

## Meeting of the South Bank University Enterprises Ltd Board

1.00 - 3.00 pm on Monday, 20 May 2019  
in DCG-08 - Clarence Centre for Enterprise and Innovation

### Agenda

<i>No.</i>	<i>Item</i>	<i>Pages</i>	<i>Presenter</i>
8.	CPD business case	3 - 14	SJ

**Date of next meeting**  
**2.00 pm on Tuesday, 23 July 2019**

**Members:** Paul Ivey (Chair), Michael Cutbill and Richard Flatman

**Apologies:** Keith Would

**In attendance:** Michael Broadway, Linsey Cole, Kirsteen Coupar, Michelle Dawson, Emily DeLacy, Sukaina Jeraj, Yvonne Mavin, Neil Pearce, Sarah Plant, Rebecca Warren and Askari Jafri

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# Agenda Item 8

	CONFIDENTIAL
Board/Committee	SBUEL Board Meeting
Date of meeting:	20 May 2019
Paper Title:	CPD business plan
Author:	Sukaina Jeraj
<b>Recommendation:</b>	For information

## **Executive summary:**

The Board are asked to note an update on the creation and future direction of a CPD offer under South Bank University Enterprise Ltd and follows on from the Outline Business Case for the creation of a training company from December 2017, which set out the vision for why a training company should be created.

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# Employment and Training: Year One Strategy

## Executive Summary

This document provides an update on the creation and future direction of a CPD offer under South Bank University Enterprise Ltd and follows on from the Outline Business Case for the creation of a training company from December 2017, which set out the vision for why a training company should be created. (Please refer to Appendix A)

LSBU currently generate £4.8 million<sup>i</sup> in CPD delivery, this is made up of income generated through REI and the Schools directly, with the majority of this income from the School of Health and Social Care accredited courses and Apprenticeships.

Table 1 demonstrates the total income from the three main areas of CPD, university accredited courses, primarily through Health and Social Care, Apprenticeships and bespoke CPD courses delivered through Enterprise and the Schools.

