

## Meeting of the Finance, Planning and Resources Committee

4.00 pm on Tuesday, 1 May 2018  
in 1B16 - Technopark, SE1 6LN

### Agenda

<i>No.</i>	<i>Item</i>	<i>Pages</i>	<i>Presenter</i>
1.	Welcome and Apologies		HM
2.	Declarations of Interest		HM
3.	Minutes from the last meeting	3 - 8	HM
4.	Matters Arising	9 - 10	HM
<b>Finance</b>			
5.	Management Accounts to March 2018	11 - 18	RF
6.	Student Recruitment Update	19 - 28	NL
7.	Draft fundraising strategy	29 - 34	OR
8.	Capital expenditure funding proposal	35 - 40	RF
9.	Lambeth College commercial debt	41 - 44	RF
<b>People and Organisation</b>			
10.	Strategic HR report	45 - 48	ME
<b>Resources and Infrastructure</b>			
11.	Chief Operating Officer's report	49 - 52	IM
<b>Items to note</b>			
12.	Treasury management report	53 - 58	RF
13.	Key performance indicators - strategic enablers	59 - 62	RF
14.	Corporate roadmaps	63 - 72	DP
<b>For approval</b>			
15.	Travel, subsistence and expenses policy	73 - 78	RF

**Date of next meeting**  
**4.00 pm on Tuesday, 26 June 2018**

*No. Item Pages Presenter*

**Members:** Hilary McCallion (Chair), Sodiq Akinbade, Jerry Cope, Michael Cutbill, Peter Fidler, Mee Ling Ng, Jenny Owen and David Phoenix

**In attendance:** Pat Bailey, Mandy Eddolls, Richard Flatman, Nicole Louis, Ian Mehrtens, James Stevenson, Ralph Sanders, Alexander Enibe and Olivia Rainford (item 7)

# Agenda Item 3

	CONFIDENTIAL
Paper title:	Minutes and Proposed redactions
Board/Committee	Finance, Planning and Resources Committee
Date of meeting:	1 May 2018
Author:	Alexander Enibe, Governance Assistant
Board Sponsor:	Hilary McCallion, Chair of Committee
Purpose:	Information
Recommendation:	The meeting is requested to approve the minutes and proposed redactions, marked grey

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**Minutes of the meeting of the Finance, Planning and Resources Committee  
held at 4.00 pm on Tuesday, 27 February 2018  
1B16 - Technopark, SE1 6LN**

**Present**

Michael Cutbill (Chair)  
Jerry Cope  
Peter Fidler  
Mee Ling Ng  
Jenny Owen  
David Phoenix

**Apologies**

Hilary McCallion  
Sodiq Akinbade  
Pat Bailey  
James Stevenson

**In attendance**

Mandy Eddolls  
Richard Flatman  
Nicole Louis  
Ian Mehrtens  
Shân Wareing  
Ralph Sanders  
Michael Broadway  
Alexander Enibe  
David Mead (for minute 10)

**1. Welcome and Apologies**

The above apologies were noted.

**2. Declarations of Interest**

No governors declared a conflict of interest in any item on the agenda.

**3. Minutes from the last meeting**

The committee approved the minutes of the previous meeting and the redactions, subject to minor changes.

**4. Matters Arising**

The committee noted that following review, the Executive had decided to maintain London Weighting for staff.

## 5. **Management accounts to 31 Dec 2017**

The committee noted the management accounts to 31 December 2017, which forecast a surplus of £1.5, in line with budget.

The committee noted that there was some risk to semester two recruitment, which was being monitored.

The committee noted that the Chief Financial Officer was discussing the treatment in the accounts of catering income with the auditors. An update would be provided in the next management accounts.

The committee noted the mid-year budget review to address the £5M income shortfall from lower than expected student recruitment and re-enrolment. Around £4.5M of cost savings had been identified. The Executive is planning to achieve the remaining £0.5M required savings through current staffing underspend.

The committee queried the forecast income figures for international students compared to predicted recruitment numbers. Clarification would be circulated to the committee.

## 6. **Student recruitment update**

The committee noted the student recruitment 2018/19 semester 1 report.

Undergraduate applications, excluding Health and Social Care, are up year-on-year by 4% compared to -2% for the sector as a whole. The EU applications do not seem to have been affected by Brexit concerns.

The committee discussed measures being taken to improve student applications. Conversion is a priority.

## 7. **Student Progression Report, 2016/17**

The committee noted the report on progression.

There was a 2.6% reduction in progression between 2015/16 and 2016/17. This was mainly due to an increase in students who chose to interrupt their studies and those who chose not to re-enrol, despite being eligible.

The committee noted that the Executive is putting in place measures to address the fall in student progression, including assessing satisfaction of students in years 1&2 in April/May each year.

The committee discussed various ways of incentivising students to encourage them to continue at LSBU.

## 8. **Annual report on fundraising & charitable funds**

The committee noted the annual report on fundraising and charitable funds.

The committee noted that fundraising income had declined by 25% from 2015/16 to £356k. This drop was due to a reduction in resources and a freeze in new fundraising activity during the year while a restructuring of fundraising staff was carried out.

The committee noted that a fundraising strategy is being developed and would be presented to the Board in May 2018.

## 9. **Strategic HR Report**

The committee noted the HR report.

The Executive Director of Organisational Development and HR confirmed that the University's lecturers had not been balloted for the industrial action in relation to sector-wide dispute about the USS pension.

The committee noted the gender pay gap report on data as at March 2017. The mean pay gap of 6.7% and median pay gap of 5.4% compared favourably against the sector and all employees. The University's objective is to eliminate the gender pay gap.

The committee noted that the report would be published in early March 2018, complying with relevant regulations.

The committee requested that the Executive should consider feeding back to the Universities and Colleges Employers' Association consultation their view on giving absolute pay increases rather than percentage increases yearly to staff.

The committee discussed the challenges in recruitment and development of women into senior roles. The committee requested that the University should encourage internal progression, and noted the progress in achieving a gender-balanced professoriate.

## 10. **Strategic ICT Update**

*David Mead joined the meeting*

The committee noted the ICT strategy update and supported the approach.

The committee noted the key principles underpinning the ICT strategy: personalisation, collaboration and flexible working.

The committee noted the planned capital investment in ICT in the Technical Roadmap of £2.5M in 2017/18.

The committee noted that cybersecurity is a key component of each ICT project.

*David Mead left the meeting*

11. **Key performance indicators - strategic enablers**

The committee noted the 2017/18 KPI report - strategic enablers.

The Planning, Performance and Assurance Team is conducting a full review of the current KPI set ahead of the 2018/19 cycle, and will present proposals in due course.

12. **KPI data for schools**

The committee noted the KPI data for Schools.

13. **Any Other Business**

The committee noted the continuing press interest in the sector, particularly the new Office for Students and senior pay.

**Date of next meeting  
4.00 pm, on Tuesday, 1 May 2018**

**Confirmed as a true record**

..... (Chair)



**FINANCE, PLANNING AND RESOURCES COMMITTEE - TUESDAY, 27 FEBRUARY 2018  
ACTION SHEET**

<b>Agenda No</b>	<b>Agenda/Decision Item</b>	<b>Action</b>	<b>Officer</b>	<b>Action Status</b>
5.	Management accounts to 31 Dec 2017	Chief Financial officer discussing the treatment in the accounts of catering income with auditors. An update would be provided in the next management accounts.  The forecast income figures for international students compared to predicted recruitment numbers. Clarification would be circulated to the committee.	Richard Flatman  Richard Flatman	Update at meeting  Completed
8.	Annual report on fundraising & charitable funds	The fundraising strategy is being developed and would be presented to the Board in May 2018	Nicole Louis	On agenda
9.	Strategic HR Report	The committee requested that the Executive should consider feeding back to the Universities and Colleges Employers' Association consultation their view on giving absolute pay increases rather than percentage increases yearly to staff	Mandy Eddolls	Update at meeting
11.	Key performance indicators-strategic enablers	Planning, Performance and Assurance Team is conducting a full review of the current KPI ahead of the 2018/19 cycle, and will present proposals in due course	Richard Flatman	Ongoing

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CONFIDENTIAL	
Paper title:	Management Accounts (March)
Board/Committee	Finance, Planning & Resources Committee
Date of meeting:	1 May 2018
Author:	Ralph Sanders, Director of Financial Planning, Reporting & Registry
Executive/Operations sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	To update FPR on the current financial position of the University and any risks to our future financial performance.
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	Goal 8 Resources & Infrastructure Income Growth of 25% to £170m in the Academic Year 20/21 delivering an operating surplus of 5% and EBITDA of 15%
Recommendation:	The Committee is requested to note the current position.

