
<b>Total FT UG</b>	<b>74</b>	<b>40</b>	<b>0</b>

**Full Time Students**

	PG 1	PG 2	PG 3
Home / EU			
New			
Continuing			
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
Overseas			
New			
Continuing			
<b>Total Overseas</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total FT PG</b>	<b>0</b>	<b>0</b>	<b>0</b>

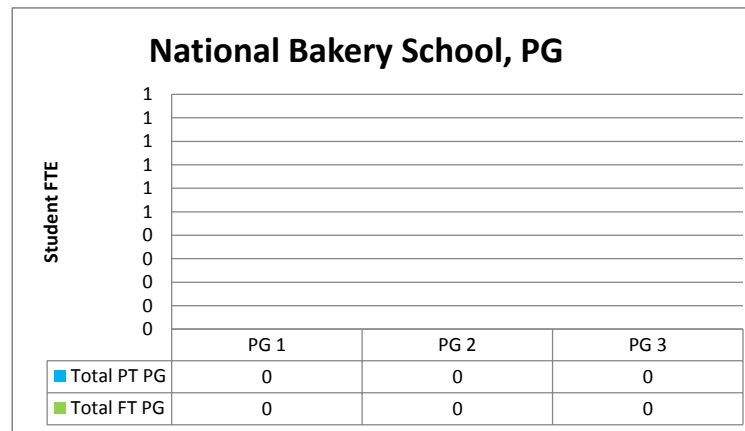
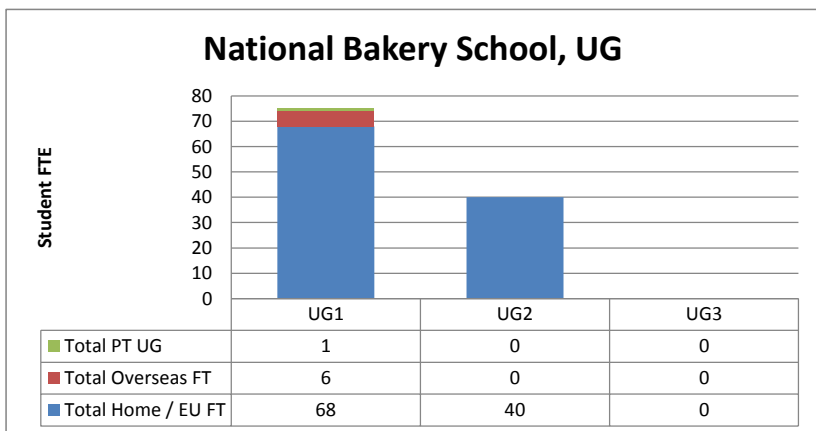
<b>Total FTEs</b>	<b>115</b>
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**Part Time Students**

	UG1	UG2	UG3	UG4	UG5
Home / EU					
New					
Continuing	1				
<b>Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Overseas					
New					
Continuing					
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total PT UG</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Part Time Students**

	PG 1	PG 2	PG 3	PG 4	PG 5	PG 6	PG 7	PG 8	PG 9
Home / EU									
New									
Continuing									
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Overseas									
New									
Continuing									
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total PT PG</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Full Time Students**

	UG1	UG2	UG3
Home / EU			
New	733	56	20
Continuing	164	433	577
<b>Total Home / EU</b>	<b>897</b>	<b>489</b>	<b>597</b>
Overseas			
New	76	27	
Continuing	8	54	75
<b>Total Overseas F</b>	<b>84</b>	<b>81</b>	<b>75</b>
<b>Total FT UG</b>	<b>981</b>	<b>570</b>	<b>672</b>

**Full Time Students**

	PG 1	PG 2	PG 3
Home / EU			
New	148	2	
Continuing	25	34	12
<b>Total</b>	<b>173</b>	<b>36</b>	<b>12</b>
Overseas			
New	66	3	
Continuing	34	16	15
<b>Total Overseas</b>	<b>100</b>	<b>19</b>	<b>15</b>
<b>Total FT PG</b>	<b>273</b>	<b>55</b>	<b>27</b>

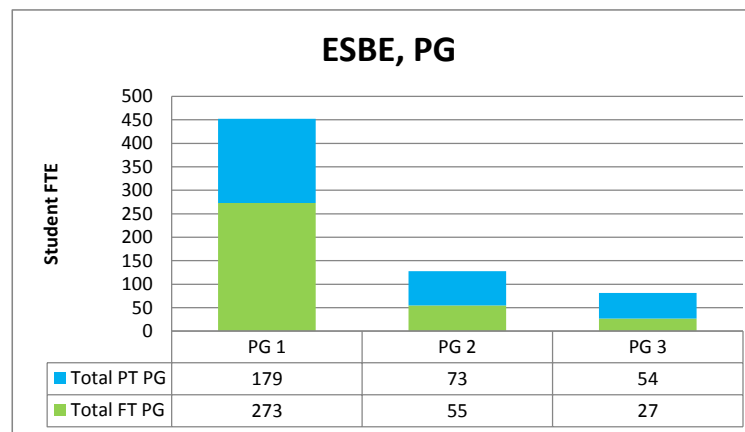
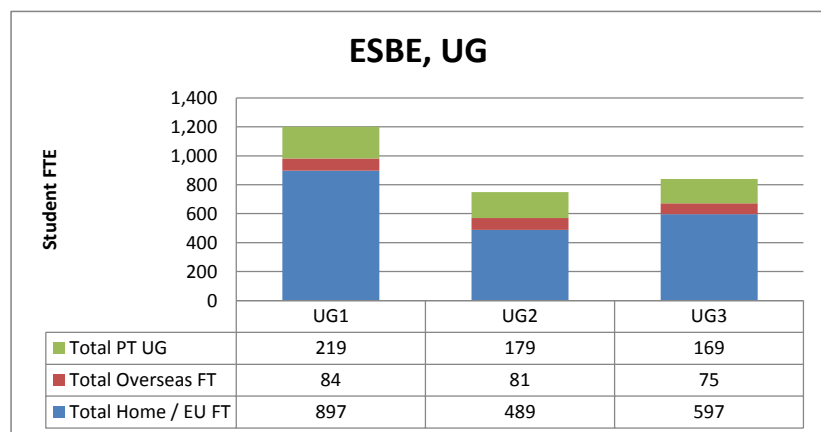
Total FTEs	3,649
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**Part Time Students**

	UG1	UG2	UG3	UG4	UG5
Home / EU					
New	170	23	62	8	
Continuing	47	154	107	134	46
<b>Total</b>	<b>217</b>	<b>177</b>	<b>169</b>	<b>142</b>	<b>46</b>
Overseas					
New				1	
Continuing	2	2			
<b>Total</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>Total PT UG</b>	<b>219</b>	<b>179</b>	<b>169</b>	<b>143</b>	<b>46</b>

**Part Time Students**

	PG 1	PG 2	PG 3	PG 4	PG 5	PG 6	PG 7	PG 8	PG 9
Home / EU									
New	104	6	6						
Continuing	48	62	45	4	4				
<b>Total</b>	<b>152</b>	<b>68</b>	<b>51</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Overseas									
New	1	2							
Continuing	26	3	3	1					
<b>Total</b>	<b>27</b>	<b>5</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total PT PG</b>	<b>179</b>	<b>73</b>	<b>54</b>	<b>5</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Full Time Students**

	UG1	UG2	UG3
Home / EU			
New	898	9	11
Continuing	155	796	888
<b>Total Home / EU</b>	<b>1,053</b>	<b>805</b>	<b>899</b>
Overseas			
New	4		
Continuing		1	13
<b>Total Overseas F</b>	<b>4</b>	<b>1</b>	<b>13</b>
<b>Total FT UG</b>	<b>1,057</b>	<b>806</b>	<b>912</b>

**Full Time Students**

	PG 1	PG 2	PG 3
Home / EU			
New	197		
Continuing	41	142	1
<b>Total</b>	<b>238</b>	<b>142</b>	<b>1</b>
Overseas			
New	9		
Continuing		7	1
<b>Total Overseas</b>	<b>9</b>	<b>7</b>	<b>1</b>
<b>Total FT PG</b>	<b>247</b>	<b>149</b>	<b>2</b>

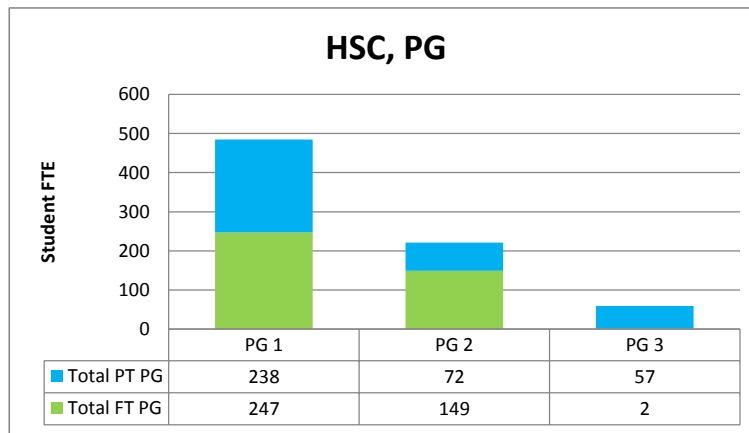
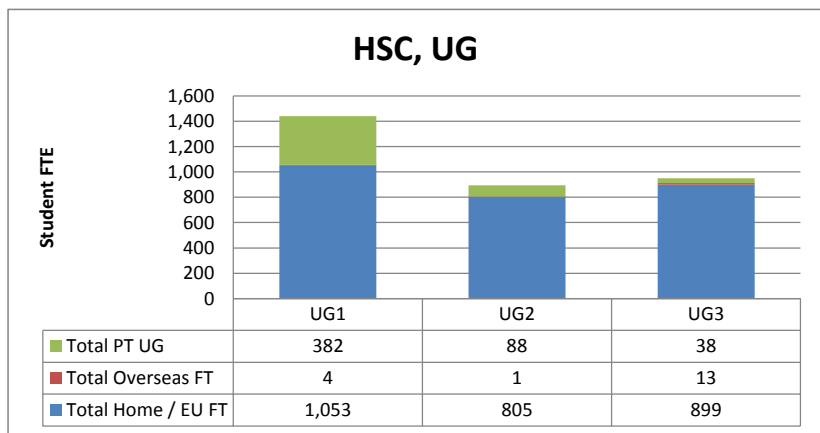
<b>Total FTEs</b>	<b>4,101</b>
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**Part Time Students**

	UG1	UG2	UG3	UG4	UG5
Home / EU					
New	262		1		
Continuing	115	88	37	33	8
<b>Total</b>	<b>377</b>	<b>88</b>	<b>38</b>	<b>33</b>	<b>8</b>
Overseas					
New	2				
Continuing	3				
<b>Total</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total PT UG</b>	<b>382</b>	<b>88</b>	<b>38</b>	<b>33</b>	<b>8</b>

**Part Time Students**

	PG 1	PG 2	PG 3	PG 4	PG 5	PG 6	PG 7	PG 8	PG 9
Home / EU									
New	138	3	1						
Continuing	99	68	55	4	8				
<b>Total</b>	<b>237</b>	<b>71</b>	<b>56</b>	<b>4</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Overseas									
New									
Continuing	1	1	1						
<b>Total</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total PT PG</b>	<b>238</b>	<b>72</b>	<b>57</b>	<b>4</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