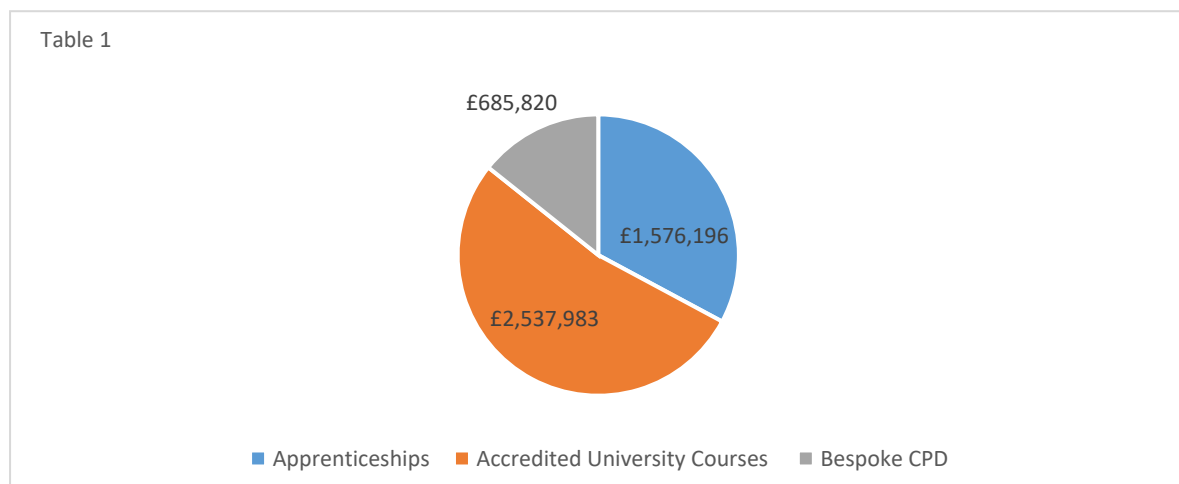
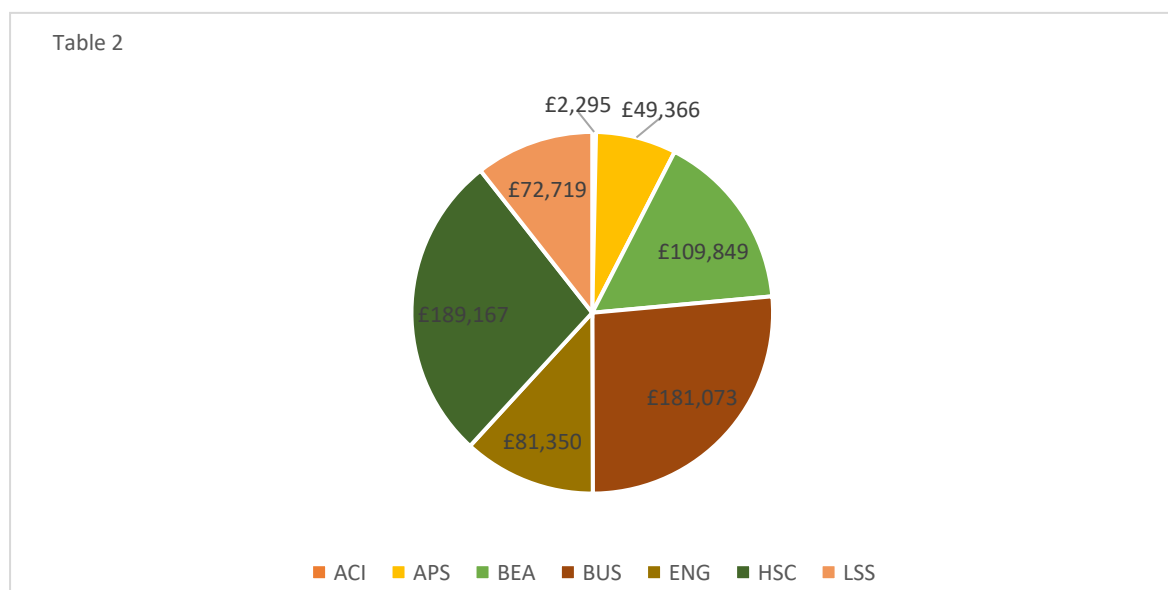





Table 2 below details the split of bespoke CPD by School.



In May 2018, a specialist Employment and Training arm was created under SBUEL to deliver a university wide approach to CPD scalability and profitability. A Head of Employment and Training and a Business Development Manager staff the team.



In October 2018, SBUEL awarded [Mediasphere](#) the contract for a shop front to develop and grow our learning provision across the university. The software delivers a purpose built training portal that allows us to build our own courses, events, webinars and manage estates rental. The system is cloud based and able to incorporate a VLE function within its system. It will also allow us to integrate with our back end HAPLO functions and as it grows, incorporate all outward income streams through it.

The growth strategy for Employment and Training will look at expertise that we have internally within the organisation and externally at market drivers to build the brand. For year one our focus internally will be:

-  Health and Wellbeing
-  Construction and Built Environment
-  Armed Forces

There will be additional work with the School of Business and other opportunities that present themselves through funding calls.

Our external growth strategy will be based on growing our CPD offer through:

-  Partnership agreements with existing organisations.  
This will help build our brand through established training providers and offer training that the University would not traditionally look to deliver.
-  Looking at innovative ways to deliver training outside of the classroom based model.  
In order to expand our reach greater than those able to attend classroom based activity, we will be working with providers to offer training through online and social media platforms.  
This will ensure we are able to operate a 24/7 training provision and one we can export to our International partner organisations.

The expected turnover in year one (18/19) is expected to exceed £200,000.

For the purpose of this report, CPD that falls under Apprenticeships is not covered.