## Executive Summary

The full year forecast as at 31 March 2018 is trending towards a surplus of £1.5m, this would deliver the University on budget.

The University has taken decisive action this month to restore our budgeted level of surplus and reduce the level of risk in our forecast. In order to restore our surplus, the Executive have reviewed the levels of remaining discretionary spending within their portfolio and have been tasked with delivering Opex savings of £1m. In terms of risk, our monthly staffing expenditure has been below budget and so the Executive have also taken the decision to 'bank' £0.5m of year to date staff savings and to increase our restructuring provision by the same amount.

The impact of the above is to increase our surplus by £1m to £1.5m in line with budget and to restore the restructuring provision to £1.5m. There are still risks in terms of delivering to budget including FRS 102 holiday adjustments, the cost of any bad debt provision and year end pension adjustments. To counter these risks, the University remains focused on cost control and due to our current monthly staffing underspend against budget there may be a further £0.5m of staff savings available by year end.

The University is currently holding cash and cash equivalents of £49.2m. This is ahead of budget, primarily due to reduced capital expenditure and is £3.6m more than the comparable position in 16/17.

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## March Executive Summary

1) This Executive Summary reports on the draft financial position of London South Bank University as at 31 March 2018.

### 2) RAG Status

Income Growth	-0.2%	Staff Cost Growth	5.9%	Staff Cost %	58.1%	Opex Growth	-14.1%	FYF Surplus	1.0%	EBITDA	10.8%
	<i>adjusted for Catering</i>		<i>excluding restructuring</i>		<i>excluding restructuring</i>		<i>adjusted for Catering</i>				

### 3) Summary

The full year forecast as at 31 March 2018 is trending towards a surplus of £1.5m, this would deliver the University on budget and would generate a surplus equivalent to £118 per student FTE.

The University has taken decisive action this month to restore our budgeted level of surplus and reduce the level of risk in our forecast. In order to restore our surplus the Executive have reviewed the levels of remaining discretionary spending within their portfolio and have been tasked with delivering Opex savings of £1m. In terms of staffing, our monthly expenditure has been below budget for 7 of the last 8 months and so the Executive have also taken the decision to 'bank' £0.5m of YTD staff savings and to increase our restructuring provision by the same amount. This provides us with a little more assurance as we develop a targeted VS scheme. The impact of the above is to increase our surplus by £1m and restore the restructuring provision to £1.5m. There are still risks in terms of delivering to budget including FRS 102 holiday adjustments, the cost of our bad debt provision and year end pension adjustments. To counter these risks the University remains focused on cost control and due to our current staffing monthly underspend there may be a further £0.5m of staff savings available by year end.

The University is currently holding cash and cash equivalents of £49.2m. This is ahead of budget, primarily due to reduced capital expenditure and is £3.6m more than the comparable position in 16/17.

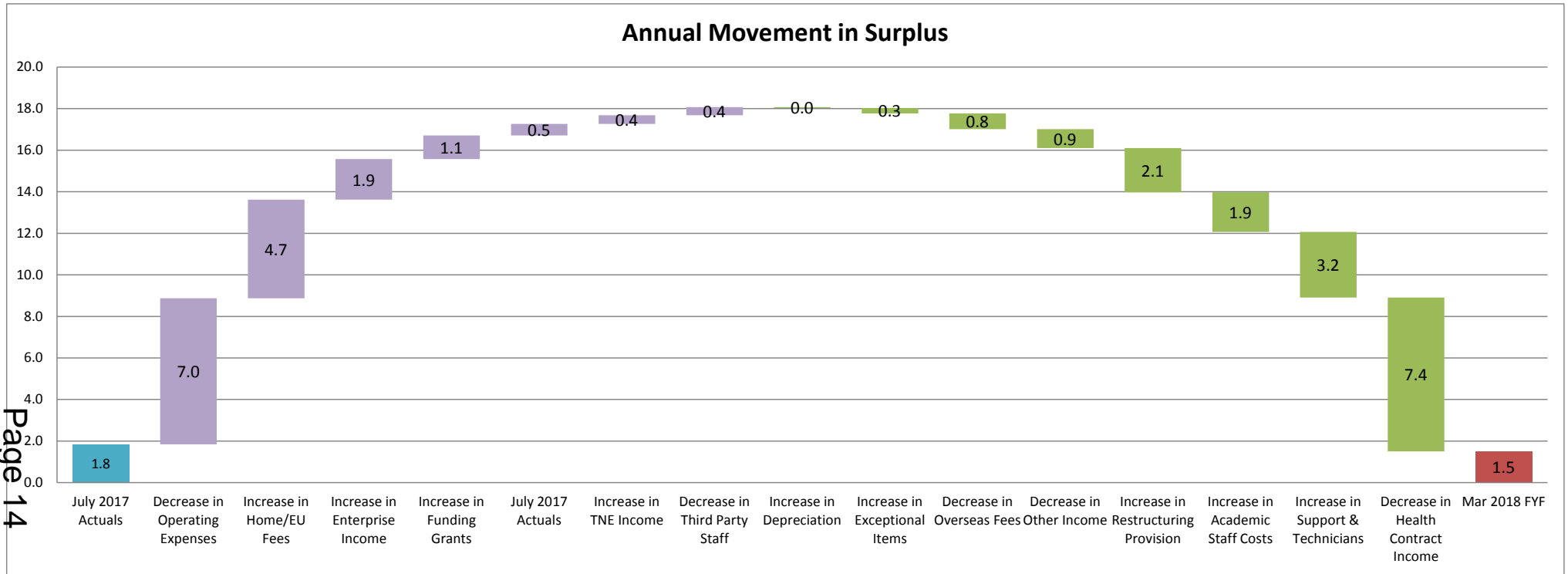
The current forecast will deliver EBITDA at 10.8% which is below the 17/18 target of 13.% and our recurring staff cost expressed as a % of income is currently forecast to be 58.1% which is above the 55% target set by the Board of Governors. After adjusting the 16/17 income figure for the catering adjustment, our comparable income is 0.2% lower than last year although this does not yet include the release of any grant income to cover the capital costs associated with the Passmore Centre.