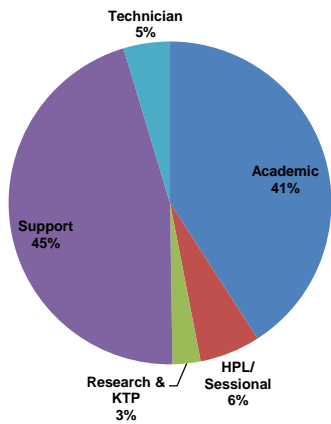


HR STAFF INFORMATION

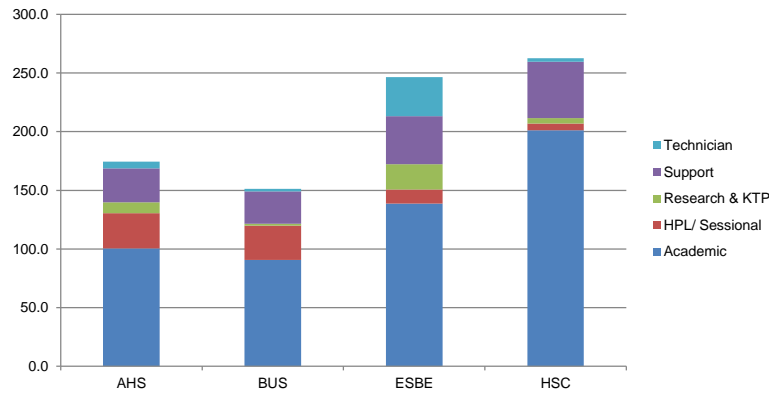
Period 6

Oracle Parent Organisation Name	Academic	HPL/ Sessional	Research & KTP	Support	Technician	TOTAL FTE by Staff Assignment/Contract												Prior Year	
						Jan 2014	Dec 2013	Nov 2013	Oct 2013	Sep 2013	Aug 2013	Jul 2013	Jun 2013	May 2013	Apr 2013	Mar 2013	Feb-2013	Jan-2013	
																		YonY Change	Jan-2013
Academic Quality and Development Office Department				8.0		8.0	8.0	8.0	6.4	6.4	6.4	6.4	6.4	6.5	6.4	8.4	8.4	- 0.4	8.4
Academy of Sport				21.1		21.1	20.1	17.1	18.1	17.5	15.1	15.1	15.1	15.1	15.1	16.1	17.0	3.2	17.9
Central Research Support Department				4.2		4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	0.0	4.2
Confucius Institute Department				4.0		4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	1.0	3.0
Development Office Department	1.0			7.0		8.0	7.0	7.0	8.0	8.0	8.0	8.0	8.0	7.8	7.8	7.8	6.8	1.2	6.8
Estates and Facilities				49.9		49.9	47.9	48.9	48.9	48.9	49.0	49.0	49.0	49.0	50.0	50.0	49.0	- 0.1	50.0
AHS	100.5	29.9	9.2	29.1	5.7	174.5	171.2	168.8	169.5	172.6	176.4	176.4	176.9	181.3	179.0	181.3	178.5	- 6.1	180.6
BUS	90.6	29.4	1.6	27.6	2.0	151.1	155.4	152.2	154.1	156.3	152.9	152.9	151.9	158.3	157.5	158.3	158.8	- 14.1	165.2
ESBE	138.7	11.9	21.6	41.0	33.4	246.6	243.5	231.3	234.7	229.0	224.7	224.7	223.9	231.3	231.1	229.7	230.6	17.4	229.1
HSC	201.3	5.8	4.4	48.3	3.0	262.8	261.0	257.3	261.1	266.3	284.4	284.4	284.5	283.0	282.9	284.0	283.7	- 18.0	280.8
Finance				55.9		55.9	54.9	52.9	52.9	53.7	60.3	60.3	51.3	49.3	50.1	50.7	51.2	9.7	46.2
Human Resources				26.0		26.0	26.0	24.0	22.0	24.0	25.3	25.3	25.3	25.3	25.3	27.3	25.3	- 0.3	26.3
Information Communication Technology				46.8	17.0	63.8	63.8	62.4	62.4	63.4	65.4	65.4	64.4	64.4	65.4	66.4	67.0	- 1.9	65.7
International Office Department				13.0		13.0	13.0	13.0	13.0	13.0	13.0	13.0	14.0	15.0	15.0	15.0	15.0	- 1.0	14.0
Library & Learning Resources				70.2		70.2	70.2	70.2	70.2	71.9	71.9	71.9	69.9	69.2	66.7	66.2	66.2	3.5	66.7
Marketing and UK Recruitment				44.8		44.8	43.8	47.8	47.8	47.8	47.0	47.0	48.0	46.4	46.0	44.8	44.8	- 1.0	45.8
Registry				31.7		31.7	33.7	33.7	33.7	31.7	30.7	30.7	30.7	30.7	31.1	30.1	31.1	- 0.4	32.1
Residential and Catering Services				14.4		14.4	17.0	17.0	18.0	19.0	36.7	36.7	40.1	36.5	35.8	35.8	35.4	- 22.0	36.4
Student Services	1.0	2.9		38.1		42.0	41.4	34.4	32.1	31.0	27.5	27.5	26.5	32.0	32.2	31.9	32.7	7.6	34.4
University Enterprise				4.4		4.4	4.4	2.4	3.4	3.4	3.6	3.6	3.6	4.0	4.6	4.6	5.6	- 1.2	5.6
University Executive Department	2.0			5.0		7.0	7.0	7.0	8.0	9.0	8.0	8.0	8.0	7.5	8.5	8.5	8.5	- 1.5	8.5
University Secretary's Office Department				5.5		5.5	5.5	5.5	6.0	6.0	6.0	6.0	6.0	6.0	7.0	8.0	8.0	- 1.5	7.0
Academic Staff Development Unit Department	1.0			2.0		3.0	3.0	3.0	3.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0		
<b>TOTAL LSBU STAFF FTE FOR ALL ABOVE:</b>	<b>536.1</b>	<b>79.9</b>	<b>36.8</b>	<b>598.0</b>	<b>61.1</b>	<b>1,311.8</b>	<b>1,305.0</b>	<b>1,271.1</b>	<b>1,280.4</b>	<b>1,288.3</b>	<b>1,322.4</b>	<b>1,322.3</b>	<b>1315.6</b>	<b>1329.9</b>	<b>1328.1</b>	<b>1331.5</b>	<b>1,330.7</b>	<b>-25.8</b>	<b>1,334.7</b>
<b>YTD staff costs</b>	<b>17.9</b>	<b>1.4</b>	<b>1.0</b>	<b>13.8</b>	<b>1.4</b>														
<b>YTD staff costs</b>																			
<b>Annualised YTD staff costs in £m</b>	35.8	2.8	2.0	27.7	2.7	72.8													
<b>Average staff cost in £</b>	66,828	35,017	54,290	46,317	44,963	£55,462													
Data Source HR Establishment Reports																			

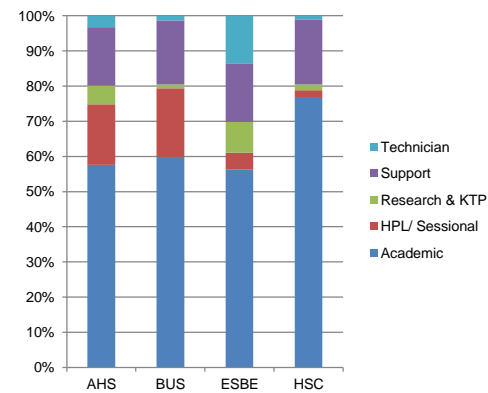
TOTAL LSBU STAFF FTE



Staff FTEs by Faculty



Staff FTEs by Faculty -%





Faculty/Department	Full Year														
	INCOME			STAFF COSTS			OTHER COSTS			SPACE CHARGE			Contribution		
	2013 Forecast (£)	2013 Budget (£)	Variance - Forecast to Budget (£)	2013 Forecast (£)	2013 Budget (£)	Variance - Forecast to Budget (£)	2013 Forecast (£)	2013 Budget (£)	Variance - Forecast to Budget (£)	2013 Forecast (£)	2013 Budget (£)	Variance - Forecast to Budget (£)	2013 Forecast (£)	2013 Budget (£)	Variance - Forecast to Budget (£)
Company Secretary	0	0	0	483,331	483,440	109	492,000	492,000	0	70,104	70,104	0	1,045,435	1,045,544	109
Arts & Human Sciences	-27,250,681	-27,493,237	-242,556	10,159,092	10,229,897	70,805	2,487,967	2,705,516	217,549	2,443,089	2,443,089	0	-12,160,533	-12,114,735	45,798
Bakery School	-1,070,279	-1,070,279	0	358,280	435,157	76,877	182,405	105,528	-76,877	154,800	154,800	0	-374,794	-374,794	0
Faculty of Business	-20,837,415	-21,837,415	-1,000,000	8,810,445	9,030,099	219,654	1,956,890	1,956,890	0	2,287,709	2,287,709	0	-7,782,371	-8,562,717	-780,346
Confucius Institute	-522,802	-522,802	0	235,810	235,810	0	237,000	237,000	0	47,796	47,796	0	-2,196	-2,196	0
Engineering Science & the Built Environme	-34,276,283	-34,314,153	-37,870	13,873,714	13,879,051	5,337	2,851,813	2,884,346	32,533	5,402,617	5,402,617	0	-12,148,139	-12,148,139	0
Health & Social Care	-33,151,564	-33,895,555	-743,991	15,652,207	16,409,681	757,474	2,825,042	2,507,450	-317,592	2,566,661	2,616,685	50,024	-12,107,654	-12,361,739	-254,085
Enterprise	-2,523,023	-2,764,182	-241,159	1,205,912	1,205,912	0	1,111,945	1,186,945	75,000	121,200	121,200	0	-83,966	-250,125	-166,159
Finance	-411,302	-505,248	-93,946	2,856,588	2,861,169	4,581	1,098,147	1,093,136	-5,011	217,896	217,896	0	3,761,329	3,666,953	-94,376
Unallocated Infrastructure	-1,459,996	-927,079	532,917	240,000	240,000	0	6,705,121	6,705,121	0	0	0	0	5,485,125	6,018,042	532,917
Human Resources	0	0	0	1,476,149	1,476,149	0	590,269	590,269	0	172,800	172,800	0	2,239,218	2,239,218	0
Information Communication Technology De	-95,424	-95,424	0	3,338,518	3,288,593	-49,925	3,361,146	3,119,847	-241,299	417,588	420,900	3,312	7,021,828	6,733,916	-287,912
Library and Learning	-232,644	-232,644	0	2,851,189	2,945,532	94,343	2,290,758	2,196,415	-94,343	2,091,504	2,091,504	0	7,000,807	7,000,807	0
Nat Puri Institute	-249,996	-249,996	0	199,997	199,997	0	50,004	50,004	0	0	0	0	5	5	0
Estates	-11,340,264	-11,340,264	0	2,886,347	2,799,011	-87,336	25,977,841	26,533,040	555,199	-17,471,248	-17,471,248	0	52,676	520,539	467,863
Corporate Services	0	0	0	695,991	695,991	0	264,675	264,675	0	0	0	0	960,666	960,666	0
Marketing & UK Student Recruitment	-844,620	-844,620	0	2,343,364	2,343,364	0	2,188,924	2,188,924	0	108,096	108,096	0	3,795,764	3,795,764	0
International Office	-10,200	-10,200	0	884,061	884,061	0	624,894	624,894	0	218,304	218,304	0	1,717,059	1,717,059	0
Academic Quality & Development Office	-68,700	-12,000	56,700	573,764	588,564	14,800	379,880	324,683	-55,197	38,904	38,904	0	923,848	940,151	16,303
Research	-89,004	-89,004	0	287,460	254,460	-33,000	258,000	290,000	32,000	13,704	13,704	0	470,160	469,160	-1,000
Development Office & Alumni Relations	-63,912	0	63,912	434,397	434,397	0	312,208	248,296	-63,912	30,600	30,600	0	713,293	713,293	0
Registry	-12,000	-12,000	0	1,763,233	1,763,233	0	402,730	402,730	0	133,404	133,404	0	2,287,367	2,287,367	0
Academy of Sport	-1,078,108	-1,078,108	0	796,585	796,585	0	544,165	544,165	0	482,904	482,904	0	745,546	745,546	0
Student Support	-182,160	-182,160	0	2,058,145	2,095,445	37,300	429,320	392,020	-37,300	234,696	234,696	0	2,540,001	2,540,001	0
Student Union	0	0	0	0	0	0	669,504	669,504	0	80,040	80,040	0	749,544	749,544	0
Executive Office	0	0	0	872,675	872,675	0	391,356	391,356	0	83,496	83,496	0	1,347,527	1,347,527	0
<b>Grand Total</b>	<b>-135,770,377</b>	<b>-137,476,370</b>	<b>-1,705,993</b>	<b>75,337,254</b>	<b>76,448,273</b>	<b>1,111,019</b>	<b>58,684,004</b>	<b>58,704,754</b>	<b>20,750</b>	<b>-53,336</b>		<b>53,336</b>	<b>-1,802,455</b>	<b>-2,323,343</b>	<b>520,889</b>

