

**Minutes of the meeting of the Board of Governors
held at 4.00 pm on Thursday, 12 July 2018
1B27 - Technopark, SE1 6LN**

Present

Jerry Cope (Chair)
Douglas Denham St Pinnock (Vice-Chair)
Steve Balmont
Shachi Blakemore
Duncan Brown
Julie Chappell
Michael Cutbill
Nelly Kibirige
Kevin McGrath
Peter Fidler
Mee Ling Ng
Hilary McCallion
Jenny Owen (*for minutes 1 - 10*)
Tony Roberts
Nazene Smout

Apologies

David Phoenix

In attendance

Pat Bailey
Richard Flatman
James Stevenson
Michael Broadway

1. Welcome and apologies

The Chair noted that the Board had just received an informative presentation on student retention.

The Chair welcomed governors to the meeting and welcomed Nelly Kibirige and Nazene Smout to their first meeting as governors.

The above apology was noted.

2. Declarations of Interest

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

3. Minutes of previous meeting

The Board approved the minutes of the Board meeting of 17 May 2018 and their publication.

The Board (as members) approved the minutes of the general meeting of 17 May 2018.

4. Matters arising

There were no matters arising from the previous meeting.

5. Independent governor recruitment update

The Board noted that the Appointments Committee had approved the appointment of Jeremy Parr as an independent governor from 1 August 2018.

The Chair reported that the Nomination Committee is developing a diversity strategy to help improve the diversity of the Board and to encourage a more diverse pool of applicants. Recruitment consultants would be approached for the next independent governor recruitment round in autumn 2018.

6. Feedback from 1:1 conversations with members on Board effectiveness

The Chair reported on the feedback he had received as part of his conversations with individual governors on the effectiveness of the Board and individual governor contributions. All governors agreed that the structure and approach of the Board was effective. The Chair is considering specific challenges raised and had also agreed some personal challenges for a number of governors.

7. Vice Chancellor's report

The Board discussed in detail the Vice Chancellor's report, which reviewed progress against the three outcomes in the corporate strategy: student success; real world impact; and access to opportunity.

The Board discussed student recruitment for 2018/19. The number of applications and firm acceptances were positive although competition in clearing is expected to be high. Conversion from offer to acceptance had increased compared to previous years.

The Board discussed an update on budget planning for 2018/19 and the required staff cost savings, noting the impact of restructure proposals and applications for the voluntary severance scheme. The Board discussed the impact on staff morale and engagement. A potential topic for the next Board strategy day is workforce planning and the offer to staff.

The Board noted the outcome of the subject-level teaching excellence framework (TEF) pilot. Participation in the subject-level TEF is required from

2019/2020. The Board noted the excellent score in the Destination of Leavers of Higher Education (DLHE) survey 2016/17. The DLHE score is a metric in the TEF.

The Board noted that discussions were progressing with the British University in Egypt on the proposal for LSBU to open an international branch campus in Egypt. The final business case would go to MPIC/Board for approval.

The Board noted the planned opening of the Passmore Centre in November 2018.

The Board congratulated the student support team on winning the Times Higher Education Leadership and Management award for 'outstanding student support'.

8. Chief Financial Officer's report

The Board discussed the Chief Financial Officer's report on the current financial position and forecast surplus of £1.5m for 2017/18. The risks to achieving the budgeted surplus are uncertainty on final pension costs and staff restructuring costs. The Board noted the potential impact of the cost of change proposals on both current year performance and the 2018/19 budget. An update will be provided at the next meeting of the Finance, Planning and Resources committee (FPR).

The Board approved the budget for 2018/19 which had been discussed in detail by FPR. The planned income for 2018/19 is broadly flat at £145m to deliver a surplus of £1.5m. The level of income and surplus is consistent with the five year forecasts that were presented to the Board strategy day in April 2018.

The Board approved the five-year forecasts which had been discussed in detail by FPR. In approving, the Board noted the challenge of delivering against the income growth assumptions but recognised the additional costs built into the forecasts linked to income growth and that a contribution of only 20% on new activity had been assumed.

The Board approved the opening of a deposit account with Close Brothers.

9. Race Equality Charter Mark

The Board confirmed the University's commitment to inclusivity as set out in the University's values and strongly supported the University's application in July 2018 for a Race Equality Chartermark.

10. **Project Larch recommendations**

The board noted the project Larch update which had been considered in detail by the Major Projects and Investment Committee (MPIC) at its meeting of 28 June 2018.

The Board agreed that there had been no material changes to the seven “redlines”.

The Board noted the outcome of the DfE Funding Committee, External Advisory Panel and Designation Committee.

The Board noted that the mechanism to complete the transaction, if approved, is under discussion with Lambeth College.

The Board appointed a transaction sub-committee of the Chair of the Board, the Chair of MPIC, the Vice Chancellor and the Chief Financial Officer to approve the transaction on behalf of LSBU and to grant any security to Barclays as necessary.

Jenny Owen left the meeting

11. **CUC Remuneration Code**

The Board agreed to adopt the CUC ‘Higher Education senior staff remuneration code’ (2018) and the three elements of fair and appropriate remuneration: i) a fair, appropriate and justifiable level of remuneration; ii) procedural fairness; and iii) transparency and accountability. The Remuneration Committee would report on LSBU’s compliance with the Code in its annual report.

A revised senior management pay policy had been reviewed by the Remuneration Committee. The Board would be asked to approve the revised policy at its October 2018 meeting.

12. **Freedom of Speech policy**

The Board supported the Freedom of Speech policy and LSBU’s commitment to “the principles of free speech and freedom of expression ... and the free expressions of opinions within the law, and the upholding of the principles of academic freedom in all activities of the University”.

13. **Fundraising strategy / CC20 compliance**

The Board noted the Charity Commission guidance “Charity Fundraising: a guide to trustee duties (CC20)” and how LSBU complies with the guidance.

The Board approved the fundraising strategy.

14. Award of security contract

The Board approved the award of the contract to CIS Security Ltd for £6.1m on the condition that the service is not reduced in order to manage the budget.

15. Sustainable Development Goals

The Board supported the principles of the sustainable development goals accord and the University signing up to the phase 1 commitments.

16. Reports on decisions of committees

The Board noted the reports of sub-committees.

The Board approved the delegation to a sub-committee of the Chair of the Board, the Chair of MPIC and the Vice Chancellor to approve the final sign-off of a lease for Lancaster House for up to £9m, if required.

17. Corporate risk

The Board noted the update on corporate risk.

Date of next meeting
10am, on Thursday, 27 September 2018 – strategy day
4pm, Thursday 18 October 2018

Confirmed as a true record

..... (Chair)