## Employment and Training

There are currently over 12,500 training providers in the UK operating above the VAT threshold of which evidence suggests many of these are operating below the margins of sustainable viability.<sup>ii</sup> In order for LSBU's Employment and Training arm to succeed within this market, we need to operate a multi-faceted approach to our delivery that incorporates our internal educational expertise and an ability to respond to changing market trends to deliver innovative learning.




### Opportunities

- As an established University we have an academic integrity attached to educational learning that private providers do not necessarily have. As market leaders in vocational education and the success of our Apprentice agenda, we have the opportunity to exploit these areas of the business to develop bespoke and standalone learning.
- HE training and short course providers currently all offer a model of classroom, online and blended learning, with a focus on classroom based training. With the provision of a new online system, we have the ability to provide different modes of learning, including using social media as a learning platform.
- As a new business area, we have the opportunity to create a commercial model, much like LSBU Employment, that is responsive to market trends.
- Once we have established a 'shop front' for CPD, there is scope to bring together all commercial areas within Enterprise to provide a 'one stop shop' approach to all income generating activity including KTP, Consultancy, CPD and specialist projects. This will be supported on the back end by HAPLO and provide us with a streamlined system that can offer valuable management information across Enterprise.

## Growth Strategy: Internal

### Mental Health and Wellbeing

Staff absence is important to business, sickness absence alone costs UK businesses an estimated £29bn<sup>iii</sup>, with a further £15.1bn<sup>iv</sup> an annum lost through presenteeism, primarily through stress related illness. Insurance companies provide reductions in premiums to organisations that can reduce their risk ratings, one area of which is the wellbeing of staff. Employment and Training will be:


-  Working with the APS and HSC, to create a wellbeing toolkit that covers a holistic and practical training provision for employers.
-  Working with a number of Insurance companies to provide preferential rates to customers who take up our wellbeing offer.
-  Primary customers are construction industry organisations. In 16/17 the HSE reported over 80,000 construction workers in GB suffered from an illness they believe was caused or made worse by their work. <sup>v</sup>

Launch – April 2019

Market Value – Year One £25k

### Health and Social Care

The School of Health and Social Care (HSC) deliver the majority of accredited CPD income for the University. The scope of this report is to look at additional areas of growth that we could maximise within health leadership and growing our partnerships with existing training companies.

-  Health Systems Innovation Lab (HISL)

Becky Malby and her team provide system change management, leadership programmes and international collaborations within the health field. They have a number of programmes currently delivered, that we could look to secure IP and provide support to sell into health organisations.

- HSIL has developed a Senior Leader Apprentice Programme with Kingston Trusts for roll out in September 2019. There is scope to grow this offer to other trusts in the UK and through sales of the material and courses to apprenticeships providers and trusts.

✚ Partnering with organisations to deliver mandatory skills for health workers.

The Care Quality Commission requires providers of healthcare (including non-specialist staff) to ensure staff participate in statutory training, mandatory training as defined by the provider and additional learning and development to fulfil their role. With over 11,300 care homes in the UK, there is a market to deliver mandatory skills to these organisations. At LSBU we currently employ an external organisation to deliver our mandatory training for nursing students. In order for us to impact this market we have the potential to partner with current training providers and jointly brand and sell products to this market.

## Construction and Built Environment

Market Research conducted by the Business Development Manager for Employment and Training in the Construction Industry has resulted in two focus areas for sales of short courses.

- ✚ Supporting the upskill and training of staff to meet market demand
- ✚ Providing initiatives to increase retention

### *Supporting the upskill and training of current staff*

The upcoming skills shortage could see UK organisations unable to access a skilled home workforce and migrants<sup>vi</sup> has encouraged a focus on recruiting home talent. Government initiatives to support a pipeline of the skills shortages including Apprenticeships will take time to enter the market and with over 700,000 construction staff due to retire in the next ten years, companies are looking to increase productivity within their current processes and workforce by using innovative construction methods. Employment and Training is working with the School of Built Environment and Architecture to provide courses in a number of areas, primarily within construction efficiencies that include Building Information Modelling (BIM) and Blockchain Technology.