Faculty/Department	Full Year														
	INCOME			STAFF COSTS			OTHER COSTS			SPACE CHARGE			Contribution		
	2013 Forecast (£)	2013 Budget (£)	Variance - Forecast to Budget (£)	2013 Forecast (£)	2013 Budget (£)	Variance - Forecast to Budget (£)	2013 Forecast (£)	2013 Budget (£)	Variance - Forecast to Budget (£)	2013 Forecast (£)	2013 Budget (£)	Variance - Forecast to Budget (£)	2013 Forecast (£)	2013 Budget (£)	Variance - Forecast to Budget (£)
Company Secretary	0	0	0	4,986	4,986	0	0	0	0	0	0	0	4,986	4,986	0
Arts & Human Sciences	-41,706	0	41,706	-8,222	0	8,222	-190,549	0	190,549	0	0	0	-240,477	0	240,477
Bakery School	0	0	0	-76,877	0	76,877	76,877	0	-76,877	0	0	0	0	0	0
Faculty of Business	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Confucius Institute	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Engineering Science & the Built Environme	-49,897	0	49,897	82,430	0	-82,430	-32,533	0	32,533	0	0	0	0	0	0
Health & Social Care	617,423	0	-617,423	-276,119	0	276,119	140,713	0	-140,713	-50,024	0	50,024	431,993	0	-431,993
Enterprise	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance	96,472	0	-96,472	697	8,213	7,516	5,461	0	-5,461	0	0	0	102,630	8,213	-94,417
Unallocated Infrastructure	0	0	0	-40,000	-40,000	0	0	0	0	0	0	0	-40,000	-40,000	0
Human Resources	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Information Communication Technology De	0	0	0	39,717	-208	-39,925	251,299	0	-251,299	-3,312	0	3,312	287,704	-208	-287,912
Library and Learning	0	0	0	-94,343	0	94,343	94,343	0	-94,343	0	0	0	0	0	0
Nat Puri Institute	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Estates	0	0	0	55,199	-32,137	-87,336	-555,199	0	555,199	0	0	0	-500,000	-32,137	467,863
Corporate Services	0	0	0	32,345	32,345	0	0	0	0	0	0	0	32,345	32,345	0
Marketing & UK Student Recruitment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
International Office	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Academic Quality & Development Office	-13,700	0	13,700	2,200	0	-2,200	0	0	0	0	0	0	-11,500	0	11,500
Research	0	0	0	33,000	0	-33,000	-32,000	0	32,000	0	0	0	1,000	0	-1,000
Development Office & Alumni Relations	-63,912	0	63,912	0	0	0	63,912	0	-63,912	0	0	0	0	0	0
Registry	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Academy of Sport	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Student Support	0	0	0	-37,300	0	37,300	37,300	0	-37,300	0	0	0	0	0	0
Student Union	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Executive Office	0	0	0	26,801	26,801	0	0	0	0	0	0	0	26,801	26,801	0
Grand Total	544,680	0	-544,680	-255,486		255,486	-140,376		140,376	-53,336	0	53,336	95,482	0	-95,482



Faculty/Department	Year to date														
	INCOME			STAFF COSTS			OTHER COSTS			SPACE CHARGE			Contribution		
	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)
Company Secretary	0	0	0	253,158	243,446	-9,712	224,125	246,000	21,875	35,052	35,052	0	512,335	524,498	12,163
Arts & Human Sciences	-24,283,848	-24,434,580	-150,732	4,754,110	4,843,385	89,275	678,024	1,006,792	328,768	1,256,767	1,253,708	-3,059	-17,594,947	-17,330,695	264,252
Bakery School	-994,307	-967,106	27,201	162,633	211,007	48,374	26,614	46,422	19,808	77,400	77,400	0	-727,660	-632,277	95,383
Faculty of Business	-18,055,124	-19,352,406	-1,297,282	4,326,218	4,447,180	120,962	610,863	780,200	169,337	1,127,157	1,195,298	68,141	-11,990,886	-12,929,728	-938,842
Confucius Institute	-268,106	-260,562	7,544	109,695	117,066	7,371	91,458	118,500	27,042	23,898	23,898	0	-43,055	-1,098	41,957
Engineering Science & the Built Environme	-27,980,879	-27,544,172	436,707	6,640,600	6,993,977	353,377	977,692	1,361,891	384,199	2,782,377	2,774,377	-8,000	-17,580,210	-16,413,927	1,166,283
Health & Social Care	-17,939,138	-18,700,701	-761,563	7,747,052	8,222,695	475,643	1,500,271	1,308,154	-192,117	1,319,518	1,357,733	38,215	-7,372,297	-7,812,119	-439,822
Enterprise	-1,145,254	-1,363,746	-218,492	409,581	602,656	193,075	223,885	577,805	353,920	60,600	60,600	0	-451,188	-122,685	328,503
Finance	-262,608	-252,648	9,960	1,463,170	1,434,691	-28,479	393,628	564,568	170,940	108,948	108,948	0	1,703,138	1,855,559	152,421
Unallocated Infrastructure	-125,223	-392,081	-266,858	918,310	120,000	-798,310	1,204,177	3,223,289	2,019,112	0	0	0	1,997,264	2,951,208	953,944
Human Resources	0	0	0	692,759	737,399	44,640	253,253	295,135	41,882	86,400	86,400	0	1,032,412	1,118,934	86,522
Information Communication Technology De	-47,714	-47,712	2	1,717,610	1,662,174	-55,436	1,719,582	1,631,499	-88,083	210,450	210,450	0	3,599,928	3,456,411	-143,517
Library and Learning	-162,157	-101,514	60,643	1,375,875	1,460,766	84,891	1,006,979	963,696	-43,283	1,045,752	1,045,752	0	3,266,449	3,368,700	102,251
Nat Puri Institute	-93,311	-124,998	-31,687	85,242	99,892	14,650	8,069	26,006	17,937	0	0	0	0	900	900
Estates	-5,539,970	-5,670,132	-130,162	1,374,900	1,422,860	47,960	11,593,486	12,213,006	619,520	-8,846,391	-8,943,056	-96,665	-1,417,975	-977,322	440,653
Corporate Services	0	0	0	331,158	303,767	-27,391	83,141	135,956	52,815	0	0	0	414,299	439,723	25,424
Marketing & UK Student Recruitment	-656,657	-543,810	112,847	1,105,373	1,189,639	84,266	1,220,477	1,223,916	3,439	54,048	54,048	0	1,723,241	1,923,793	200,552
International Office	-12,822	-6,120	6,702	348,729	439,973	91,244	481,093	314,148	-166,945	109,152	109,152	0	926,152	857,153	-68,999
Academic Quality & Development Office	-68,638	-12,000	56,638	272,247	293,352	21,105	42,629	86,868	44,239	19,452	19,452	0	265,690	387,672	121,982
Research	-40,163	-42,002	-1,839	149,168	130,068	-19,100	178,999	124,045	-54,954	6,852	6,852	0	294,856	218,963	-75,893
Development Office & Alumni Relations	-83,836	0	83,836	199,125	222,539	23,414	125,018	120,968	-4,050	15,300	15,300	0	255,607	358,807	103,200
Registry	-13,115	-6,000	7,115	985,076	946,453	-38,623	85,288	106,286	20,998	66,702	66,702	0	1,123,951	1,113,441	-10,510
Academy of Sport	-763,814	-484,498	279,316	392,934	388,246	-4,688	489,410	230,301	-259,109	241,452	241,452	0	359,982	375,501	15,519
Student Support	-111,341	-91,080	20,261	837,964	1,045,798	207,834	166,025	196,770	30,745	117,348	117,348	0	1,009,996	1,268,836	258,840
Student Union	0	0	0	0	0	0	359,904	334,752	-25,152	40,020	40,020	0	399,924	374,772	-25,152
Executive Office	0	0	0	438,102	460,147	22,045	227,693	268,678	40,985	41,748	41,748	0	707,543	770,573	63,030
Grand Total	-98,648,025	-100,397,868	-1,749,843	37,090,789	38,039,176	948,387	23,971,783	27,505,651	3,533,868	2	-1,366	-1,368	-37,585,451	-34,854,407	2,731,044

LSBU Capital Forecast: January 2014

Last Updated: 10/02/2014

Key Change since last month

Current capital projects

Description	Case #	Lead	Budget	Actual	Forecast	Next 4 Yrs	Forecast Total Project Spend	Variance	Comments
				2013-14	2013-14				
Remaining costs re student centre		E&F	£7,420,000	£3,930	£660,923		£7,420,000	£0	DONE
Enterprise Centre		E&F	£13,542,000	£1,086,620		£129,000	£10,701,065	£2,840,935	Awaiting end of Defects Liability Period
Enterprise centre post completion fit out	96	E&F	£145,000	£134,099			£141,841	£3,159	DONE
Refurbishment of E-132 Food & Nutrition lab	40	E&F	£152,000	£12,698			£145,000	£7,000	DONE
CAFM System	71	E&F	£93,654	£31,979			£98,759	-£5,105	DONE
Long term maintenance: capital	72	E&F	£851,347	£311,852	£111,869		£851,347	£0	DONE
Perry Library	74	E&F	£1,937,000	£1,337,690	£474,410	£48,425	£1,937,000	£0	DONE
CWP newsroom project	86	E&F	£196,000		£196,000		£196,000	£0	ETA completion July 2014
Psychology teaching labs	89	E&F	£969,000	£623,048	£309,320	£25,000	£969,000	£0	ETA completion Dec 2014. £25K retention next fin yr.
Sports centre entrance	91	E&F	£369,000	£232,501	£7,942	£9,225	£369,000	£0	ETA completion March 2014
Kell Street improvements	92	E&F	£337,000		£328,575	£8,425	£337,000	£0	ETA completion March 2014
Rotary Street courtyard	97	E&F	£440,000	£48,693	£377,988	£9,000	£440,000	£0	ETA completion April 2014, £9K retention next fin yr.
Digital Architecture Studio	104	E&F	£530,000			£530,000	£530,000	£0	ETA completion 2015.
Petroleum Engineering Laboratory	105	E&F	£815,000		£806,250	£8,750	£815,000	£0	Start June 2014, ETA completion Sept 2014
Virtual Engineering Facility	106	E&F	£830,000		£810,176	£19,824	£830,000	£0	ETA Sept 2014. 3 linked projects
Tower Block Borough Rd - Project Based Learning for ESBE	107	E&F	£340,000		£331,500	£8,500	£340,000	£0	ETA Sept 2014. 3 linked projects
Tower Block Borough Rd - Project Based Learning L1 & quiet Social Study Space (merged with above)	107	E&F	£600,000		£152,591	£15,000	£600,000	£0	ETA Sept 2014. 3 linked projects
Confucious Institute - Redevelopment of Caxton House	TBC	E&F	£800,000			£800,000	£800,000	£0	Hanban funding annually from 2014/15 at 200k pa. So net cashflow is equal to zero by 2017/18
PC & Laptop Replacement Programme *	29	ICT	£2,060,200	£62,774	£580,528	£850,200	£2,060,200	£0	
Built Programme (Open sourced hosted VLE project)	62	ICT	£100,000				£75,474	£24,526	
Wireless microphones	68	ICT	£30,000				£44,882	-£14,882	
Additional storage	76	ICT	£175,000				£175,000	£0	
Upgrade Havering cabling	77	ICT	£61,920	£38,634	£12,243		£61,920	£0	
Inflobox device renewal	78	ICT	£110,000				£100,916	£9,084	
Additional Network Layer	79	ICT	£120,000				£135,002	-£15,002	
Replace of Life network switches	80	ICT	£264,804		£7,822		£264,804	£0	
Projector replacement	82	ICT	£98,000				£99,008	-£1,008	
User environment management	87	ICT	£255,000	£252,878			£252,878	£2,122	
ICT Distributed Telephony	90	ICT	£213,000				£165,860	£47,140	
AV equipment upgrade for teaching rooms	100	ICT	£380,000	£380,679			£380,679	-£679	
Pervasive Wireless Network on Campus	101	ICT	£989,364				£998,969	-£9,605	
Virtual Learning Environment revised B.case	103	ICT	£291,000	£132,841	£158,159		£291,000	£0	
Laptop and PC Storage Encryption	109	ICT	£54,000	£42,936	£11,064		£54,000	£0	
IBM - Data Centre Outsourcing	124	ICT	£2,257,056		£2,257,056		£2,257,056	£0	
IBM - Identity and Access Management	124	ICT	£726,561		£726,561		£726,561	£0	
IBM - Exceptional Student Experience	124	ICT	£2,734,520		£2,734,520		£2,734,520	£0	
Additional catering equipment for student centre	61	RCS	£63,000				£63,000	£0	
Integration of HR Systems	67	HR	£1,056,000		£210,000	£846,000	£1,056,000	£0	
HSC Clinical simulation support	59	Other	£94,150				£95,450	-£1,300	
Faraday Wing - Chiller replacement		E&F	£150,000				£141,849	£8,151	
Borough Road - CT Circuits		E&F	£100,000				£84,043	£15,957	
All Sites - Energy Savings Control		E&F	£100,000				£78,842	£21,158	
All Sites -General Lighting Upgrades		E&F	£150,000				£147,572	£2,428	
E, M & J Block - Heating & Hot Water Service Phase 1 of 2		E&F	£513,000				£505,109	£7,891	
Caxton House, Tower Block, Borough Road, London Road, E&J Block - Electrical & Lighting Works		E&F	£287,000				£136,126	£150,874	
Keyworth, Borough Road, Tower Block & Faraday - Heating & Hot Water Services		E&F	£238,000				£283,153	-£45,153	

