

**Minutes of the meeting of the Board of Governors  
held at 4.00 pm on Thursday, 18 July 2019  
PC 101, Passmore Centre, SE1 1PX**

**Present**

Jerry Cope (Chair)  
Douglas Denham St Pinnock (Vice-Chair)  
David Phoenix  
Steve Balmont  
Duncan Brown  
John Cole  
Michael Cutbill  
Nelly Kibirige  
Mark Lemmon  
Mee Ling Ng  
Jeremy Parr  
Rashda Rana  
Tony Roberts  
Vinay Tanna

**Apologies**

Peter Fidler  
Hilary McCallion  
Jenny Owen  
Deepa Shah  
Nazene Smout

**In attendance**

Pat Bailey  
Michael Broadway  
Richard Flatman  
James Stevenson

**1. Welcome and apologies**

The Chair welcomed members to the meeting. The Chair welcomed Mark Lemmon to his first Board meeting.

The above apologies were noted.

The Chair noted the Board had just received an informative presentation on the new LSBU Group brand and fundraising. The Board supported the development of the brand for the LSBU Group and emphasised the importance of the heritage of the LSBU crest.

The Chair requested that all governors to take some action to meet the aims of the fundraising strategy.

## **2. Declarations of Interest**

Tony Roberts declared an interest in item 7 on the agenda. The Board agreed that he could not participate in the decision for item 7.

The Board noted the declared interests of Steve Balmont, Mee Ling Ng and David Phoenix as directors of South Bank Colleges in relation to minute 11.

## **3. Minutes of previous meeting**

The Board approved the minutes of the meeting of 23 May 2019 and their publication as redacted.

## **4. Matters arising**

The Board noted the update on matters arising. The Board noted that EDI training for the Board would likely be as part of the strategy day or ahead of the independent governors' dinner.

## **5. Update from Chair of Academic Board**

The Board noted an update from the Chair of the Academic Board on its work. The Academic Board is responsible for academic standards and the direction and regulation of academic matters. The Board noted that the five key issues discussed by the Academic Board during the year were the academic partnership with Applied Science University, Bahrain; the streamlining of research ethics approvals for students; implementing a more efficient exam invigilation process; oversight of the academic portfolio; and oversight of the National Student Survey.

Three key areas for discussion over 2019/20 are the academic calendar; degree algorithms; and monitoring student satisfaction at a module level.

The Board noted proposed changes to the membership of the Academic Board to make it more representative of the academic community.

The Board noted the publication of an education strategy to 2020 and the planned Education Summit.

## **6. Board governance effectiveness review and recommendations**

The Board discussed the outcome and recommendations of the governance effectiveness review of July 2019, which found that "LSBU has a largely effective Board of Governors". The Board thanked Askari Jafri, LSBU Governance Officer for his work in conducting the review. The Board noted that PwC had been appointed to oversee the review and its conclusion that "the process was free of bias and was conducted appropriately".

Three main recommendations had been identified: (i) to review both assurance and reporting from the Academic Board to the Board; (ii) that

agendas for Board meetings and strategy days provide greater focus on strategic discussions; and (iii) continued focus on finalising 'Group' governance arrangements. Progress in implementing the recommendations will be regularly reported to the Board.

The Board approved the report and the recommendations.

#### **7. Staff governor appointments**

The Board approved the re-appointment of Tony Roberts as a staff governor for a second term of three years from 1 August 2019.

The Board noted the retirement of Jenny Owen as a governor and that there was currently a vacancy for a staff governor on the Board. This vacancy will be filled from the proposed new membership of the Academic Board (minute 5 refers). The Board thanked Ms Owen for her valuable contribution to the Board.

#### **8. Vice Chancellor's report**

The Board discussed the Vice Chancellor's report.

The Board noted challenges with delivering apprenticeship provision and requested an update at the next meeting of the Finance, Planning and Resources (FPR) Committee.

The Board noted that the Office for Students expects governing bodies to approve institution's Access and Participation Plans. The Board would be requested, if required before the next Board meeting, to approve LSBU's plan ahead of submission to the Office for Students.