### 4) Table 1: Full Year Forecast vs. Budget

Financial Summary in £'m	Budget				Year to Date Position				Full Year Forecast Position				
	16/17 Actuals	17/18 Budget	Change to 16/17	Change %	16/17 YTD	17/18 YTD	Change to 16/17	Change %	Feb 17/18 Forecast	Monthly Move	Mar 17/18 Forecast	variance to Budget	Budget variance
Funding Grants	12.6	13.3	0.7	5%	7.8	9.4	1.7	21%	13.7	0.0	13.7	0.5	3%
Health - Contract	26.0	18.6	-7.4	-28%	17.1	11.7	-5.4	-32%	18.6	0.0	18.6	-0.1	-0%
Home / EU UG Fees	59.4	67.8	8.4	14%	59.9	64.9	5.0	8%	64.9	0.1	65.0	-2.8	-4%
Home / EU PG Fees	9.3	10.2	0.9	10%	9.3	8.3	-0.9	-10%	8.4	-0.0	8.4	-1.8	-17%
Overseas Tuition Fees	9.6	11.0	1.4	15%	9.6	8.9	-0.6	-7%	8.8	0.0	8.8	-2.2	-20%
TNE Income	1.6	2.1	0.5	32%	0.4	1.7	1.3	341%	2.1	-0.1	2.0	-0.1	-4%
Research Activities	4.5	5.0	0.5	11%	2.9	3.3	0.3	11%	5.1	-0.1	5.0	0.1	1%
Enterprise Activities	8.7	10.6	1.9	22%	5.5	5.4	-0.2	-3%	10.7	-0.0	10.7	0.1	1%
Student Related Income	10.6	11.3	0.8	7%	7.6	7.1	-0.5	-6%	10.3	0.0	10.3	-1.0	-9%
Other Operating Income	1.1	0.4	-0.7	-62%	0.8	0.4	-0.3	-44%	0.5	-0.0	0.5	0.1	25%
Endowments & Interest	0.2	0.1	-0.0	-26%	0.1	0.1	-0.0	-33%	0.1	0.0	0.1	-0.0	-18%
<b>Income</b>	<b>143.5</b>	<b>150.5</b>	<b>7.0</b>	<b>5%</b>	<b>120.9</b>	<b>121.2</b>	<b>0.3</b>	<b>0%</b>	<b>143.3</b>	<b>-0.1</b>	<b>143.2</b>	<b>-7.2</b>	<b>-5%</b>
<b>in £'m</b>													
Academic Staff Costs	39.4	42.7	3.3	8%	25.8	26.9	1.1	4%	41.6	-0.3	41.3	-1.4	-3%
Support & Technicians	36.4	39.7	3.3	9%	24.0	25.9	1.9	8%	39.7	-0.2	39.5	-0.2	0%
Third Party Staff	2.7	1.6	-1.1	-41%	1.8	1.7	-0.1	-5%	2.3	0.0	2.3	0.7	45%
Restructuring Provision	-0.6	1.5	2.1	-336%	0.2	0.5	0.4	200%	1.0	0.5	1.5	0.0	1%
Depreciation	9.6	10.0	0.3	4%	6.4	6.5	0.0	1%	9.7	0.0	9.7	-0.3	-3%
Operating Expenses	49.8	45.9	-3.8	-8%	26.3	27.0	0.8	3%	43.6	-0.9	42.7	-3.2	-7%
Interest Payable	4.4	4.4	-0.0	0%	3.0	3.0	-0.0	0%	4.4	0.0	4.4	0.0	0%
Exceptional Items	0.0	3.2	3.2	0%	0.0	0.3	0.3	0%	0.6	-0.3	0.3	-3.0	-92%
<b>Expenditure</b>	<b>141.6</b>	<b>149.0</b>	<b>7.3</b>	<b>5%</b>	<b>87.4</b>	<b>91.8</b>	<b>4.5</b>	<b>5%</b>	<b>142.8</b>	<b>-1.1</b>	<b>141.7</b>	<b>-7.2</b>	<b>-5%</b>
<b>Surplus for the year</b>	<b>1.8</b>	<b>1.5</b>	<b>-0.3</b>	<b>-19%</b>	<b>33.5</b>	<b>29.4</b>	<b>-4.2</b>	<b>-12%</b>	<b>0.5</b>	<b>1.0</b>	<b>1.5</b>	<b>0.0</b>	<b>0%</b>
<b>Surplus as % of income</b>	<b>1.3%</b>	<b>1.0%</b>							<b>0.3%</b>		<b>1.0%</b>		
<b>Surplus per student FTE</b>	<b>£132.9</b>	<b>£115.5</b>							<b>£39.4</b>		<b>£118.2</b>		

## 5) Forecast Summary

As compared to 16/17 we are now forecasting a £0.2m decrease in like for like Income, a £4.7m increase in Staffing Costs, an £7.0m reduction in Operating Expenses, an increase of £0.1m in Depreciation and an increase of £0.3m in Exceptional Items to fund our Investment Pots, leading to a reduction of £0.3m in our annual surplus from £1.8m to £1.5m.



The key movement in the year on year position of the University is the reduction of £7.4m in Health Contract income. Some of this is due to a reduction in activity but it largely reflects the fact that new students have transferred to the same funding regime as UG and PG students in the other 6 schools. There is however a net reduction in our forecast of £2.7m for Home / EU students. This is in line with the reduction in student FTEs of 6%. The decrease in year on year operating expenses of £7.0m looks challenging, however last year we wrote off £5m of expenditure in the last 2 months of the year and so the 'real' required reduction is £2.0m which is equivalent to a 4% year on year reduction. The other major investment is in staffing. This was budgeted at 55.6% of our income, however our income shortfall has pushed this percentage up to 58.1% of our income. The university remains focused on staff cost control to ensure that staffing levels do not become unsustainable. The other key change is that the University put aside £3m for step change projects but we have had to delay these investments in order to manage our income shortfall.

## 6) Contribution Analysis

Following the £7m reduction in Tuition Fee income we are now no longer expecting the School portfolio to grow their income as compared to 16/17 but rather to decline by £0.8m. We are investing an additional £2.2m in the schools and so the net contribution from the Schools is £3.0m less than in 16/17. Two Schools; Arts & Creative Industries and Health & Social Care are forecast to grow in terms of Income, the School of Engineering is broadly flat, whilst Applied Sciences, Built Environment & Architecture and Law & Social Sciences are forecast to decline.

### Contribution per School across Teaching, Research and Enterprise activities

	Applied Sciences		Arts and Creative Industries		Built Environment & Architecture		Business		Engineering		Health & Social Care		Law & Social Sciences		Total All Schools	
	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF
Income (M)	£11.2	£10.9	£10.5	£11.3	£18.4	£17.8	£17.4	£16.9	£18.5	£18.5	£34.0	£34.5	£15.0	£14.4	£125.1	£124.3
Expenditure (M)	£5.4	£5.6	£5.1	£5.3	£7.1	£7.5	£8.0	£7.3	£9.8	£11.1	£19.5	£19.8	£6.6	£7.2	£61.6	£63.8
Contribution (M)	£5.9	£5.3	£5.4	£6.0	£11.3	£10.3	£9.4	£9.6	£8.7	£7.4	£14.5	£14.7	£8.4	£7.2	£63.5	£60.5
Contribution %	52%	49%	51%	53%	61%	58%	54%	57%	47%	40%	43%	43%	56%	50%	51%	49%

The 7 Schools have different levels of Research and Enterprise activities which can mask differences in Staff / Students ratios and contribution and so the teaching only levels of contribution is shown below.