LSBU Capital Forecast: January 2014

Last Updated: 10/02/2014

Key Change since last month

Current capital projects

Description	Case #	Lead	Budget	Actual	Forecast	Next 4 Yrs	Forecast Total Project Spend	Variance	Comments
				2013-14	2013-14				
Arts and Media teaching spaces	85	E&F	£992,000		£992,000				ETA completion Oct 2014
<b>Total Current Projects</b>			<b>£45,030,576</b>	<b>£4,733,850</b>	<b>£12,257,498</b>	<b>£3,307,349</b>	<b>£40,990,885</b>	<b>£3,047,691</b>	

Future projects: Likely 13/14 subject to Business Case Approval

Description	Case #	Lead	Budget	2013-14	2013-14	Next 4 Yrs			
Pedestrianisation of Keyworth Street	110	E&F	£1,856,882			£1,856,882			Start 2014/15
Replace of Life Network Switches	TBC	ICT	£54,000		54,000				
National Bakery School Redevelopment	123	NBS	£1,000,000			£1,000,000			
Relocation of ICT	TBC	E&F	£690,000		£690,000				
London Road toilets	TBC	E&F	£250,000		£250,000				ETA completion June / July 2014. Part of £1.25M LTM Capital
Campus wide heating & ventilation	TBC	E&F	£470,000		£470,000				ETA completion June / July 2014. Part of £1.25M LTM Capital
Borough Road fire safety	TBC	E&F	£330,000		£330,000				ETA completion June / July 2014. Part of £1.25M LTM Capital
London Road Radiant Heating	TBC	E&F	£185,000		£185,000				ETA completion June / July 2014. Part of £1.25M LTM Capital
<b>Total Pipeline Projects</b>			<b>£4,835,882</b>	<b>£0</b>	<b>£1,979,000</b>	<b>£2,856,882</b>			
<b>Current &amp; Pipeline Capital Projects</b>			<b>£49,866,458</b>	<b>£4,733,850</b>	<b>£14,236,498</b>	<b>£6,164,231</b>			

Future projects: Evaluation Stage

Description	Case #	Lead	Budget	2013-14	2013-14	Next 4 Yrs			
Carbon reduction	TBC	E&F	£3,600,000			£3,600,000			
Outcome of the strategic review of student residences.	TBC	RCs	£6,400,000			£6,400,000			
Telephone Systems	TBC	ICT	£200,000			£200,000			
Future ICT	TBC	ICT	£8,000,000			£8,000,000			
Technopark phase 2a and 2b	TBC	E&F	£988,000			£988,000			
Peabody Housing Association Build	TBC	E&F	£10,000,000			£10,000,000			
Peabody Housing Association / Hugh Aster - Demolitions (could be revenue)	TBC	E&F	£2,000,000			£2,000,000			
Estimate of "BIG" £10M per annum EAF projects	TBC	E&F	£40,000,000			£40,000,000			
AHS 12 Borough Road	TBC	E&F	£2,000,000			£2,000,000			ETA completion 2015/16
Small EAF projects at £5M per year	TBC	E&F	£17,200,000			£17,200,000			Small EAF projects excluding AHS 12 Borough Road and Caxton House projects
<b>Total Speculative Projects</b>			<b>£90,388,000</b>	<b>£0</b>	<b>£0</b>	<b>£90,388,000</b>			

<b>Total Closed, Current, Pipeline and Speculative Capital Projects</b>			<b>£140,254,458</b>	<b>£4,733,850</b>	<b>£14,236,498</b>	<b>£96,552,231</b>			
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Total Expenditure Over the period 2013/14 + 4 years

**£115,522,579**

**Fully Allocated Cost @ 1.8M Contribution**  
January 2014 Management Accounts

£ per Student FTE	Arts & Human Sciences		Bakery School		Faculty of Business		Engineering Science & the Built Environment		Health & Social Care	
	Home/EU	Oseas	Home/EU	Oseas	Home/EU	Oseas	Home/EU	Oseas	Home/EU	Oseas
<b>INCOME</b>	<b>£8,140</b>	<b>£4,935</b>	<b>£9,452</b>	<b>£6,667</b>	<b>£7,205</b>	<b>£6,271</b>	<b>£9,568</b>	<b>£8,030</b>	<b>£8,089</b>	<b>£7,591</b>
Staff Costs	£2,929	£2,929	£3,115	£3,115	£2,984	£2,984	£3,802	£3,802	£3,817	£3,817
UK Bursaries	£211		£121		£145		£162		£60	
Overseas Agents		£399		£583		£788		£439		£186
Other Costs	£490	£490	£1,441	£1,441	£416	£416	£588	£588	£629	£629
<b>TOTAL DIRECT COSTS</b>	<b>£3,630</b>	<b>£3,819</b>	<b>£4,677</b>	<b>£5,140</b>	<b>£3,544</b>	<b>£4,187</b>	<b>£4,552</b>	<b>£4,829</b>	<b>£4,506</b>	<b>£4,632</b>
SPACE CHARGE	£704	£704	£1,346	£1,346	£775	£775	£1,481	£1,481	£626	£626
<b>Faculty Contribution</b>	<b>£3,805</b>	<b>£412</b>	<b>£3,429</b>	<b>£181</b>	<b>£2,886</b>	<b>£1,310</b>	<b>£3,536</b>	<b>£1,721</b>	<b>£2,957</b>	<b>£2,333</b>
<b>STUDENT</b>										
Library and Learning	£344	£344	£344	£344	£344	£344	£344	£344	£344	£344
Registry	£151	£151	£151	£151	£151	£151	£151	£151	£151	£151
Academy of Sport	£18	£18	£18	£18	£18	£18	£18	£18	£18	£18
Student Support	£161	£161	£161	£161	£161	£161	£161	£161	£161	£161
Student Union	£47	£47	£47	£47	£47	£47	£47	£47	£47	£47
	<b>£721</b>	<b>£721</b>	<b>£721</b>	<b>£721</b>	<b>£721</b>	<b>£721</b>	<b>£721</b>	<b>£721</b>	<b>£721</b>	<b>£721</b>
<b>STAFF</b>										
Human Resources	£145	£145	£145	£145	£145	£145	£145	£145	£145	£145
Academic Quality & Deve	£62	£62	£62	£62	£62	£62	£62	£62	£62	£62
FRS 17	£231	£231	£231	£231	£231	£231	£231	£231	£231	£231
	<b>£438</b>	<b>£438</b>	<b>£438</b>	<b>£438</b>	<b>£438</b>	<b>£438</b>	<b>£438</b>	<b>£438</b>	<b>£438</b>	<b>£438</b>
<b>INFRASTRUCTURE</b>										
Estate / Space Charge	£670	£670	£670	£670	£670	£670	£670	£670	£670	£670
ICT	£462	£462	£462	£462	£462	£462	£462	£462	£462	£462
Corporate Services	£67	£67	£67	£67	£67	£67	£67	£67	£67	£67
Residences / Catering	-£347	-£347	-£347	-£347	-£347	-£347	-£347	-£347	-£347	-£347
	<b>£853</b>	<b>£853</b>	<b>£853</b>	<b>£853</b>	<b>£853</b>	<b>£853</b>	<b>£853</b>	<b>£853</b>	<b>£853</b>	<b>£853</b>
<b>GOVERNANCE</b>										
Finance	£248	£248	£248	£248	£248	£248	£248	£248	£248	£248
Unallocated Infrastructur	£153	£153	£153	£153	£153	£153	£153	£153	£153	£153
Executive Office	£88	£88	£88	£88	£88	£88	£88	£88	£88	£88
Company Secretary	£68	£68	£68	£68	£68	£68	£68	£68	£68	£68
	<b>£558</b>	<b>£558</b>	<b>£558</b>	<b>£558</b>	<b>£558</b>	<b>£558</b>	<b>£558</b>	<b>£558</b>	<b>£558</b>	<b>£558</b>
<b>MARKETING</b>										
UK	£283		£283		£283		£283		£283	
International Office		£1,211		£1,211		£1,211		£1,211		£1,211
Development / Alumni	£48	£48	£48	£48	£48	£48	£48	£48	£48	£48
	<b>£330</b>	<b>£1,258</b>	<b>£330</b>	<b>£1,258</b>	<b>£330</b>	<b>£1,258</b>	<b>£330</b>	<b>£1,258</b>	<b>£330</b>	<b>£1,258</b>
<b>REPUTATION</b>										
Confucius Institute	-£3	-£3	-£3	-£3	-£3	-£3	-£3	-£3	-£3	-£3
Enterprise	-£14	-£14	-£14	-£14	-£14	-£14	-£14	-£14	-£14	-£14
Nat Puri Institute	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Research	£32	£32	£32	£32	£32	£32	£32	£32	£32	£32
	<b>£14</b>	<b>£14</b>	<b>£14</b>	<b>£14</b>	<b>£14</b>	<b>£14</b>	<b>£14</b>	<b>£14</b>	<b>£14</b>	<b>£14</b>
<b>Total Central Costs</b>	<b>£2,913</b>	<b>£3,841</b>	<b>£2,913</b>	<b>£3,841</b>	<b>£2,913</b>	<b>£3,841</b>	<b>£2,913</b>	<b>£3,841</b>	<b>£2,913</b>	<b>£3,841</b>
<b>Contribution £ per Student FTE</b>	<b>£891</b>	<b>-£3,430</b>	<b>£515</b>	<b>-£3,661</b>	<b>-£28</b>	<b>-£2,532</b>	<b>£622</b>	<b>-£2,121</b>	<b>£43</b>	<b>-£1,508</b>
<b>Student FTE</b>	3,163	305	109	6	2,484	469	3,234	415	4,058	43
<b>Contribution</b>	<b>£2,820,000</b>	<b>-£1,050,000</b>	<b>£60,000</b>	<b>-£20,000</b>	<b>-£70,000</b>	<b>-£1,190,000</b>	<b>£2,010,000</b>	<b>-£880,000</b>	<b>£180,000</b>	<b>-£60,000</b>
<b>Faculty Contribution</b>	<b>£1,770,000</b>		<b>£40,000</b>		<b>-£1,260,000</b>		<b>£1,130,000</b>		<b>£120,000</b>	
										<b>£1,800,000</b>

	PAPER NO: PR.04(14)	
Board/Committee:	Policy & Resources Committee	
Date:	4 March 2014	
Paper title:	Corporate Key Performance Indicators (KPI) report	
Author:	John Baker, Corporate & Business Planning Manager	
Executive sponsor:	Dave Phoenix, Vice Chancellor & Chief Executive	
<b>Recommendation by the Executive:</b>	The Executive recommends that the Policy and Resources Committee note the report.	
Aspect of Corporate Plan this will help deliver?	The corporate KPIs are directly aligned with the Corporate Plan and allow for the monitoring of targets for the university that have been set in the Corporate Plan.	
Matter previously considered by:		On:
Further approval required?	n/a	On:
Communications – who should be made aware of the decision?	n/a	

### **Executive summary**

Following confirmation of the KPI targets for 13/14 and related rating criteria at the 21 November 2013 Board meeting, the KPI report is presented to reflect the latest KPI information in the 13/14 reporting cycle.

At this point in the year, only the finance section has been updated with forecast year-end figures from the management accounts. (These are subject to external audit approval.)

At this stage, the indicators for surplus and enterprise income have reached the threshold for reporting as red.

P&R is requested to please note the Key Performance Indicator report.