The Board noted that the planned Nine Elms Skills Centre for Lambeth College was to be match-funded by the GLA. A draft funding agreement had been received from the GLA. The Board authorised the Project Larch sub-committee to authorise execution of the funding agreement with the GLA if required before the next Board meeting.

The Board discussed the current external environment and the challenges following the latest spending review by HM Treasury.

The Board noted that the results of the staff engagement survey were being analysed and would be reported to FPR in September 2019.

The Board noted an update on the proposed Croydon Campus. A business case was being developed for the next meeting of the Major Projects and Investment Committee.

The Board noted the improved national student survey (NSS) results and thanked staff for their hard work.

## 9. **Chief Financial Officer's report**

The Board discussed the Group Chief Financial Officer's report, which included an update on the latest income projections for 2018/19, the draft LSBU and group budget for 2019/20, an update on future financial forecasts, cash flow, the Align project and pensions.

The Board noted that the current forecast for 2018/19 is trending towards a surplus of £3m which would be £1.5m better than budget.

The Board approved the budget for 2019/20 which had been discussed in detail by FPR. The planned income for 2019/20 is £152m 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 2019.

The Board approved the budget for 2019/20 for South Bank Colleges which had previously been approved by the SBC Board. The planned income is £24.5m which would deliver a deficit of £2.8m which is in line with the CFADS model.

The Board noted the revised date for submission of the five year forecasts to the Office for Students of 30 November 2019. The Board noted and approved a summary of the three year forecasts for South Bank Colleges.

The Board discussed the update on group cash flow. The Board noted that an additional £40m - £50m of borrowing may be required from 2020 to manage group cash flow and finance the group's capital projects. A more detailed cash flow analysis would be discussed by FPR and MPIC in autumn 2019.

## 10. **London Road redevelopment - contractor approval**

Following due consideration by MPIC and its support for the Executive's recommendation, the Board approved that Willmott Dixon Interiors Ltd is appointed to carry out the London Road Building Refurbishment for the sum of £46,500,000 (inclusive of VAT).

The Board requested that the health and safety record of Willmott Dixon Interiors is circulated to the Board for information.

## 11. **Intra-group matters**

The Board discussed an update on intra-group facility agreements, intra-group services and group sub-committees.

The Board noted that the two proposed intra-group facility agreements with South Bank Colleges were to help fund the turnaround of Lambeth College for £13.75m and to provide cash flow for its estates plans for up to £22.9m. The Board noted the key terms of the proposed agreements.

The Board noted that LSBU did not have an explicit power to lend in its articles of association. Due to the significant amount of the intra-group loans, it was recommended that the articles are amended to include an explicit power to lend. A written resolution will be proposed to the members.

The Board approved the key principles of the facilities and authorised a sub-committee of Rashda Rana, the Vice Chancellor and the Chief Financial Officer to authorise the execution of the facility agreements subject to LSBU having an explicit power to lend in its articles.

The Board noted the intention for LSBU to provide professional services to members of the group. Service level agreements are being drafted to document these services and the Board authorised the Vice Chancellor and the Chief Financial Officer to approve these agreements on behalf of LSBU.

The Board noted that planning has started to enable the scope of the Board's sub-committees to be group-wide.

## **12. Reports and decisions of committees**

The Board noted the reports from committees and approved the amended terms of reference of the Nomination Committee and the Group Pensions sub-committee.

## **13. Board and committee membership**

The Board noted committee membership for 2019/20. The Board thanked Hilary McCallion for her contribution as chair of FPR.

## **14. Corporate Risk**

The Board noted the update on corporate risk and that a sub-group of the Audit Committee is reviewing the approach to risk management in detail.

## **15. Any other business**

The Board congratulated the Students' Union on being awarded 'Quality Students' Union' by the National Union of Students.

The Board noted that this was Steve Balmont's final Board meeting. The Board thanked Mr Balmont for his significant contribution to LSBU as a member of the Board for 10 years and a member of the Audit Committee for 17 years.

**Date of next meeting**  
**Strategy day - 10am, on Thursday, 26 September 2019**  
**Board meeting – 4pm, on 17 October 2019**

**Confirmed as a true record**

..... (Chair)