### Contribution per School across Teaching activity only (excluding TNE)

	Applied Sciences		Arts and Creative Industries		Built Environment & Architecture		Business		Engineering		Health & Social Care		Law & Social Sciences		Total All Schools	
	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF	16 / 17 Actual	Feb 17/18 FYF
Teaching Income (M)	£10.5	£10.3	£10.2	£10.9	£17.1	£17.0	£17.1	£16.5	£16.0	£15.0	£29.8	£29.3	£14.4	£14.0	£115.2	£112.9
Teaching Staff (M)	£3.0	£3.2	£2.8	£2.9	£3.8	£4.9	£4.9	£4.4	£4.6	£4.4	£12.7	£12.9	£4.5	£4.8	£36.3	£37.5
Teaching Expenditure (M)	£1.7	£1.6	£1.8	£1.8	£1.9	£2.1	£3.0	£2.6	£2.7	£2.7	£4.6	£4.6	£1.9	£2.1	£17.7	£17.5
Teaching Contribution (M)	£5.8	£5.5	£5.6	£6.1	£11.3	£10.0	£9.3	£9.5	£8.7	£7.9	£12.5	£11.8	£8.1	£7.1	£61.2	£57.9
Contribution %	55%	53%	55%	56%	66%	59%	54%	58%	54%	53%	42%	40%	56%	51%	53%	51%
Full Year Student FTE	1,109	1,046	1,109	1,127	1,854	1,792	2,341	2,034	1,600	1,419	4,212	3,729	1,628	1,539	13,853	12,686
Contribution per Stud FTE	£5,200	£5,200	£5,000	£5,400	£6,100	£5,600	£4,000	£4,700	£5,400	£5,600	£3,000	£3,200	£5,000	£4,600	£4,400	£4,600
Return on Academic Investment	191%	174%	201%	210%	295%	206%	189%	213%	189%	180%	99%	91%	181%	148%	169%	154%

In terms of contribution per student, the Schools of the Built Environment & Architecture, Engineering and Arts & Creative Industries remain significantly ahead of the average School position although their costs do not include the cost of centrally funded Labs and Technicians. The Teaching staffing costs exclude any technicians, administration or research staff and demonstrate that the Schools of Business, Arts & Creative Industries and the Built Environment & Architecture remain significantly ahead of the School's average when measured in Return on Academic Investment

### 7) Student Number Analysis

In terms of Student numbers, at the comparable position in 16/17 had 13,516 FTE. We currently have 12,686 enrolled FTE and so are almost 6% down year on year. The biggest drop following Semester 2 enrolment is in New students which are now 13% down. We also had a large recruitment of HSC students in March 2017 which has not been replicated in March 2018

New School	FTE Mar				Continuing School	FTE Mar				Total School	FTE Mar			
	16/17	17/18	Change	% Change		16/17	17/18	Change	% Change		16/17	17/18	Change	% Change
ACI	508	514	6	1%	ACI	601	612	11	2%	ACI	1,109	1,127	18	2%
ASC	456	435	-21	-5%	ASC	666	611	-55	-8%	ASC	1,122	1,046	-76	-7%
BEA	816	736	-80	-10%	BEA	1,038	1,056	18	2%	BEA	1,854	1,792	-62	-3%
BCM	1,116	944	-172	-15%	BCM	1,075	1,090	15	1%	BCM	2,191	2,034	-157	-7%
ENG	682	523	-159	-23%	ENG	918	896	-22	-2%	ENG	1,600	1,419	-181	-11%
HSC	1,933	1,598	-335	-17%	HSC	2,079	2,131	52	3%	HSC	4,012	3,729	-283	-7%
LSS	760	676	-84	-11%	LSS	868	863	-5	-1%	LSS	1,628	1,539	-89	-5%
<b>Total</b>	<b>6,271</b>	<b>5,427</b>	<b>-844</b>	<b>-13%</b>	<b>Total</b>	<b>7,245</b>	<b>7,259</b>	<b>14</b>	<b>0%</b>	<b>Total</b>	<b>13,516</b>	<b>12,686</b>	<b>-830</b>	<b>-6%</b>

## 8) Student Withdrawal Analysis

In 16/17 we refunded £4.2m in income to students who Withdrew or Interrupted representing 5.4% of Tuition Fee Income. In 17/18 we were budgeting £5.4m in refunds representing 6% of the total Tuition Fee Budget. In line with the decline in recruitment we have reduced this forecast to £3.9m and this has been factored into our income forecast. At 31 March we now have 757 students that have dropped out from the University, this is up from 575 at 28 February, or by 24% compared to last month.

This spike is not unusual and is the result of FT UG students that leave the University after viewing their results in February and failing to re-engage with their course, or by not attempting their assessments at all and are withdrawn after the exam board. As a year on year comparison, less students as a head count have interrupted at this point – March 2017; 382 compared to 352 in 2018, and the pattern continues with withdrawn; 495 in 2017 compared to 405 in 2018.

## 9) Income Analysis

In terms of income there was a slight reduction in full year forecast Research income within the Schools of Arts & Creative Industries although our YTD position is looking strong as a University and is 10% ahead of the comparable position in 16/17. There is a wider risk in term of our Enterprise Income and our YTD position is slightly worse than the comparable position in 16/17 although the forecast is more demanding. We will review this forecast in detail next month.

## 10) Staff Cost Analysis

In terms of staffing, we have taken steps to improve the accuracy of our staffing forecast by applying a vacancy factor across the University. In terms of our YTD spend we are currently underspent against budget by £0.8m excluding the variance on the restructuring provision. This underspend is primarily driven by savings in Academic Staff against budget. This month we have banked £0.5m of savings in our Staffing forecast which is now expected to deliver £0.8m of savings against budget in line with the year to date position.

## 11) Operating Expense Analysis

In terms of Operating Expenses, the University is currently underspent by £3.3m YTD against budget and that has given us some confidence that we will be able to generate the £1m savings required from Opex without impacting the day to day student experience

## 12) Budget Analysis

There are 32 distinct areas of the University that have separate budgets and each area is expected to deliver to their Budget. Due to the shortfall in recruitment, none of the Schools are forecast to deliver to budget. Marketing, Innovation, and the Confucius Institute are also currently forecasting a deficit against budget .



Full Year Outturn Last Year (£)	YTD Actuals Last Year (£)	Description	Code	Client	FULL YEAR				YEAR TO DATE				Full year Forecast less Actual YTD (£)		
					2017 Forecast (£)	2017 Budget (£)	Variance - Forecast to Budget		2017 Actuals (£)	2017 Budget (£)	Variance - Actuals to Budget			Note	
							(£)	%			(£)	%			
-143,478,035	-120,932,859	<b>Total Income</b>			-143,217,065	-150,459,411	(7,242,345)	(5%)		-121,224,246	-123,862,792	(2,638,546)	(2%)		-21,992,819
77,889,377	51,729,537	<b>Total Staff Costs</b>			84,685,470	85,479,692	794,222	1%		55,077,580	55,629,718	552,139	1%		29,607,890
9,619,774	6,423,188	<b>Total Depreciation</b>			9,663,328	9,963,303	299,975	3%		6,470,871	6,485,981	15,110	%		3,192,458
49,758,553	26,253,740	<b>Total Other Operating Expenses</b>			42,728,778	45,910,827	3,182,049	7%		27,046,162	30,330,703	3,284,541	11%		15,682,616
4,368,590	2,976,699	<b>Total Interest Payable</b>			4,372,027	4,358,157	(13,870)	(%)		2,970,525	2,961,438	(9,087)	(%)		1,401,501
		<b>Total Exceptional Items</b>			271,463	3,247,433	2,975,970	92%		271,463	271,463		%		
		<b>Total Internal Allocations</b>			-4,000		4,000								-4,000
-1,841,740	-33,549,697	<b>Contribution</b>			-1,500,000	-1,500,000		%		-29,387,646	-28,183,490	1,204,156	4%		27,887,646
54.7%	42.6%	Recurring Staff costs as % of income			58.1%	55.8%				45.0%	44.7%				
1.3%		Contribution %			1.0%	1.0%				24.2%	22.8%				

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# Agenda Item 6

	CONFIDENTIAL
Paper title:	Semester 1 2018/19 Recruitment Update
Board/Committee	Finance, Planning and Resources Committee
Date of meeting:	1 May 2018
Author:	Steven Brabenec, Director of Marketing and Recruitment
Executive/Operations sponsor:	Nicole Louis, Chief Marketing Officer
Purpose:	Information
Recommendation:	The FPRC is requested to take note

## Executive Summary

- University sector applications are down year-on-year – mainly driven by Home students
- The subject areas that have experienced the biggest decline across the sector are: 'Subjects Allied to Medicine', Business and Creative Arts. These are core subject areas for LSBU.
- In response to the decline in applications, we have improved our offer making performance: we have processed more applications, made more offers and converted more to Firm Accepts y-o-y.
- Firm Accepts are up 15.4% y-o-y: all Schools are up except ACI.