**Attachment:** *Corporate Key Performance Indicators Report*

## LSBU Corporate Key Performance Indicators (2011/12 - 2013/14)

Report Production Date: 19th February 2014

Financial Sustainability						
KPI	2011/12 Actual	2012/13 Actual	2013/14		YoY up down	
			Target	Actual (Dec MAs) within tolerance		
<b>Student Numbers &amp; Contracts</b>						
1	Recruitment against HEFCE contract	Within tolerance	Within tolerance	Within tolerance band		➔
<b>Income</b>						
2	NHS contract income (£)	On target	On target	£25.9m	£24.9	⬇
3	International student income	£9.6m	£8.8m	£9.4m	£8.5	⬇
4	Research (non-HEFCE) income (£)	£2.4m	£2.2m	£2.4m	£2.3	⬆
5	Enterprise income (£)	£10.0m	£8.4m	£9.0m	£7.5	
6	Total Income (£)	£138.3m	£138.00	£137.6m	£135.8	⬇
<b>Surplus</b>						
7	Total Surplus (% of income)	4.7%	4.50%	1.8%	1.3%	⬇
<b>Other Financial Indicators</b>						
8	Cash Balance (£)	£69.1m	£59.9 m	£48.2	tbc	
9	Gearing Ratio	0.31	£0.27	0.26	tbc	
10	Days liquidity	203	£176.00	139	tbc	
11	Staff Costs as a % of Income	<i>new indicator</i>	<i>new indicator</i>	55%	55.5%	

The Student Experience						
KPI	2011/12 (Actual)	2012/13 (Actual)	2013/14 (Target)	Current (RAG)	YoY	
<b>Student Satisfaction</b>						
12	Overall Student Satisfaction - UG (NSS) *	80%	82%	86%		
13	Overall Student Satisfaction - PG	78%	76%	80%		
<b>Student Retention &amp; Progression</b>						
14	FTUG Year 1 Progression (%)	63%	65%	65%		
15	Graduating in intended period (FTUG 3/4yrs) (%)	52%	51%	65%		
<b>Value Added</b>						
16	Employment of graduates (DLHE return)* (Employed, or studying, or both)	78.1%	77.4%	85%		
17	No. of first degree students obtaining 1st or Upper 2nd class degrees *	56.0%	58%	62%		
<b>Resource Measures</b>						
18	Spend per student (£) * (Academic Services)	£940 <i>(Complete UG 2013)</i>	£900 <i>(CUG 2014)</i>	£1,000		
19	Spend per student (£) * (Services & Facilities)	£1,062 <i>(Times GUG 2012/13)</i>	£1,110 <i>(SundayTimes/Times GUG)</i>	£1,150		
20	Staff:student ratio *	22.4:1 <i>(2011 HESA)</i>	23.7:1%	21:1		

Institution Reputation and Esteem						
KPI	2011/12 (Actual)	2012/13 (Actual)	2013/14 (Target)	Current (RAG)	YoY	
<b>League Table Ranking</b>						
21	The Times / Sunday Times	111 (of 116) <i>(2012/13 Table)</i>	118 (of 120) <i>(2014 Table)</i>	< 110		
22	The Guardian	104 (of 120) <i>(2013 Table)</i>	113 (of 119) <i>(2014 Guide - June 13)</i>	< 110		
23	The Complete University Guide	109 (of 116) <i>(2013 Table)</i>	119 (of 124) <i>(2014 Table - April 13)</i>	< 110		
<b>Subject League Tables (The Guardian)</b>						
24	No. of subjects in top 75% nationally	5 (of 17)	3 (of 21)	5 (of 15)		
25	No. of subjects in top 50% of post-1992	3 (of 17)	2 (of 21)	7 (of 15)		
26	No. of subjects in top 25% of post-1992, London	3 (of 17)	4 (of 21)	4 (of 15)		
<b>Student Perceptions</b>						
27	% of Firm acceptances against enrolment target from FTUG students prior to clearing	<i>new indicator</i>	<i>new indicator</i>	75%		
28	Early : late applications (% of FTUG enrolments arising from early/late applications)	74:26	79:21:00	80:20		
29	Financial support from donors (cash received, £)	£1.5m	£1.35m	1.4m		
30	Alumni Engagement: Number of placement, volunteer & mentor opportunities for students	<i>new indicator</i>	<i>new indicator</i>	500		
<b>Staff Perceptions</b>						
31	Staff Turnover rate	<i>new indicator</i>	<i>new indicator</i>	tbc		

\* Key league table measure

<b>KPI Notes: Measure Overview</b>	<b>Data date &amp; Source</b>	<b>Notes</b>
1-11 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>		
12 Overall Student Satisfaction - UG (NSS)	Oct/Nov 14: Ipsos Mori National Student Survey	
13 Overall Student Satisfaction - PG	Oct/Nov 14: LSBU PG Taught Survey	
14 FTUG Year 1 Progression (%)	Oct/Nov 14: LSBU Cognos PAT Reports	
15 % Graduating in intended period (FTUG 3/4yrs)	Oct/Nov 14: LSBU Registry Analysis	
<b>Value Added</b>		
16 Employment of graduates (% Employed, Studying, or both)	July 14: Hefce DLHE survey	
17 No. of first degree students obtaining 1st or Upper 2nd class degrees *	Oct/Nov 14: LSBU Registry Analysis	
tbc No. of first degree students obtaining 1st or 2nd class degrees	Oct/Nov 14: LSBU Registry Analysis	
<b>Resource Measures</b>		
18 Spend per student (£) * (Academic Services)	April/May 14: 'Complete University Guide'	
19 Spend per student (£) * (Services & Facilities)	June/July 14: Times 'Good University Guide'	
20 Staff:student ratio *	June/July 14: HESA data publication	
<b>League Table Ranking</b>		
21 The Sunday Times / Times	September 14: The Sunday Times Newspaper	
22 The Guardian The Complete University Guide	June 14: The Guardian Newspaper	
23 (formerly The Independent)	April 14: Complete University Guide website	
<b>Subject League Tables (The Guardian)</b>		
24 No. of subjects in top 75% nationally	June 14: The Guardian Newspaper	
25 No. of subjects in top 50% of post-1992	June 14: The Guardian Newspaper	
26 No. of subjects in top 50% of post-1992, London	June 14: The Guardian Newspaper	
<b>Student Perceptions</b>		
27 % of Firm acceptances against enrolment target from FTUG students prior to clearing Early : late applications (% of FTUG enrolments arising from early/late applications)	Oct/Nov 14, Marketing Analysis	
28	Oct/Nov 14, Registry Analysis	
29 Financial support from donors (cash received, £)	Oct/Nov 14, Development Office	
30 Alumni Engagement: Number of placement, volunteer & mentor opportunities for students	August 14, Development Office	
<b>Staff Perceptions</b>		
31 Staff Turnover	HR Database Analysis	

	PAPER NO:PR.05(14)	
Board/Committee:	Policy and Resources Committee	
Date:	4 <sup>th</sup> March 2014	
Paper title:	OFFA Access Agreement for 2015 entry	
Author:	Prof Phil Cardew, Pro Vice Chancellor (Academic)	
Executive sponsor:	Prof David Phoenix, Vice Chancellor	
<b>Recommendation by the Executive:</b>	Policy and Resources Committee is asked to note the paper and approve the maintenance of current levels of student support within the 2015 Access Agreement	
Aspect of the Corporate Plan to which this will help deliver?	Student Success	
Matter previously considered by:	N/A	On:
Further approval required?	Board (for noting)	On: 20 March 2014
Communications – who should be made aware of the decision?	Will be communicated with all applicants in the normal way.	

### **Executive summary**

1. The delay of the funding letter from the Department of Business, Information and Skills to the Higher Education Funding Council (which was, eventually, received by HEFCE on 7<sup>th</sup> March<sup>1</sup>) has, in its turn, had an impact upon the timing of the submission of Office for Fair Access Agreements for 2015.
2. To-date, full details of the requirements for Higher Education Providers in submitting draft agreements (and the deadlines for submission and approval) have not yet been released. However, the Office for Fair Access has signalled that, due to these delays, its expectations will be broadly similar to those for the

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<sup>1</sup> The funding letter is included as an appendix to the whole pack for information



2014 Agreement. The Executive proposes to make no material change to the levels and terms of funding made available to students in 2014.

3. There will be an additional expectation, this year, for Higher Education Providers to make a submission to HEFCE relating to the receipt of Student Opportunity Funding. HEFCE have, to-date, not released any further information as to what this will entail, but it is likely that it will include an element of competition for existing funding.

### **Office of Fair Access Agreement for 2015:**

#### **Summary of terms:**

- Full-time Undergraduate Fee: £9000
- Full-time Undergraduate Fee at partner colleges: up to £5,950
- Part-time fees reflect the bursary elements available to full-time students.
- No bursary for part-time students or students on Postgraduate Certificate in Education Courses. (However, Care Leavers in these categories will continue to receive targeted support.)
- Subject to government decisions over fee levels, in the future, an inflationary increase may be made to the basic fee (for continuing students).

#### **Support Package:**

- Support is only available to students with a residual household income lower than £25,000 per annum.
- The maximum bursary for new entrants is £2000, payable as a cash bursary.
- Within the overall limits of funding, students are allotted support on a points-based system which reflects the following:
  - Care leaver – 5 points
  - In receipt of Special Support Grant - 4 points
  - From a 'tier 1' partner school or college – 3 points
  - Having a declared residual household income of between £0 and £15,000 – 2 points.
  - Having a declared residual household income of £0 – 1 point.
- Students do not need to apply for a bursary, funding will be allotted (based on the above criteria) to those who score most highly (within the overall limits of funding).

- To support other progression incentives, students with 'clean' progression at level 4 (i.e. with no re-sits or outstanding modules) will receive an additional bursary, upon re-enrolment, of £500.
- Care leavers will receive an additional £1000 travel allowance.
- All students with a UCAS tariff that places them within the 'ABB+' equivalent category, will receive a scholarship of £1000 as a cash bursary (in addition to other bursary awards).

	PAPER NO: PR.06(14)	
Board/Committee:	Policy and Resources Committee	
Date:	4 <sup>th</sup> March 2014	
Paper title:	Governance Effectiveness Review Plan	
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 committee recommend the proposed approach to the Governance Effectiveness Review	
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?	Published on the LSBU website	

### **Executive Summary**

Regular board effectiveness reviews (at least every 5 years) are a recognised part of good corporate governance in higher education. The Board last reviewed its own effectiveness in 2010. Following the appointment of the new Vice Chancellor, it is timely to substantively review the effectiveness of LSBU's governance arrangements.

In line, with CUC guidance it is proposed that the effectiveness of the Board, its sub-committees, the Executive and the Academic Board are reviewed.

The committee is requested to consider the proposed approach and recommend to the Board of Governors.

## **Governance Effectiveness Review 2014 Plan**

### **Introduction**

The Board last conducted a review of its own effectiveness in 2010. Individual committee effectiveness was reviewed in 2011/12. The Audit Committee reviews its effectiveness annually.

The CUC Code of Governance recommends that “not less than every five years [the Board] shall undertake a formal and rigorous evaluation of its own effectiveness, and that of its committees, and ensure that a parallel review is undertaken of the academic board and its committees. In reviewing its performance, the Board shall reflect on the performance of the institution as a whole in meeting long-term strategic objectives and short-term KPIs”. In addition, the UK Corporate Governance Code recommends that evaluation of the Board should be externally facilitated every three years.

### **CUC/LFHE Framework**

The CUC and LFHE have produced a self-assessment framework for HE governing bodies to use to review their effectiveness and it is recommended that this framework is used for this review.

The framework and associated questionnaire is divided into three main elements:

- The enablers of an effective governing body
- Working relationships and boardroom behaviour
- The outcomes of an effective governing body

### **Proposed process**

The review will cover both corporate governance and academic governance processes. This will therefore include a review of the effectiveness of (i) the Board and its sub-committees; (ii) the Executive; and (iii) the Academic Board and its sub-committees.

It is proposed that the review of the Board is undertaken by an external facilitator using the CUC/LFHE framework as the basis for the review.

The facilitator will be appointed following a mini-tender process overseen by the Chair of the Board. The facilitator will then be able to advise the Chair of the Board and the Secretary on how best to run the review.

Typically governance reviews are a three stage process:

1. The facilitator undertakes a desktop based review of governance structures and procedures
2. Governors fill out the questionnaire and then participate in follow up interviews with the facilitator.
3. The facilitator observes the dynamics of a Board meeting.

Findings of the review with suggested actions are then written up by the facilitator and submitted to the Board for consideration.

The review of the Executive and the Academic Board will be undertaken by questionnaire of members.

**Timescale**

March - The Board will consider the proposal and objectives at their meeting of 20<sup>th</sup> March 2014.

April – Undertake mini tender and appoint external facilitator

May – Commence review including observing the May Board meeting

July – final report to Board

# London South Bank University

	PAPER NO: PR.07(14)	
Board/Committee:	Policy and Resources Committee	
Date:	4 March 2014	
Paper title:	London Pension Fund Authority 2013 Fund Valuation	
Author:	Richard Flatman – Chief Financial Officer	
Executive sponsor:	Richard Flatman – Chief Financial Officer	
<b>Recommendation by the Executive:</b>	The Executive recommends that Policy and Resources Committee note the position as reported below.	
Aspect of the Corporate Plan to which this will help deliver?	Financial sustainability	
Matter previously considered by:	Human Resources Committee	On: 24 <sup>th</sup> Feb 2014
Further approval required?	Board (for information)	On: 20 <sup>th</sup> March 2014
Communications – who should be made aware of the decision?	N/A	

## Executive summary

This paper is coming to Committee because pension cost and provision continues to be one of the most significant issues impacting the future financial sustainability of the University.