In addition, we are developing a number of off the shelf courses to take advantage of the expertise and estate that LSBU has within this field, including work in acoustics and the DarLab.

### *Providing initiatives to increase retention*

Recruitment and development of staff is expensive and as organisations look to retain talent, learning providers have an opportunity to offer training and development to support businesses. Human Resource Management (HRM) functions have started to grow within the construction industry with a focus on strategic career planning<sup>vii</sup> as a way to develop leaders within the industry.

As part of our Employment and Training offer we will be delivering leadership programmes (both industry and academically accredited) through partnerships and the School of Business in leadership and management development.

A report commissioned by Glassdoor<sup>viii</sup> reported that over one third of respondents felt that the most important consideration before accepting a job at a company was the benefits/perks it was able to offer. As part of our business development to the construction industry, we will be looking to upsell additional initiatives to organisations, including the wellbeing strategy and use of our commercial estate for activities.

Launch – December 2018

Market Value – Year One 45k



## Armed Forces Covenant

In August 2018 LSBU was recognised as a Gold Partner through Defence Relationship Management for our work on the Armed Forces Covenant (AFC). The AFC commits to supporting the armed forces community by recognising the value of staff and students who are serving personnel, both regular and reservists, veterans and military families, and their contribution to British business and the security of the Country.

There are currently over 150,000 serving armed forces personnel, 10,000 reservists and an additional 2.5 million veterans in the UK. One of the current challenges within the Armed Forces is retention of those that sign up and the return to civilian lives for those that leave. All of these groups are eligible for training and development funding through the Ministry of Defence and as gold alumni member we have the opportunity to participate as a 'critical friend' to the MoD on procurement of training services.

Our focus over the coming year is to look at income generation through our work with the AFC in the following areas:

- ✚ International and Local Outreach – building partnerships with tenants, local councils and international partners.
- ✚ Business Development – Leveraging our enterprise credentials by working with partners such as [X Forces](#) who support start up's for ex-military personnel.
- ✚ Student recruitment – Growing our reputation within the Armed Forces Resettlement Teams to encourage leavers to join LSBU for their continued education. We currently have 15 students whose study is sponsored through the Armed Forces, on a scheme called Enhanced Learning Credits administration Services (ELCAS)  
Current value = £45,000 per annum.

We are also looking at tailored programmes of study for the Armed Forces community, with a pilot alongside the British Training Board to deliver a Top Up in International Business Management  
Value for pilot (19/20) = £185,000

- ✚ Advocacy – LSBU are the Alumni leaders for the London gold Alumni Association. This offers opportunities for partnerships to bid for MoD contracts and lobbying to support access to education for the armed forces.

## Alumni engagement

With the rebrand and launch of a new alumni engagement strategy we will be working closely with this team to look at ways we can offer training solutions for our alumni base and to also provide opportunities for them to sponsor the up skill of students or business areas they are interested in.

- ✚ We are currently working with an Alumnus who would like to focus on diversity in Engineering. We will be working with industry bodies and the alumnus to create an inclusive training product that we are able to commercially advertise, but also receive financial support in the creation of this, to encourage a pipeline of learners into this field.

Market Value – 19/20 - £70k

## Growth Strategy: External

### Partnership agreements with existing organisations

In order to expedite our growth and exposure in the learning market, we will be looking to create a number of partnerships with external organisations, by co-branding courses and delivering under the LSBU banner. We currently have a number of partnerships in progress as below:

- ✚ [AutoDesk](#) – In January 2019, LSBU will be the first University in London to become an authorised industry trainer for AutoDesk. As a market leader in construction based software we will be packaging products including BIM 360 and Fusion 360 for the BEA and engineering markets.
- ✚ [Navigator Programme](#) – Currently working on a partnership agreement to deliver a senior management leadership and development management programme, with a focus on the armed forces and construction industries.
- ✚ [iDEA](#) – Partnership agreement in place for access to a Duke of York initiative that ‘badges’ online activity to promote digital, enterprise and employability skills. The School of Engineering is currently using this for students; employment and training will be using this as an additional offer to employers and as part of our international strategy.
- ✚ [Progress Through](#) – Creating a collaboration hub with LSBU for construction partners in the Middle East and Russia to help support with Lean and financial modelling for business.

