

**Minutes of the meeting of the Board of Governors
held at 4.00 pm on Thursday, 23 May 2019
Technopark, SE1 6LN**

Present

Jerry Cope (Chair)
Douglas Denham St Pinnock (Vice-Chair)
David Phoenix
Steve Balmont
Duncan Brown
John Cole
Michael Cutbill
Peter Fidler
Hilary McCallion
Mee Ling Ng
Jenny Owen
Jeremy Parr
Rashda Rana
Tony Roberts
Deepa Shah
Vinay Tanna

Apologies

Nelly Kibirige
Mark Lemmon
Nazene Smout

In attendance

Pat Bailey
Richard Flatman
Paul Ivey
James Stevenson
Shân Wareing
Michael Broadway
Askari Jafri

1. Welcome and apologies

The Board welcomed John Cole, Rashda Rana, Deepa Shah and Vinay Tanna to their first Board meeting as independent governors.

The Board welcomed Askari Jafri who was observing the meeting as part of the Governance Effectiveness Review.

The above apologies were noted.

The Chair reported that the Board had just received an informative presentation on the group estates strategy from the Chief Business Officer.

Paul Ivey left the meeting

2. Equality, Diversity and Inclusion annual report

The Board discussed the annual equality, diversity and inclusion (EDI) report for academic year 2017/18. The Board noted steps taken to address the student attainment gap including awareness training for staff, giving formative feedback to students and reviewing potential biases in curricula.

The Board noted how the University meets its public sector equality duty under the Equality Act 2010.

The Board noted the ongoing recruitment of a new Director of People and Organisation and Head of EDI.

Training for the Board on EDI would be offered.

3. Health and Safety mid-year report

The Board noted the health and safety mid-year report.

Shân Wareing left the meeting

4. Declarations of Interest

No member of the meeting declared an interest in any item on the agenda. The standing declarations for Steve Balmont, Mee Ling Ng and David Phoenix as directors of South Bank Colleges (SBC) were noted.

5. Minutes of previous meeting

The Board approved the minutes of the meeting of 14 March 2019 subject to a minor amendment, and their publication with no redactions.

6. Matters arising

The Board noted the establishment of the pensions working group, which would meet in mid-June 2019, and its remit. Membership would be Steve Balmont (Chair), Duncan Brown, John Cole, Jerry Cope, Mee Ling Ng and Jeremy Parr (as chair of the Remuneration Committee). The Board would be requested to approve the recommendations from the working group.

7. Chair's business

The Vice Chair updated the Board on the recent Committee of University Chairs (CUC) event. Key sector topics discussed were pensions, the review of the CUC Code of Governance and remuneration of governors.

8. Independent governor recruitment

The Board noted the update on independent governor recruitment and approved the amendment to the standing orders to allow for co-opted governors to join the Board.

9. Committee chairs and membership

The chair informed the Board that Jeremy Parr had agreed to chair the Remuneration Committee. The current chair of the committee, Mee Ling Ng, would remain a member of the committee and had recently been appointed to the South Bank Colleges Board.

The chair informed the Board that Nelly Kibirige had agreed to chair the Honorary Awards Committee following the previous chair's resignation from the Board.

10. Update from Chair of MPIC

The chair of the Major Projects and Investment Committee (MPIC) gave the Board an update on the work of the committee over the past year. The projects considered included:

- LSBU estates redevelopment;
- The transfer of Lambeth College to the LSBU Group (Project Larch);
- The student journey transformation project (Project LEAP);
- The International Branch Campus (IBC) in Cairo; and
- The Havering and the proposed Croydon campuses.

The chair of MPIC thanked the members for their time and flexible approach.

11. Appointment of contractor for Nine Elms Skills Centre

Following due consideration by MPIC and its support for the Executive's recommendation, the Board approved that Sir Robert McAlpine Ltd is appointed by South Bank Colleges as the main contractor for the works required to develop the design and then build the STEAM Centre as the Phase 1 Project on the Nine Elms Campus, initially under a Pre-Construction Services Agreement (PCSA) for £918k.

A full business case will follow for the subsequent design and build contract, subject to value for money.

12. Vice Chancellor's report

The Board discussed the Vice Chancellor's report and updates on apprenticeships, IBC licence submission and discussions with Croydon Council on the proposed Croydon campus.

The Board noted an update on compliance with the UKVI licence required for the recruitment of international students. The Board requested a further

update on the position of the UKVI licence to be circulated prior to next meeting.

13. Group 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, budget planning for 2019/20, pensions and South Bank Colleges.

The Board noted that the current forecast for 2018/19 is to deliver at least to budget, a surplus of c. £1.5m. The potential to release some exceptional items would be reviewed towards year end and it was noted that the underlying operating surplus before exceptions is closer to £4m.

The Board noted the grant letter from the Office for Students (OfS) which is £1.9m better than forecast. The Board noted the letter of April 2019 from the OfS on sector financial sustainability. The Board noted that scenario modelling and contingency planning is undertaken by the executive and regularly presented to the Board at its strategy days.

The Board emphasised the requirement for continued focus on cash flow management given the number and value of current projects. The CFO will provide an update in future reports.

The Board discussed the update on South Bank College's (SBC) financial position and noted the full-year forecast deficit of £4.6m which would be offset by the grant from the ESFA on the transfer of Lambeth College to South Bank Colleges. The Board noted the significant adverse change in forecast from the January 2019 management accounts. This is largely due to a more robust approach to forecasting following the transfer of the College to SBC on 31 January 2019, and capacity and skills being contracted out to deliver against the adult education budget. These additional costs were not included in the original 2018/19 forecasts.

The Board discussed the Universities Superannuation Scheme (USS) consultation and supported the executive's indicative response of option 3.

The Board noted the challenges of the 7% increase in employer contributions to the Teacher's Pension Scheme (TPS).

14. Corporate strategy progress report

The Board noted the mid-year corporate strategy progress report.

15. New governor declaration of interests

The Board authorised the declared interests of John Cole, Mark Lemmon, Richard Flatman and Fiona Morey.

16. Reports and decisions of committees

The Board noted the reports on decisions of committees. In response to a query about the Ofsted inspection of South Bank Engineering UTC, the Vice Chancellor confirmed that the Board of South Bank Academies (SBA) had reviewed this matter in detail. The Chair noted that the inter-relationship between the Board and members of the Group would be considered in the Governance Effectiveness Review.

17. Corporate Risk

The Board noted the risk register.

18. Board strategy day report

The Board noted the board strategy day report.

19. SU election results

The Board noted the SU election results and returning officer's report which demonstrated that the election of March 2019 was run in a fair and democratic manner as required under the Education Act 1994.

**Date of next meeting
4.00 pm, on Thursday, 18 July 2019**

Confirmed as a true record

..... (Chair)