The 2013 actuarial valuation for the LPFA (support staff) pension scheme has recently been received and this could have a significant adverse impact on the University's future cashflows as a result of:

- Revised employer category ratings being introduced which reflect HE as a higher risk than previously, and a higher risk than most other employers in the fund

- A lower discount rate being used (to reflect the higher risk) which is driving a higher value of liabilities
- A change in fund strategy which requires annual lump sum cash contributions to clear current scheme deficits over a shorter time period (17 years)

**Attachment**

Appendix 1 - Individual employer results for LSBU

Appendix 2 – Funding Strategy Statement (FSS) new employer categories

## 1. Current pension schemes

The University currently operates three defined benefit pension schemes, the Teachers Pension Scheme (TPS) and Universities Superannuation Scheme (USS) for Academic staff and the London Pensions Fund Authority (LPFA), part of the Local government pensions scheme (LGPS) for support staff.

The University has also recently established a defined contribution scheme which at present applies only to a small number of staff employed directly by SBUEL.

## 2. Accounting requirements

The accounting requirements for each scheme are different.

For the TPS and the USS schemes the cash contributions paid each year represent the I&E cost.

We are required to account for the LPFA in accordance with FRS17 and the contributions paid represent a balance sheet movement. The I&E charge each year for the LPFA comprises the following elements:

- the current service cost, representing the value of future retirement benefits earned by staff during the year, plus
- a pensions interest charge based on the extent of the opening liabilities, minus
- a credit representing the expected return on the pension scheme assets.

## 3. Current cost of the LPFA scheme

The cost of the LPFA scheme is summarised below (based on 2013 data):

Membership	Support staff
No of active members	555
Pensionable payroll	£18.4m
Current employer contribution	20.80%
Contribution (£000's)	3,834
Current service cost (000's)	4,449
Pension interest charge (£000's)	6,134
Expected return on scheme assets (£000's)	-4,173
Losses on curtailments/settlements (£000's)	307
Total I&E charge (£000's)	6,717



To summarise:

Annual cash contribution in respect of the LPFA scheme is currently £3.8m

The I&E charge in the 2012/13 accounts was £6.7m

#### **4. Changes proposed**

The scheme is subject to triennial valuation and we have recently received the outcome of the latest valuation at 31 March 2013.

The individual employer results for LSBU are attached.

The results at fund level for the scheme as a whole show that the general position has improved with the fund now funded at 91% compared to 83% at the 2010 valuation. The results for LSBU are significantly different with a funding level of 69%.

The funding level is primarily driven by the discount rate used by the fund actuary in determining the value of liabilities. For LSBU (and other HEI's in the scheme) a reduced discount rate (5.2%) has been used by the actuary, thereby increasing the value of our liabilities.

The reason for the lower discount rate does not reflect the performance of LSBU but rather the fact that employer category ratings have been redesigned to reflect risk assessment, annual employer covenant reviews and levels of guarantees or securities (see appendix 2). LSBU is now ranked as Category C1 – category A being the highest and category C the lowest. Previously the University was ranked as category A.

All other HEI's are similarly rated as category C. The principal reason for this is that

- BIS recently confirmed to the LPFA that ‘the Department has no responsibility for any university’s financial commitments or liabilities’
- Given that BIS had confirmed that it did not provide a Crown guarantee which would underpin membership of the Fund, LPFA will be looking to participants to provide collateral to cover pension deficits, where appropriate.
- Unlike local authorities we have no tax raising powers.

LPFA make clear that in a multi-employer fund if an employer with a high credit risk is unable to meet their pension liabilities then those liabilities are spread across all fund employers. The aim of their new funding strategy is to look to prevent stronger employers in the fund having to inherit those liabilities. Hence those employers with a lower strength of covenant being set a lower discount rate thereby driving higher

liabilities and paying higher contributions to return them to a fully funded position as soon as possible.

A further change has been made to the strategy which would have a significant impact on the University's future cashflows. In the past a cash contribution rate was set based on the most recent actuarial valuation. For LSBU, the current employer contribution rate is 20.8%. On our pensionable LPFA payroll cost of £18.4m the current contribution is £3.8m pa. This cash contribution was set at a level to cover the cost of future benefits and clear the current deficit in the scheme.

The 2013 valuation sets:

- a contribution rate (18.4% for LSBU) to cover the cost of future service, plus
- an annual lump sum cash payment to clear the deficit over a much shorter deficit recovery period (17 years).

The effect of this change in approach is that our future annual total cash contribution (from April 2014) will rise close to £6m rather than the current £3.8m with the annual lump sum to clear the deficit being close to £3m and rising at 4.5%pa.

This change in approach would not directly impact the I&E and would help reduce the LPFA pension deficit more quickly. However, it would have a real impact on the University's cashflows at a time when we are already seeking to increase investment without additional borrowing. Unless we wish to scale back the level of investment, the only real alternative is to generate additional cash reserves through improved bottom line financial performance and hence this will ultimately have an impact on I&E.

The recent guidance also makes clear that it would be possible to improve the employer category rating and move to category B (or even A) through forms of guarantee or security eg formal security over assets, an escrow account or a letter of credit or bond.

## **5. Action required**

LSBU is required to acknowledge the results and confirm any payment decisions effective 1 April 2014 by 12 March 2014. If negotiations have not reached a conclusion by 12 March the default option recommended by LPFA will be imposed.

## **6. Next steps**

The following actions are being taken:

- We have already expressed our concern direct to LPFA regarding the revised employer ratings and the low discount rates used
- We are liaising with other post 92 London HEIs similarly affected
- London Higher is organising a meeting with the institutions affected and has already raised the issue with HEFCE
- We are in consultation with a pensions expert from PwC who can advise on strategy and assist with LPFA negotiations
- A meeting with LPFA has been set for 14 February
- Through Estates & facilities we are looking at potential options in terms of security.

Employer information	
Employer Code	511
Employer Name	South Bank University
Funding Pool	Individual
Open/Closed to new entrants	Open

2011 to 2014 contribution rate summary	£000's
Rate from 2010 valuation	20.8%
Lump sum for 2013/14	0
Employer contributions in 2012/13 (estimated based on payroll at 31 March 2013)	3,834

2014 to 2016 contribution rate summary			
Category	Ongoing		
Discount Rate	5.2% per annum		
Deficit Recovery Period	17		
	<u>1 April 2014 to 31 March 2015</u>	<u>1 April 2015 to 31 March 2016</u>	<u>1 April 2016 to 31 March 2017</u>
Salary element of rate to cover new benefits	18.4%	18.4%	18.4%
Lump sum element of rate (in £000's) to pay towards the deficit	2,562	2,677	2,797
Projected employer contributions in 2013/14 (also based on payroll at 31 March 2013)	5,951		

*Note: The main reason for the increase in the contributions is that the LPFA Pension Fund has revised its funding strategy to allow for individually assessed employer risk, as described in the cover letter.*

Data summary (Individual employer)	31/03/2013		31/03/2010	
	Number	Salaries/pensions	Number	Salaries/pensions
Actives	555	18,432	611	19,455
Deferred pensioners	884	1,789	818	1,355
Pensioners	538	3,253	469	2,446

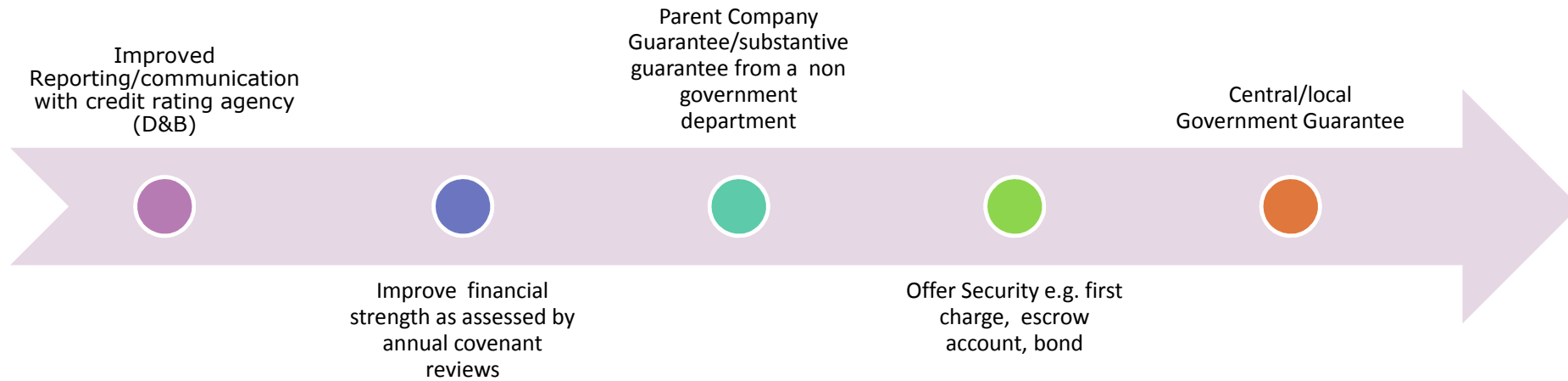
Balance Sheet	31/03/2013	31/03/2010
<b>Employers:</b>	<b>Individual</b>	<b>Individual</b>
	<b>£000's</b>	<b>£000's</b>
Active Liability	51,693	38,571
Deferred Liability	31,005	15,243
Pensioner Liability	50,682	34,713
Total Liability	<b>133,380</b>	<b>88,526</b>
Assets	<b>92,173</b>	<b>67,176</b>
Surplus/(Deficit) at 31 March 2013	<b>(41,207)</b>	<b>(21,350)</b>
Funding Level	<b>69%</b>	<b>76%</b>

Reconciliation	
Employers:	Individual
<b>Surplus/(Deficit) at 31 March 2010</b>	<b>(21,350)</b>
Updated 2010 results	-
Interest cost on deficit	(4,585)
Net market changes, and changes in asset allocation	(9,987)
Contributions vs cost of accrual	4,669
Member experience	10,387
Changes in the assumptions used to value the liabilities	(1,212)
Change in funding approach	(19,129)
<b>Surplus/(Deficit) at 31 March 2013</b>	<b>(41,207)</b>

# Improving Your FSS Rating



your pension our world



# FSS Categorisation



your pension our world

## Category A:

- Employers with tax raising powers
- Employers with a government guarantee
- Employers that provide LPFA with substantial security\*

## Category B:

- Employers that provide LPFA with significant security\*\*
- Employers that provide a credible parent company guarantee
- Employers that receive implicit support from the government

## Category C1/C3:

- Employers that are low risk with strong financial statements
- Employers that provide LPFA with some security\*\*\*

*\*Security that is at least 70% of cessation deficit*

*\*\*Security that is valued 40-69% of cessation deficit*

*\*\*\* Security that is at least 20% of the cessation deficit*

	PAPER NO: PR.08(14)	
Board/Committee:	Policy and Resources Committee	
Date:	4 March 2014	
Paper title:	Annual Report on Fundraising	
Author:	Mike Simmons, Director of Development and Alumni Relations	
Executive sponsor:	Bev Jullien, Pro Vice Chancellor (External)	
Recommendation by the Executive:	That the committee note the report	
Aspect of the Corporate Plan to which this will help deliver?		
Matter previously considered by:	P&R	On: Annually
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?		

### **Executive Summary**

This report contains the annual report on fundraising activity and the annual report on matters arising from the University Policy on Gift Acceptance.

LSBU once again remained in the top 10% of Post-92 universities for fundraising. The University received £1,025,000 in philanthropic income. In addition, pledges of gifts in kind over the next 5 years to the National Bakery School amounted to £350,000.

During 2012/13 the Development Office has not been informed of or identified any gifts, grants or commercial sponsorship which have been accepted or solicited in breach of the policy on Gift Acceptance.

The committee is requested to note the report.

## **Annual Report on Fundraising**

1. LSBU once again remained in the top 10% of Post-92 universities for fundraising. The University received £1,025,000 in philanthropic income as defined by the sector standard, the Ross-CASE survey of giving to Higher Education. In addition, pledges of gifts in kind over the next 5 years to the National Bakery School amounted to £350,000. This compares with income last year of £490,000, although there was a substantial drop in the three year rolling average of gifts received as a result of a very successful year (2010/11) falling out of the figures.
2. The fundraising focus of the year was the National Bakery School. In addition, new approaches to the University's Annual Fund programme were piloted. Significant advances were made in the University's Alumni Programme.