### Looking at innovative ways to deliver training outside of the classroom based model

To appeal to a wider market audience and with international ambitions for the training arm, we need to look at ways we can deliver training outside of the traditional classroom or e-learning methods. Training through social media offers low overheads, and a multifaceted approach to training delivery. We are working with [We Communities](#), who have a track record of delivery within nursing, to develop a training offer that uses Twitter and Facebook to deliver certificated up skill courses in Health and Finance.

Marketisation of higher education has seen a move to a more metric and outcome based measures. LSBU, as University of the year for graduate outcomes, has the opportunity to leverage a different delivery model to enhance our reputation in the UK employability and training market.

We are currently in the process of bringing an American training concept to the UK, and will be the only provider of this in the UK and Europe, when we take it to market in early March 2019. [Lambda School](#) trains people online to become software engineers. Lambda launched 18 months ago in the US and currently has over 1000 students. Instead of paying tuition fees, students agree to pay a percentage of their income after they are employed and have reached a salary threshold. This payment by results method has seen success in the US, with an employability rate of 85% among its alumni.

We will be working to translate the costings into a UK market with Lambda and will operate a revenue share model.

Launch – April 2019

Market Value – Year One 20k

### How will we do this?

LSBU has awarded a contract to an organisation called Mediasphere who will be building a portal to manage training, events and estate rental for SBUEL. This provides a comprehensive shop front that

allows us to manage all income streams into the University. There are 4 phases to the project, with Phase One focussed on CPD and Training, Phase Two on Accredited Training and Estates, Phase Three on Internationalisation and Phase 4 to integrate other enterprise streams onto the portal. Working with HAPLO as our back end system this supports our visibility in the market and a focal point for organisations looking to work with us.

Our ongoing plans with MediaSphere also involve us looking at the Australian Market. They currently have links with Deakin University that we will be looking to develop in 19/20.

### Growth Strategy – Post Year One

Growth of the Employment and Training arm in Year One is focussed primarily on building a learning shop front and creating off the shelf courses we can start offering to commercial business and Alumni.

Ongoing, the strategy will involve engagement with all Schools within LSBU and our family of institutions. Some preliminary work has started with Lambeth College, with the expectation when we launch the shop front, we will support courses offered at the College. As we establish closer links with our family of institutions we can start looking at strategic spend of the AEB and as further information on the UK Shared Prosperity Fund, which will replace ESF, becomes available, look at joint tender opportunities for training and employment across the organisations.

In addition, with the HE graduate landscape changing to metrics at 18 months, we will work closely with the Employability Service to create a pipeline into ongoing learning to support engagement of LSBU Alumni.

Internally we will be growing the shop front for all income generating parts of the business that fall within the SBUEL portfolio, to provide a streamlined and clean offer to internal and external customers.