## **Financial Planning and Resources Committee Recruitment Update**

**APRIL 2018**

**INTERNAL USE ONLY: NOT FOR PUBLICATION**

**AUTHOR: Steven Brabenec – Director of Marketing and Admissions**

**EXECUTIVE SPONSOR: Nicole Louis – Chief Marketing Officer**

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**Wider Market Context** (UGFT as at Week 31 of Cycle Year)

**The sector is down 2.5% (or by 67K applications) against LYTD.**

- This is driven by a 91K (or 4%) decline in Home applications.
- OS/EU both grew to slightly offset the domestic decline.

Fig 1. Sector Applications

Applications	2017	2018	% vs LY	+/- vs LY
OS	275.8 K	296.5 K	▲ 7.5%	▲ 20.7 K
EU	203.1 K	205.6 K	▲ 1.2%	▲ 2.5 K
Home	2.20 M	2.11 M	▼ -4.1%	▼ -90.4 K
<b>Total</b>	<b>2.68 M</b>	<b>2.61 M</b>	<b>▼ -2.5%</b>	<b>▼ -67 K</b>

Top 3 Declining Subject Areas  
(Home Applications)

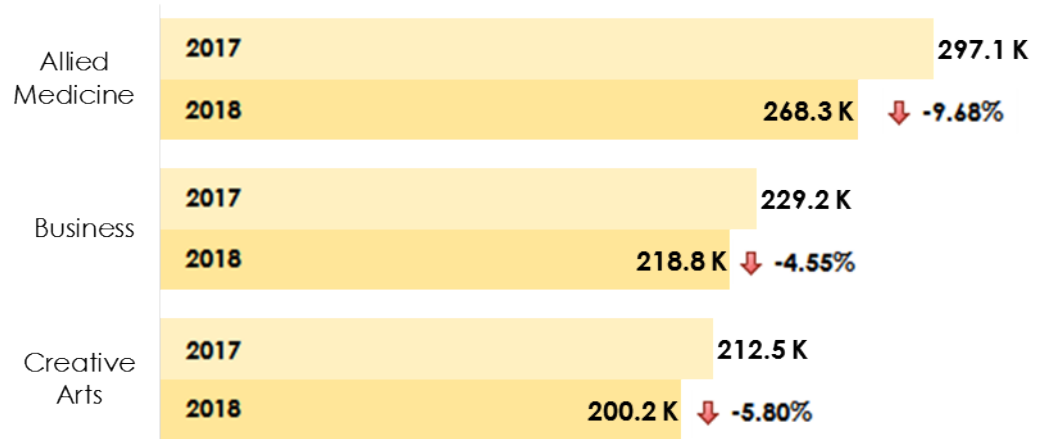


Fig 2. Domestically Declining Subject Areas

**The majority of the domestic fall is in core subjects for LSBU.**

The loss of applications in Allied Medicine, Business and Creative Arts accounts for 52K of the Overall 90K domestic decline.

## Wider Market Context (UGFT as at Week 31 of Cycle Year)

### The sector has reacted to the downturn by making each application count.

- Unconditional Offers have risen by 8.5% YoY (equating to 19K extra offers).
- Rejections are down nearly 10% YoY (equating to 53K less rejections).

Sector cautious with rejects, and generous with offers vs LY, in response to bearish market conditions.

Fig 3. Overall Sector Offers & Rejects

Sector Trends	2017	2018	% vs LY	+/- vs LY
Unconditional Offers	222.0 K	240.8 K	▲ 8.5%	▲ 18.8 K
Rejections	571.4 K	518.6 K	▼ -9.2%	▼ -52.8 K

### It is a buyers' market: there has never been a better time to get into university.

More competition between universities for less applicants.

- Applicants have greater choice and receive greater incentives.
- Institutions accept more and reject less, and accommodate applicants who do not meet standard entry requirements.

### The same trend is clear within our Competitor Group.

Fig 4. Overall London Competitor Group Offers & Rejects

Competitor Trends	2017	2018	% vs LY	+/- vs LY
Unconditional Offers	7.4 K	9.4 K	▲ 26.8%	▲ 2.0 K
Rejections	29.3 K	18.8 K	▼ -35.9%	▼ -10.5 K

2,000 Extra Unconditional Offers  
10,000 Fewer Rejects

## LSBU Applications (UGFT as at Week 31 of Cycle Year)

**LSBU is down -6.4% in applications compared to LYTD (16.9K vs 18.0K).**

Excluding HSC, there is a 4% increase Overall mainly driven by BUS (which is up 22% YoY, or +470 applications).

YoY Applications for the remaining schools are varied, ranging between +4% to -7.5%.

In line with the sector, there decrease in Home applicants (8.5% / -1.4K), and a slight increase in OS/EU apps (100 each)

Figs 5-6. LSBU Applications, and LSBU Applications by School

Apps Overall	2017	2018	% vs LY	+/- vs LY
LSBU exc. HSC	9.9 K	▲ 10.3 K	4.19%	415
LSBU Overall	18.0 K	▼ 16.9 K	-6.44%	-1161

Apps by School	2017	2018	% vs LY	+/- vs LY
BUS	2.1 K	▲ 2.6 K	22.06%	472
BEA	0.9 K	▲ 1.0 K	4.31%	40
LSS	2.2 K	▲ 2.3 K	3.73%	83
APS	1.5 K	▲ 1.5 K	1.33%	20
ENG	1.4 K	▼ 1.4 K	-5.15%	-74
ACI	1.7 K	▼ 1.5 K	-7.53%	-126
HSC	8.1 K	▼ 6.5 K	-19.40%	-1576

## Competitor Group Applications

Overall across our competitor group, applications are down 8.7K in (or 6.9%) YoY.

(This is equivalent to losing an institution the size of Roehampton University).

Fig 7. Overall Applications in London Competitor Group

Competitors	2017	2018	% vs LY	+/- vs LY
Apps	126.2 K	117.4 K	▼ -6.9%	▼ -8.7 K

**The playing field is becoming smaller for London Moderns.**



## LSBU Conversion Performance (UGFT as at Week 31 of Cycle Year)

In the context fewer applications, we've increased offer making performance; LSBU is making each application count.

Offers up by volume (from 9.8K to 10.5K), and by proportion (from 54.4% of apps to 62.1%).

- More applicants are receiving their offers early.

With more interventions, flexibility on tariff and follow up activity, rejections fell 2.2K (40% vs LYTD).

- Applicant Rejection Rate fell from over 31% to under 20%.

**LSBU has gained 140 additional Firm Accepts vs LY.**

- Firm Accepts up 15.4% YoY.
- Conversion from Offer to Firm increased to 10%.