## **National Bakery School**

3. During 2012/3, fundraising activity was focused on the project to re-develop the National Bakery School. The objectives were a) to secure cash and in-kind gifts for the re-development of the School; b) to engage companies with an interest in the School in support of our employability objectives through placements, guest lectures, etc; c) to secure training contracts with leading bakery companies.
4. We ran a substantial prospect cultivation programme. This included press activity, presentations to the industry and distribution of promotional material about the School. We directly approached approximately 50 bakery companies and leading individuals in the industry. To date we have secured £350,000 in cash funding from the Weston Foundation, alumni and companies. We have secured commitments of a further £350,000 of gifts in-kind in the form of discounts on equipment and the annual provision of free baking supplies. We have secured many offers of student placements, site visits and guest lectures and are in discussion with Morrison's, Sainsbury's and Tesco about providing commercial training for their bakery staff. This programme of fundraising and engagement is on-going.

## **Other Development Activities**

5. Our success in engaging the baking industry has led us to implement similar development programmes in other areas. In particular, we have approached leading companies with the ability to support our employability objectives in two key areas. The first of these is our media degree programmes, and we have held meeting with companies including ITV, BBC and WPP. We have also



# London South Bank University

approached companies with an interest in our enterprise activities and have opened discussions with Lloyds TSB and others. In addition, we are working with other leading companies in which we have alumni contacts eg Dyson, Computacenter and Stanhope, to discuss placements, curriculum development and other joint activity.

## Annual Fund Programme

6. The Annual Fund is the accumulation of gifts of up to £5000. These are secured through direct mail, email, meetings and the University's extensive telephone fundraising programme. This year the Annual Fund amounted to just over £40,000 from around 500 gifts. Funds have been allocated to supporting postgraduate scholarships and additional books for the University library.
7. The telephone programme, which is the source of most gifts, has four objectives: to secure gifts for the annual fund; to secure other forms of support (eg mentoring); to update alumni records; and to maintain and build the University's relationship with individual alumni.
8. This year we spoke to over 5600 alumni; updated or enhanced over 2800 records, secured nearly 500 gifts including over 60 new monthly gifts by direct debit and secured offers of mentoring and other engagement (see below). The percentage of alumni making a gift was 0.67%, compared to an average amongst Post-92 Universities of 0.24% demonstrating the relatively high level of engagement we are achieving with many alumni.
9. We continued to test new approaches to the Annual Fund programme. We piloted an increase in calling and new direct mail and email marketing activities. Based on the results we are will be increasing our email, direct mail and legacy calling programmes and introducing a new book sponsorship programme.

## Alumni Programme

10. During 2012/3, activity to strengthen the University's relationships with alumni was grown substantially. The year saw the launch of a chapter of the Alumni Association for retired staff, in support of our legacy programme; three joint events with the Students' Union to promote the benefits of engaging with Alumni Association; increased communications with honorary graduates and fellows who became honorary members of the Alumni Association and were invited to a wide range of events. The Alumni Job Board was launched and this will be supported by a new mentoring programme which is to be launched in autumn 2013.

11. There was a substantial increase in events for alumni. These ranged from a 120 year reunion with Richard Farleigh for over 200 guests, to a highly targeted event for a small cohort of business students. Other events included a private reception for leading alumni at Home House and our first alumni event in China. Already planned for 2013/14 are another reception for leading alumni at Home House hosted by the Chancellor; a private event for senior property alumni hosted by a leading alumnus; and an alumni reception at the House of Lords hosted by former LSBU Vice Chancellor, Baroness Pauline Perry. The increasing level of engagement with alumni, including honorary graduates, is securing support for the University in a number of ways including guest lectures, introductions to corporate contacts, curriculum advice, placements, political advice, mentoring and hosting events.
12. In benchmarking with other Alumni Relations offices of other Post-92 Universities (based primarily on 2012 data), LSBU scored highly in terms of number of event attendees. It scored less well in terms of alumni volunteers. This has therefore been a focus during 2013. This year, using Connected, the alumni website, email and the telephone programme, we secured high levels of interest in engaging with the University including: Placements (525); Giving talks (175); Mentoring (225); Participating in Alumni Groups (250); General Volunteering (160); Providing Case Studies (185); Other company involvement (575). Investment in the University's Student Services programme and the implementation of a new mentoring software solution will facilitate this programme.

### **2012/3 Report on Matters Arising from University Policy on Gift Acceptance**

13. This policy was approved by the Board of Governors in October 2012. The aim is "to ensure that the University's reputation and operation are not adversely affected by its acceptance of financial or other donations and that due diligence is maintained in regard to the acceptance of donations to the University". The key points of the policy are:
- "We do not accept gifts, grants or commercial sponsorship for University activities where the funding comes from an individual or organisation whose activities are counter to the recipient area of the University
  - We do not enter into relationships which the University believes might compromise the independent status of LSBU or bring the name of LSBU into disrepute. We establish our principles including academic freedom independently or any funding opportunities.

# London South Bank University

- Donations, grants or commercial sponsorship are only accepted in accordance with the requirements of the UK Bribery Act 2010.
- We do not accept donations above £1000 from current students (or known related parties) without the express permission of the Vice Chancellor.”

14. The Development Office has not been informed of or identified any gifts, grants or commercial sponsorship which have been accepted or solicited in breach of this policy.

	PAPER NO: PR.9(14)	
Board/Committee:	Policy and Resources Committee	
Date:	4 March 2014	
Paper title:	Annual Report on Charitable Funds Expenditure	
Author:	Mike Simmons, Director of Development and Alumni Relations	
Executive sponsor:	James Stevenson, University Secretary and Clerk to the Board of Governors and Bev Jullien, Pro Vice Chancellor (External)	
<b>Recommendation by the Executive:</b>	That the committee note the report	
Aspect of the Corporate Plan to which this will help deliver?		
Matter previously considered by:	Executive	On: December 2013
Further approval required?		On:
Communications – who should be made aware of the decision?		

### **Executive Summary**

The University holds a number of charitable funds split into historic endowments and other charitable funds. This is the first annual report to the Policy and Resources Committee on charitable funds expenditure following the closure of the Charitable Funds Committee.

When closing the Charitable Funds Committee the Board agreed:

- that the Charitable Funds Committee is wound up and its scrutiny role passed to P&R.
- Once the Charitable Funds Committee is wound up, that P&R will note an annual report on the amalgamated charitable funds received, held and

# London South Bank University

distributed. This will include expenditure of income raised by the Development and Alumni Relations Office as well as from the historic charitable funds.

- In addition P&R will receive an annual report on the performance of the invested funds, currently managed by Sarasin.

The committee is requested to:

- note the report on historic endowments held and distributed
- approve the attached standing order on the distribution of income
- note the report on the performance of Sarasin and review the investment mandate
- note the report on other charitable funds held by the University

**Annual Report on Charitable Funds Expenditure, 2012/13**

- 1) This report is set out in three sections:
  1. Historic Endowments held and distributed by LSBU, 2012/13
  2. Performance of Sarasin
  3. Other Charitable Funds held and distributed, 2012/13

**Historic Endowments Held and Distributed by LSBU, 2012/13**

- 2) The University holds £694,306 (31 July 2013) in a number of charitable endowments which are in the process of being amalgamated (following approval by the Board in March 2013) – please see Appendix 1. Income for the year 2012/13 was £25,367 of which £16,515 was distributed to students as follows:

Hardship awards	£4705
Prize Fund	£110
Prudential Product Championship (for product design prizes)	£11,000
Fitzgerald M/Fund	£200
Minerva Scholarship	£500
<b>Total</b>	<b>£16,515</b>

- 3) The Hardship Awards Panel made 25 grants of between £100 and £550 to individual students in financial need due to issues caused by illness, housing issues or bereavement.
- 4) For 2013/14, following the amalgamation of the funds, it is planned that from the income, £4,000 is designated to the provision of the Richard Davis Scholarship (for architecture) and £2,000 is designated to the provision of prizes by the four Faculties. The use of the remaining income will be determined by the Vice Chancellor. It is currently designated for distribution by the University's Hardship Awards Panel to students in unforeseen financial difficulty. The Committee is requested to approve the Standing Order for distribution of income – Appendix 2.

**Performance of Sarasin**

- 5) The capital of the historic endowments is invested and managed by Sarasin whose performance used to be overseen by the Charitable Funds Committee and will now be reviewed in year by members of the Executive with P&R receiving an annual report on performance. The funds are managed with the aim of securing capital growth and an annual income. Summary of the portfolio and the investment mandate of Sarasin is set out in Appendix 3. Target income is £23,250 against which Sarasin delivered £24,274 for 2012/13. The target for capital growth is to exceed the WM Charity Survey by 1% p.a which was 18% (before costs) for 2012/13. Capital growth of the fund was 18.7% for the year (after costs). This is the rounded figure of 13.7% capital growth (£610,597 as at 31 July 2012 to £694,306 as at 31 July 2013) plus 3.8% income return. The committee are requested to review the investment mandate and targets.

**Summary of other charitable funds held by the University at 31/7/13**

	<b>Held 31/7/13</b>	<b>Distributed 2012/3</b>
Nathu Puri Scholarships	£42,184	£19,787
Kevin Herriott Scholarships	£13,888	£0
Frank Brake Scholarships	£17,816	£18,860
Esmond Robinson Scholarship	£7,888	£3,650
Sylvana Chiappa Bursaries	£17,870	£3,750
British and Foreign Schools	£3,725	£300
Sir John Cass HE Fund	£18,448	£11,844
Hitesh Tailor Lectures	£15,175	£0
Human Nutrition Research	£15,041	£0
Prize Funds	£3,693	£200
Grimshaw Architects Fellow	£0	£2,907
Nathu Puri Institute	£1,428,446	£89,863
National Bakery School	£303,982	£0
Stuart Johnson Scholarship	£4,000	£4,000
Esmond Robinson Scholarships	£5,188	£3,650
Law Centre programme	£0	£2,469
Heritage Lottery Fund	£0	£63,603 *
Teenage Cancer Trust research	£0	£30,000 *
Confucius Institute	£0	£568,000 *
<b>Total</b>	<b>£1,897,344</b>	<b>£822,883</b>

\* Distributed directly to University Departments, according to donors' intentions & restrictions

<b>Unrestricted Funds Allocated</b>	<b>£132,386</b>
Advisor in Library	£18,000
Student Support Advisor	£23,000
Additional Library books	£25,000
Vice Chancellor's Scholarships 2012/3	£17,900
Vice Chancellor's Scholarships 2013/4	£48,486



**London South Bank University  
Charitable Funds**

**Report for the period  
ended 31 July 2013**

Schedule 1 - Endowment fund movements for the quarter ended 31 July 2013

	Balance at 01/08/2012 £	Increase in fund value £	Balance at 31/07/13 £
General Endowments	641,321	88,691	730,011
<b>Grand Total</b>	<b>641,321</b>	<b>88,691</b>	<b>730,011</b>

Schedule 2 - Cumulative income and expenditure to 31 July 2013

	Interest and dividend income £	Awards to students £	Net Income in year to date £
General Endowments	25,367	(16,515)	8,852
<b>Grand Total</b>	<u><u>25,367</u></u>	<u><u>(16,515)</u></u>	<u><u>8,852</u></u>

<b>Breakdown of Income by Investment Managers</b>	
	£
Sarasin and Partners	24,257
BlackRock	1,043
CCLA Investment Managers Ltd - Cyril Flisher	67
	<u><u>25,367</u></u>

**Schedule 3 - Endowment assets at 31 Jul 2013**

Market value as at:	31-Oct-10	31-Dec-10	31-Mar-11	31-Jul-11	31-Oct-11	31-Jan-12	31-Mar-12	31-Jul-12	30-Sep-12	30-Apr-13	31-Jul-13
<b>Fixed Interest</b>											
ALPHA CIF for Endowments (Income)	474,433	501,604	527,653	505,383	477,594	485,938	503,609	493,492	505,449	564,639.00	572,851
ALPHA CIF for income and Reserves (Income units)	107,282	107,389	114,220	114,175	111,897	113,888	115,617	117,105	118,822	124,546.00	121,455
<b>Equities</b>	31,632	32,685	32,822	31,920	30,337	30,303	31,222	30,724	31,242	34,759.99	35,705
<b>Cash (Capital Account)</b>	1,455	1,456	3	-	-	-	-	-	-	-	-
<b>Total</b>	<b>614,802</b>	<b>643,134</b>	<b>674,698</b>	<b>651,478</b>	<b>619,828</b>	<b>630,129</b>	<b>650,448</b>	<b>641,321</b>	<b>655,513</b>	<b>723,945</b>	<b>730,011</b>
<b>Book Cost (+ cash)</b>	<b>462,040</b>	<b>462,040</b>	<b>462,040</b>	<b>462,040</b>	<b>462,040</b>	<b>462,040</b>	<b>462,040</b>	<b>462,040</b>	<b>462,040</b>	<b>462,040</b>	<b>462,040</b>