### Current Pipeline – Employment and Training 18/19

School	Proposal Name	Organisation	Value
ACI	cdei_013_VFX_LSBU_2018	ACI VFX Dept	£ 3,000.00
ACI	CDEI_014_SummerCourse_SoundStudioEngineering	ENTR General Business Development Opportunities PH	£ 2,800.00
ACI	CPD courses	LSBU School ACI	£ 25,000.00
ACI	Short Course Film Editing	ENTR General Business Development Opportunities PH	£ 2,000.00
ACI	short course Green Screen Practitioner	ENTR General Business Development Opportunities PH	£ 300.00
BEA	AFC CPD & Training	Andrew Reid & Partners	£ -
BEA	PSL1819-0022_Blockchain - Hongkong	CPD	£ 12,000.00
BEA	Autodesk Industry related courses	School BEA/ENG and Autodesk	£ 20,000.00
BEA	Rhino Authorised Courses	School BEA and Rhino	£ 10,000.00
BEA	Acoustics Collaboration Hub	Insitute of Acoustics	£ 40,000.00
BEA	Darlab courses: robotic arm courses related to Milling and 3D printing on a large scale	School of BEA	£ 20,000.00
BEA	Architecture Part 3	LSBU School BEA	£ 5,000.00
BEA	SCi115_BEA_Short Course_IOA_certificate on competence Oct18	ENTR General Business Development Opportunities CH	£ 21,420.00
BUS	KE044_Hanze University_Groningen Short Course Delivery_KTP_29032016	Hanze University of Applied Sciences	£ 14,000.00
BUS	KE085_Crown Agents_Short Courses	Crown Agents	£ 12,650.00
BUS	PSL1819-0009_EII005_BUS_ACCA2018	CPD	£ 28,740.00
BUS	PSL1819-0050_Arts Council - Music Educational Hubs - Coaching	Arts Council	£ 69,000.00
ENG	Cognition Way Finding	Maynard Design Consultancy	£ -
ENG	Micro-CT Sample Analysis	Strata Technology	£ -
HSC	H596_Short Courses_YoT	Criminal Justice Board	£ 6,000.00
HSC	H608_HSIL_International Programme	ENTR General Business Development Opportunites AF	£ 180,000.00
HSC	PSL1819-0005_H648_Short Courses_CLCH Risk Taking	Central London Community Hospital	£ 7,344.00
HSC	PSL1819-0043_H645_Uni Accred Courses_Darzi KSS 3	Kent Surrey and Sussex Academic Health Science Network	£ 300,000.00
HSC	PSL1819-0048_H639_HSIL_GP Federations Programme	Programme Fee from various Federations across London	£ 41,250.00
HSC	PSL1819-0053_H646_Uni Accred Courses_Darzi 11_Darzi 2019	30 sponsor host organisations	£ 300,000.00
HSC	Programme	Self funded/sponsor funded participants	£ 180,000.00
SBUEL	Armed forces Covenenat Funding	Tackling Serious Stress in Veterans, Carers and Families	£ 200,000.00
HSC	Clinical Supervision	Oxleas NHS Trust	£3,600.00
ACI	cdei_060_ACICourse_Beeken_2018	CPD	£1,200.00
HSC	Risk taking	Central London Community Hospital	£7,040.00
HSC	Upskill programme	London, South East and Essex	£20,450.00
REI	Bahrain Enterprise Training	BAU	£100,000.00

## Appendix A



Training Company  
OBC draft for discus

<sup>i</sup> 2016/17 income including Apprenticeships and Darzi Fellowship. 17/18 income not yet available

<sup>ii</sup> <https://www.learningandwork.org.uk/wp-content/uploads/2017/01/The-Private-Training-Market-in-the-UK-Sector-Paper-2.pdf>

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- iii PWC Research, The Rising Cost of Absence 2013
- iv McDaid, D, King, D and Parsonage, M - Mental Health Promotion and Mental Illness Prevention: The economic case. Department of Health, London 2011
- v <http://www.hse.gov.uk/statistics/industry/construction/construction.pdf>
- vi [https://www.designingbuildings.co.uk/wiki/Skills\\_shortage\\_and\\_Brexit](https://www.designingbuildings.co.uk/wiki/Skills_shortage_and_Brexit)
- vii Dainty, R.J, Bagihole, B.M and Neale, R.H (1998) Improving the retention of construction professionals
- viii *Survey conducted online within United Kingdom by Harris Poll on behalf of Glassdoor from December 21-23, 2015 among 1,043 adults ages 18 and older, among which 601 are employed full time/part time/self-employed or not employed but looking for a job.*

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