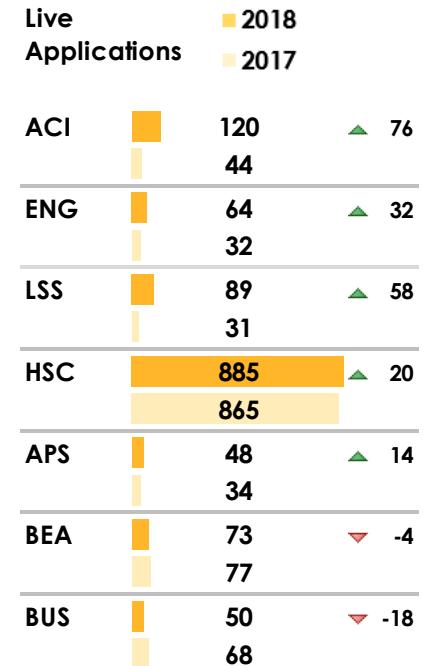
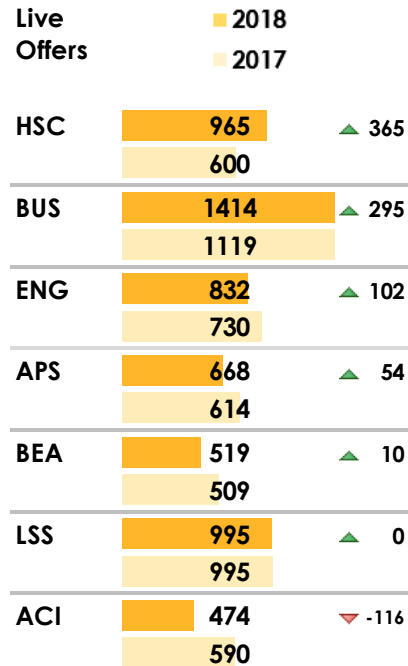
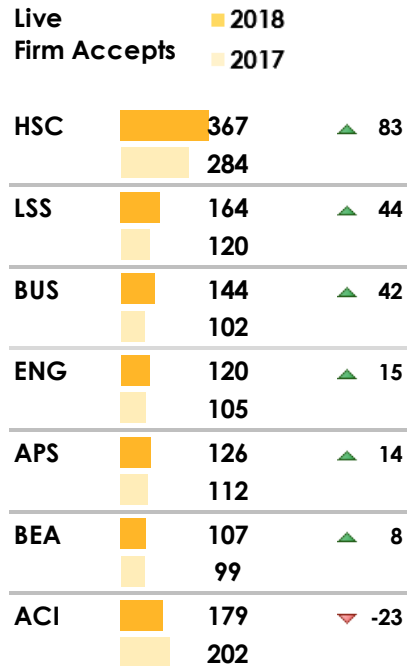
Undergraduate FT	2017	2018	%	+/-
<b>Applications</b>	<b>18.0 K</b>	<b>16.9 K</b>	<b>-6.4%</b>	<b>▼ -1156</b>
▶ <b>Offers</b>	<b>9.8 K</b>	<b>10.5 K</b>	<b>6.8%</b>	<b>▲ 668</b>
▶ <b>Rejections</b>	<b>5.6 K</b>	<b>3.4 K</b>	<b>-40.4%</b>	<b>▼ -2274</b>
▶ <b>Firm Accepts</b>	<b>909</b>	<b>1049</b>	<b>15.4%</b>	<b>▲ 140</b>
<b>Offer Making Performance</b> (Proportion of Offers v Apps)	54.4%	62.1%	<b>7.7%</b>	<b>▲</b>
<b>Rejection Rate</b> (Proportion of Rejects v Apps)	31.2%	19.8%	<b>-11.3%</b>	<b>▼</b>
<b>University Conversion Rate</b> (Proportion of FA's v Offers)	9.3%	10.0%	<b>0.7%</b>	<b>▲</b>

### Undergraduate Pipeline (Week 31 of Cycle Year)

**Firm Acceptances:** up YoY across all Schools except ACI. Overall UG is up 183 (or 17.9%) in Firm Accepts vs LYTD.

**Live Offers:** increase of 710 (or 13.8%) on LY, mainly in HSC, BUS and ENG.

**Live Applications:** Majority of Schools have more live applicants in the pipeline compared to LY.

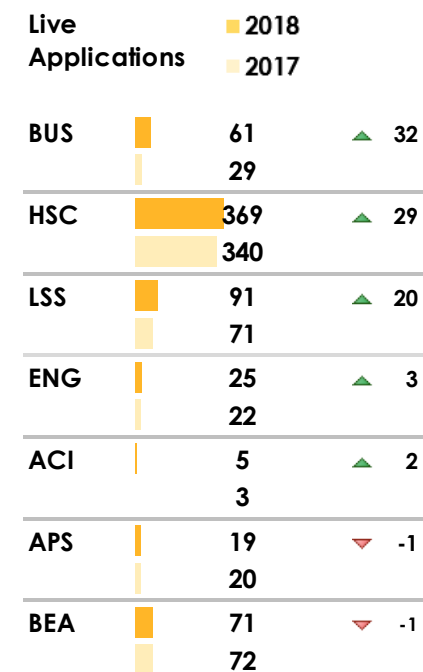
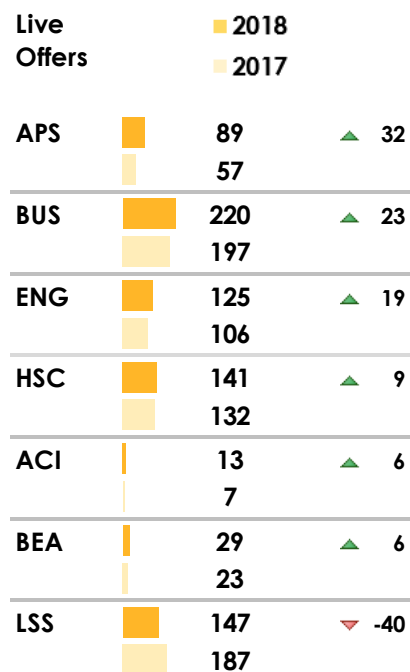
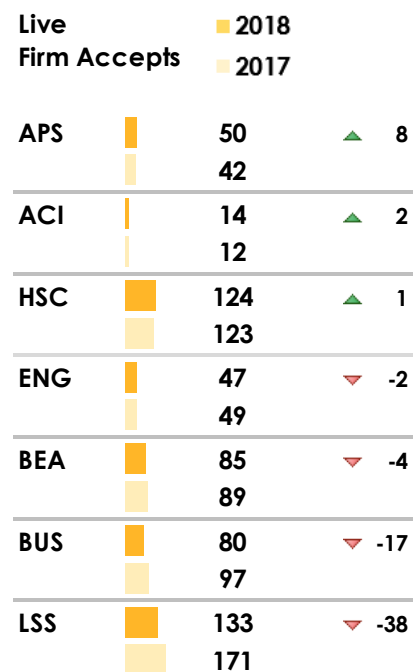


Note: this is the overall Undergraduate pipeline, inclusive of FT (including HSC Commissions) & PT (including Apprenticeships).

### Postgraduate Taught Pipeline (Week 31 of Cycle Year)

**Firm Acceptances:** down -50 FA's Overall (or 8.6%), mainly in LSS and BUS; while other Schools broadly in line with LY at this early stage.

Home applications and offers broadly in line with LY, but there is a decline of EU and OS students (mainly in LSS).



Note: this is only the Postgraduate Taught pipeline (FT and PT).

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	CONFIDENTIAL
Paper title:	Philanthropy and Fundraising Strategy Overview
Board/Committee	Finance, Planning and Resources Committee
Date of meeting:	1 May 2018
Author:	Olivia Rainford
Executive/Operations sponsor:	Nicole Louis
Purpose:	To support the proposed strategy, which is recommended by the executive.