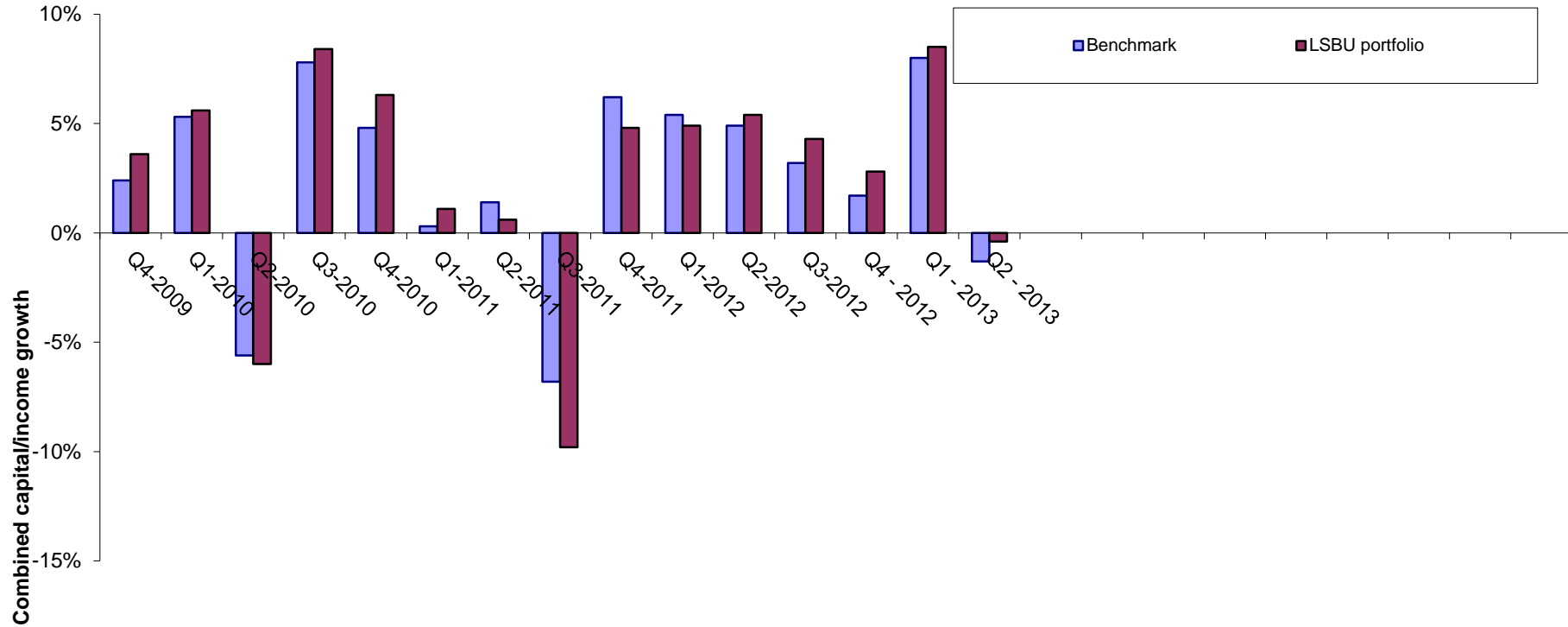
Market value as at:
Fixed Interest
Equities
Cash (Capital Account)
Total

Book Cost (+ cash)
--------------------

Income Received for the year ended 31 July 2010	19,611
Income Received for the year ended 31 July 2011	22,618
Income Received for the year ended 31 July 2012	24,927



### Schedule 4: Performance of LSBU equity portfolio



\*Since June 2009, all LSBU's equity holdings are invested in the Sarasin & Partners Alpha CIF for Endowments(Income units) and Alpha CIF for Income and Reserve (income units), whose investment objective is to achieve a total return (capital and income) ahead of the benchmark.

\* **Portfolio benchmark:** EPRA/NAREIT Total Return (GBP) (Global) (3.5%) FTSE All-Share 5% capped (Total Return) (UK) (50.00%) FTSE Gilts All Stocks (Total Return)(12.50%) FTSE World Ex-UK (Total Return)(20.00%) IPD Monthly (UK)(4.00%) JP Morgan World Bonds Ex-UK (5.00%) UK cash LIBOR 1 month (Total Return)(5.00%).

## Schedule 5: Total assets held by investment managers at 31 Jul 2013

1) Total assets held by investment managers	£
Sarasin & Partners report	694,306
Blackrock - Charishare assets	34,509
CCLA Investment Management Limited - COIF assets	1,196
<b>Assets per schedule 3</b>	<b><u>730,011</u></b>

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**Standing Order for the Distribution of Income from the University's Charitable Fund**

**Introduction**

1. The University invests the capital of its Charitable Fund in order to receive an income to distribute to students by way of hardship grants, scholarships and prizes.
2. The investment policy and income target is set by the Policy and Resources Committee.

**Fixed Distributions**

3. Subject to satisfactory income, up to £4000 shall be made available each year for postgraduate or PhD architecture students. The award shall be called the "Richard Davis Architecture Scholarship". This income shall be distributed by a Panel of academic staff from the subject area of Architecture.
4. Subject to satisfactory income, £500 shall be made available to each faculty (or equivalent) to award as prizes. The Dean of each faculty (or equivalent) shall decide the criteria for these prizes.
5. If income targets are not met the level of income available for the awards specified above will be reduced proportionately.

**Other Distributions**

6. The Vice Chancellor, on the recommendation of the Director of Development, decides how the remaining income is to be distributed to students, where possible as hardship grants.

**Review**

7. The provisions of this document shall be reviewed every three years or sooner if necessary.

*Approved by P&R on ..... 2014*  
*Date of next review: July 2016*



# London South Bank University

	PAPER NO: PR.10.(14)	
Board/Committee:	Policy And Resources Committee	
Date:	4 March 2014	
Paper title:	Treasury Management Report	
Author:	Brian Wiltshire, Treasury Manager	
Executive sponsor:	Richard Flatman, Chief Financial Officer	
<b>Recommendation by the Executive:</b>	The Executive recommends that the Committee note the contents of this report.	
Aspect of the Corporate Plan to which this will help deliver?	Financial Management /Sustainability	
Matter previously considered by:	Policy & Resources Committee	On: Each Meeting
Further approval required?	N/A	
Communications – who should be made aware of the decision?	N/A	

## Executive summary

1. The University's total bank balances were £48.5m at 31 January 2014. This compares to £54.8m at 31 August 2013 and £69.2m at 31 January 2013. Interest earned for 5 months from 1 September 2013 - 31 January 2014 was £96k. Treasury Management during the period has been in compliance with agreed treasury policy.
2. Appendix A shows the monthly summary of closing bank balances and deposits as at 31 January 2014.

## Balances at 31 January 2014

3. The total bank account balance at 31 January 2014 was £48.5m compared to £54.8m at 31 August 2013. The cash outflow has been funded by withdrawing funds from deposits held with Nat West and Bank of Scotland. A detailed breakdown showing the individual accounts held is shown in Appendix A.

## Cash Balances and term deposits

4. The table below shows interest received in the 5 months to 31 January 2014 compared to budget and prior year.

<i>Period</i>	<i>Actual to 31 January 14 £'000</i>	<i>Budget to 31 January 14 £'000</i>	<i>Actual to 31 January 13 £'000</i>
Amount	96	206	188

5. Interest received in the 5 months to 31 January 2014 is £110k below budget and £92k lower than the same period last year. The variances reflect continued reductions in interest rates as set out below

<i>Banks</i>	<i>Deposit £</i>	<i>31 January 2014</i>			<i>31 January 2013</i>		
		<i>6 Mth FTD<sup>1</sup></i>	<i>3 Mth FTD<sup>1</sup></i>	<i>Instant Access</i>	<i>6 Mth FTD<sup>1</sup></i>	<i>3 Mth FTD<sup>1</sup></i>	<i>Instant Access</i>
Lloyds	£10M		.76%		1.60%		
Bank of Scotland	£5M		.85%			1.15%	
Scottish Widows 7 Day Notice	£5M			.40%			1.85%
Scottish Widows Inst. Access	£5M			.40%			1.50%

<sup>1</sup> Fixed Term Deposit

6. The interest of £96k received in the 5 months to 31 January 2014 is analysed below:

<b>Bank</b>	<b>Account Type</b>	<b>Current Interest rate</b>	<b>Interest Received for 5 Months £'000</b>	<b>Calendar YTD Interest Received £'000</b>	<b>Balance held £'000</b>
Bank of Scotland	Inst. Access	0.40%	5.2	18.6	726
	Fixed Deposit	0.85%	9.8	44.8	5,226
Lloyds	Inst. Access	0.50%	0.2	0.2	-
	Fixed Deposit	0.76%	21.9	139.8	10,415
Barclays	Inst. Access	0.60%	8.3	69.9	8,286
NatWest	Inst. Access	0.55%	18.2	72.6	5,806
NatWest Euro	Inst. Access	0.00%	0.0	0.0	1,164
HSBC Deposit	Inst. Access	0.05%	0.0	0.0	7
HSBC €Liq.	Inst. Access	0.00%	0.0	0.0	662
HSB C Euro	Inst. Access	0.00%	0.0	0.0	-
Prime Rate £ Liq.	Inst. Access	1.02%	12.6	36.2	5,152
Scottish Widows	7 Day Notice	0.40%	8.2	28.2	5,067
	Inst. Access	0.40%	8.7	43.9	5,212
NatWest (Access fund account)	Inst. Access	0.55%	0.9	2.3	169
NatWest (SBU EL)	Inst. Access	0.55%	2.0	6.1	654
<b>Total</b>			<b>96.0</b>	<b>462.6</b>	<b>48,546</b>

### **Rollover of term Deposits**

7. Since the last treasury management report, two fixed term deposit with a value of £15.6m placed with the Lloyds Banking Group matured and were reinvested as follows:
- Lloyds £10.4m at .76% for 136 Days.
  - Bank of Scotland £5.2m at .85% for 128 Days.

### **Risk**

8. Risk continues to be managed by the continued application of the treasury management procedures agreed by the Board of Governors. These procedures require that our cash deposits are diversified only across UK banks, and that cash is only placed on immediate access, short & medium term deposit. Subject to normal Board approval processes, exceptions are made as considered appropriate as in the case of Federated Prime Rate where £5m has been placed in a sterling liquidity funds since January 2011.

## Loans

9. The University's Loan Balance at 31 January 14 is £29.9m split between AIB and Barclays Bank Plc. The next loan repayments are scheduled for 31 March 2014. The table below shows the balances and repayable period per loan at 31 January 2014.

<b>Bank</b>	<b>Balance 31 January 14 £'000</b>	<b>Repayable Period</b>	<b>Interest rate</b>	<b>Annual Interest Paid (2013/14) £'000</b>
<b>AIB</b>				
Dante Road	5,189	26.5 yrs to 2027	6.67%	181
<b>Barclays Bank*</b>				
David Bomberg House	5,596	25 yrs to 2032	5.68%	164
K2 Loan 3	5,000	20 yrs to 2029	5.03%	127
K2 Loan 4	8,776	23.25 yrs to 2032	5.32%	239
K2 Loan 5	5,419	23 yrs to 2032	0.745%	21
<b>Total</b>	<b>29,980</b>			<b>732</b>

\*Total Loan Balance with Barclays is £24.8m

10. The majority of these loans are at fixed rates for varying terms and penalties apply for early repayment. The exception is the variable rate K2 loan 5 where the current balance outstanding is £5.4m. However, the interest rate on this loan is such that we should not consider early repayment at present.

## Bank Transfer

11. On the 22 October 2013 £5M was transferred from Bank of Scotland to the main RBS/NatWest Trading account. The purpose of this transfer was to redistribute account balances to ensure a more even distribution of funds across operating bank accounts.

## Bank Mandates

12. On the 17 October 2013 the Board of Governors approved the recommendation of the Policy and Resources Committee to add Professor David Phoenix (Vice Chancellor) and remove Professor Martin Earwicker as authorised signatory to all University accounts effective from the 1 January 2014. New Bank Mandates have been submitted to the banks and changes processed, with the exception of the mandate for Bank of Scotland

which is still being actioned. Treasury Management will report on the progress of this mandate in the next report to the committee.

### **Online Banking**

13. In the last Treasury Management report to the Committee, it was reported that the University's application for online banking with the Bank of Scotland was still being processed. This is now complete and active.

### **New Bank Account**

14. At the last Board of Governors meeting, the Board approved the Committee's recommendation to:
  - Open a new bank account and
  - Acquire a BACS/BACSTEL-IP Service User Number (**SUN**) for the Sports Centre.

The new bank account for the Sport Centre was opened on 18 November 2013. However, the application for a New BACS Service User Number (**SUN**) is still being actioned. We will report on the progress of this application in the next Treasury Management report to the Committee.

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