## 1. Executive Summary

- 1.1. London South Bank University has re-established a fundraising programme that is both long-term and clearly linked to the University's mission to transform lives, communities and businesses. It presents a more strategic approach to fundraising than has been possible in the past and is underpinned by a vision to achieve a sustainable and substantial flow of philanthropic income over the next 10 years.
- 1.2. The University has historically benchmarked well against other modern institutions for charitable income as documented by the annual report for the Ross-CASE Survey of Charitable giving to Universities. For example, in 2013/14 the University came 2<sup>nd</sup> out of 40 post-92 universities for fundraising (achieving a charitable income of £1.3m); the result of several major gifts for tactical projects with departmental support. This period also included significant donations from Hanban, used for the purposes of the Confucius Institute.
- 1.3. By 2016/17 charitable income had decreased to 12<sup>th</sup> (a charitable income of £350k – just under the mean for new funds secured in the Million+ mission group) and we continue to see a decline. This strategy proposes a substantial shift away from tactical fundraising, towards the development of a sustainable programme, where fundraising is seen as a key institutional activity and a critical component of our financial model.
- 1.4. To achieve this, we require the creation of, and support for, a culture of philanthropy across all constituencies – University leadership, academic staff, professional services administrative staff, governors, donors, corporate and other partners.

- 1.5. Over the next 18-months our first priority is to develop a Case for Support; a clear and compelling articulation of why LSBU needs to raise money and what the impact will be. The Alumni and Development team will present the draft case to key internal stakeholders for discussion, development and approval by July 2018. Alongside this, it will be important to continue developing a portfolio of immediate projects that align with the main themes in the draft Case for Support.
- 1.6. Our strategy lays forth our expectations for the near-term. However, it is essential to maintain an ambition for London South Bank University in the long-term, far exceeding the expectations set forth by benchmarking against other modern institutions. We have a compelling philanthropic narrative to capitalise upon; our ambition must reflect the legacy we wish to benefit the institution in decades to come.

## **2. Introduction**

- 2.1. In August 2017 the Alumni Relations team and Development team were aligned under the leadership of a Head of Alumni and Development. There are now six members of staff working under this role across Alumni Relations (x3.5), Fundraising (x1.5) and Compliance (x1). The Alumni and Development team will lead, choreograph and support the delivery of this strategy, with strong leadership and support from the Vice-Chancellor and the senior team.
- 2.2. The strategy has been developed not only to align with the University's mission, but also to reflect three key areas for fundraising compliance in an increasingly regulated environment. A further paper will follow, outlining our obligations and activities under the following:
  - a) The principles covered in the Charity Commission's, "CC20, Charities Fundraising: a guide to trustee duties"
  - b) General Data Protection Regulation and the impact on alumni engagement and fundraising.
  - c) The Code of Fundraising Practice as set forth by the Fundraising Regulator.
- 2.3. In spring 2018 we will convene a Fundraising Steering Group to advance fundraising across LSBU. The goals of this group will be to strengthen the internal fundraising culture and to build increased trust and confidence among senior leadership and staff about LSBU's ability to raise philanthropic support. Its role will be advisory, providing guidance as progress is made and issues arise.
- 2.4. Once the fundraising programme is up and running and in the light of progress towards our initial targets the narrative will be revisited and formalised as a Case of Support by January 2019. This will include substantial financial targets and a clear road map for delivery for the following five years.

## 2. Philanthropic and Charitable Income

2.1. LSBU will target individuals, alumni, corporates, charitable trusts and foundations who understand, engage with and share responsibility for LSBU's mission, enough to commit significant resources over time. We will build meaningful relationships with these stakeholders, thus strengthening our commitment as a charity to act for the public benefit across all University activities.

2.2. The proposed strategy is underpinned by three themes that demonstrate our fundamental commitment to supporting equality, diversity and innovation through philanthropic and charitable income:

- a) **Sustainable change:** LSBU's philanthropic activities will be outward looking; we will work collaboratively with others to identify social challenges and co-create solutions that have a long-standing public benefit.
- b) **Human potential:** LSBU's philanthropic focus will be on opportunities that transform the strength of a person's convictions about their own effectiveness and perceptions of success.
- c) **Inclusivity:** LSBU's charitable income beneficiaries will be far-reaching; not limited to the few – but applicable to the many – because philanthropy is not built on exclusivity, but inclusivity.

2.3. Where charitable income is a designated 'gift', donors can give to LSBU in the following ways:

Existing:

- a) **Annual giving:** A single cash gift or pledge for multi-year gifts to LSBU's Annual Fund for Students (to be phased out in 2018/19)
- b) **Major gifts:** £100,000 or above, with the intention that we will increase the benchmark for a major gift as the fundraising programme grows. Our aspiration is to prioritise the solicitation of transformational gifts over £1m as our credibility grows.
- c) **Endowments:** Traditionally held in perpetuity while investment returns are used as income for charitable purposes. The University's historic charitable endowments are valued at c.£800,000 and held in trust i.e. they are discreet legal entities with, usually, the University as sole trustee.
- d) **Planned gifts:** Generated from legacies or bequests, these gifts are often restricted, i.e. they can only be used for the agreed purpose.
- e) **External prizes:** Financial payments of £50 to £500 are awarded to students at the end of each academic year, most commonly for the highest module or course marks. Individuals, foundations and organisations offer prizes presently.

New:

- f) **Crowdfunding:** Community fundraising efforts whereby a large number of contributors donate a small amount, typically online. Our intention is to move away from the concept of annual giving in favour of adopting crowdfunding techniques to reach a larger number of donors and beneficiaries through developing 'micro-projects'.

2.4. In line with the 25 May 2018 deadline for General Data Protection Regulation (GDPR), alumni will be asked to give their explicit consent to be contacted about making a donation to the University. A pilot ran between August 2017 and February 2018 and results indicate that 33% of alumni who opt-in will consent to being contacted about making a donation. This will impact the total number of alumni with whom we can contact in order to solicit donations and non-financial support. This is represented in our decision to move towards micro-projects and crowdfunding and away from annual giving.

### 3. Fundraising and Philanthropy Targets

3.1. In the near-term, a fundraising programme will be established to achieve a charitable income target of £1.5 million in 2019/20, inclusive of new funds secured from:

- An external prizes programme that generates a minimum £70,000
- A micro-projects platform that generates a minimum £200,000

3.2. Over the course of this period, 50 high-net-worth prospective donors will be identified and engaged with in the process of building a Case for Support. Where appropriate, we will ask for the support of Trustees in connecting with their networks to develop such relationships.

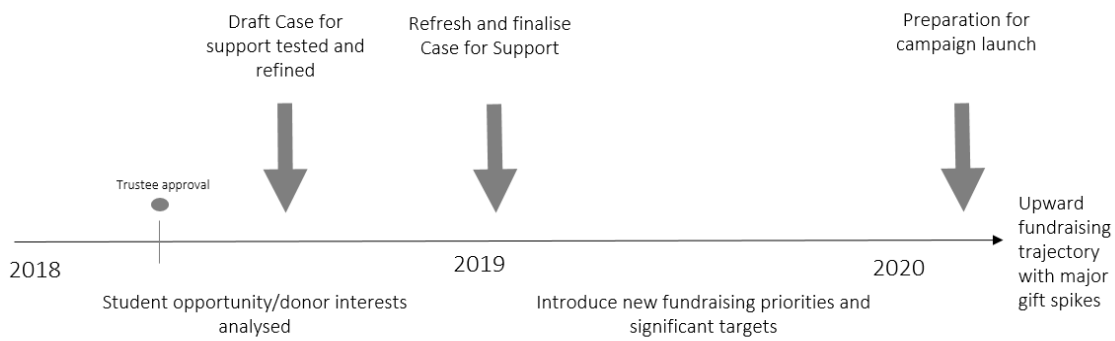
### 4. Key Strategies for Fundraising 2018 – 2021

4.1. To support the foundation activities in the first eighteen months of this strategy, the following strategies will be adopted to ensure we build a sustainable fundraising programme capable of generating substantial income in the future:

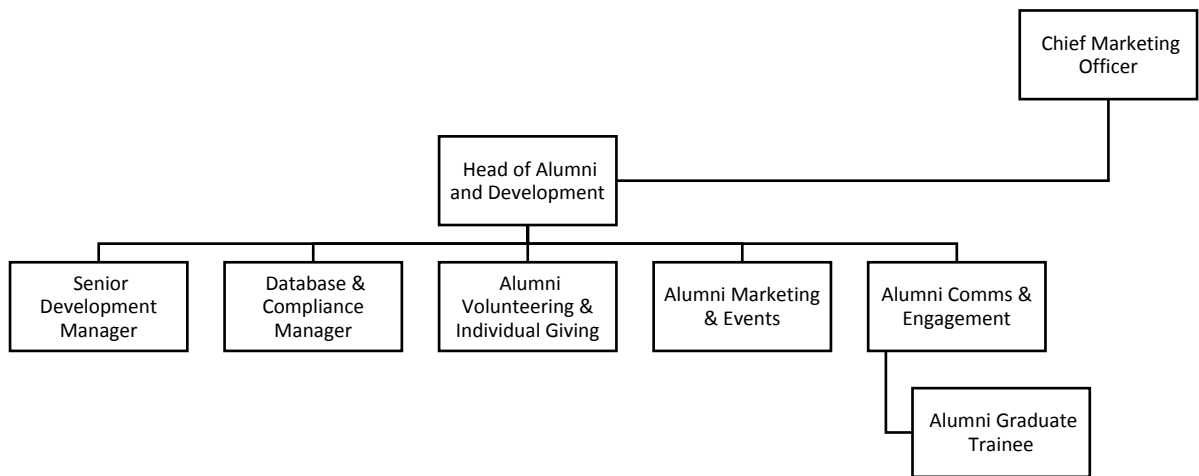
- Develop and intensify a culture of philanthropy throughout the institutional community.
- Increase our charitable income through systematic approaches to projects, partners and donors.
- Engage a wide range of stakeholders in processes of change and equip them in their roles as 'champions' for LSBU's philanthropic aims.
- Build a sustainable operations model that adheres to the highest levels of regulation and compliance.



## Appendix 1: Timeline – Building sustainable fundraising – the first 18 months



## Appendix 2: Alumni and Development reporting hierarchy



## Appendix 3: Ross-CASE Survey of Charitable giving to Universities in UK 2015-16: Mean indicators by mission group

Table 2.3 Mean key indicators 2015-16 by mission group	All	Russell Group	Russell Group excl. Oxbridge	University Alliance	Million+	Former 1994	Specialist	Not part of a mission group
Ross-CASE Survey of Charitable giving to Universities in UK 2015-16								
<b>Philanthropic income</b>								
<b>New funds secured</b>	£9,621,702	£35,476,614	£16,630,358	£1,072,076	£395,272	£2,616,615	£4,415,913	£2,709,598
New funds secured from individuals	£4,328,115	£15,408,806	£4,701,482	£372,563	£140,800	£991,290	£1,697,063	£1,662,662
New funds secured from organisations	£5,347,942	£20,067,809	£11,928,876	£699,513	£254,473	£1,625,326	£2,778,757	£1,046,937
Base	109	24	22	12	12	9	12	40
Largest new pledge /gift as a percentage of new funds secured**	34%	25%	25%	37%	49%	24%	42%	33%
Base	106	23	22	12	11	9	11	40
<b>Cash income received</b>	£7,624,116	£27,340,800	£12,141,675	£1,173,201	£213,359	£3,218,217	£3,894,917	£2,155,922
Cash income received from individuals	£3,930,345	£14,298,961	£4,896,952	£435,816	£53,811	£942,139	£1,873,185	£1,209,989
Cash income received from organisations	£3,729,959	£13,041,839	£7,244,723	£737,386	£159,548	£2,276,078	£2,039,681	£945,933
Base	109	24	22	12	12	9	12	40
Largest cash gift as a percentage of cash income received**	31%	21%	22%	44%	38%	23%	31%	33%
Base	108	23	22	12	11	9	13	40
<b>Alumni</b>								
Total alumni	151,535	226,945	219,573	204,478	99,475	119,196	13,848	154,607
Contactable alumni	97,824	170,619	163,285	141,598	68,585	84,238	8,147	79,746
Base	109	24	22	12	12	9	12	40
Alumni donors	1,632	5,436	2,980	1,056	88	1,086	120	563
Base	109	24	22	12	12	9	12	40
<b>Donors</b>								
<b>Total donors</b>	2,082	6,603	3,706	1,268	118	1,352	1,017	715
Individual donors*	2,030	6,477	3,601	1,251	106	1,307	964	681
Organisation donors	53	126	105	17	12	44	53	34
Base	110	24	22	12	12	9	13	40
Ross-CASE Survey of Charitable giving to Universities in UK 2015-16								
<b>Resources</b>								
<b>Total institutional expenditure</b>	£254,228,404	£632,905,479	£572,483,204	£209,907,121	£104,295,331	£204,921,889	£47,457,142	£163,593,092
Base	110	24	22	12	12	9	13	40
No. of Fundraising staff	13	41	25	6	2	8	6	6
No. of Alumni relations staff	6	18	12	3	2	5	1	4
Base	110	24	22	12	12	9	13	40
<b>Total fundraising costs</b>	£1,003,111	£3,149,059	£1,856,661	£354,978	£131,591	£530,846	£524,564	£418,613
Fundraising staff costs	£686,214	£2,094,049	£1,234,674	£253,702	£103,345	£411,847	£334,460	£312,845
Fundraising non-staff costs	£316,897	£1,055,010	£621,987	£101,276	£28,245	£118,999	£190,104	£105,768
Base	109	24	22	12	12	9	13	39
<b>Total alumni relations costs</b>	£394,139	£1,102,668	£703,318	£193,162	£107,993	£270,341	£72,132	£254,016
Alumni relations staff costs	£259,566	£691,833	£445,103	£147,291	£72,587	£189,876	£47,031	£172,562
Alumni relations non-staff costs	£138,189	£410,835	£258,215	£45,871	£35,406	£80,465	£25,101	£81,454
Base	119	24	22	12	12	9	13	39

	CONFIDENTIAL
Paper title:	Capital expenditure funding proposal
Board/Committee	Finance, Planning and Resources Committee
Date of meeting:	1 May 2018
Author:	Richard Flatman, Chief Financial Officer
Executive sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	To secure funding for working capital during major project development work on London Road and LEAP over the next few years.
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	Financial sustainability.
Recommendation:	FPR is requested to authorize the CFO to issue a Request for Proposal (RFP) to invite bids for a Revolving Credit Facility (RCF) of up to £25m for a 5 year period. Rates and terms to be reported back to FPR/Board for approval.

Attachments:

Appendix 1: Cashflow forecast

## Introduction

MPIC recently considered and recommended to Board approval of business cases for capital expenditure of £80m over the next 4 years for:

- the development of London Road and associated works, and
- project LEAP; a major organizational transformation programme for the LSBU student journey.

These projects will be funded from a mixture of existing cash reserves plus cash generated from operating cashflows during the next 4 years. This paper analyses in more detail the cashflows over that period and considers short term financing required for working capital.

Forecast cashflows are set out in more detail in Appendix 1.

In the analysis that follows we have also considered the impact on cashflows and liquidity of Lambeth College joining the LSBU group.

## Proposal

Based on the forecast cashflows, the recommendation is that we invite bids via RFP for a £25m 5 year vanilla revolver (liquidity contingency line) which we can draw on as and when required. The intention is that this is available during the 5 year period to fund working capital but will not be crystallised into fixed or variable rate longer term loans at the end of the period. Appendix 1 shows that at 31/7/22 bank balances are forecast to be £19.7m without the facility and this should be sufficient for our needs. It is during the intervening period when capex spend is higher that the short term financing facility is required.

When inviting bids we will also seek innovate proposals for restructuring our existing debt as part of the process. This may enable us to offset some of the additional cost of the RCF.

## Borrowing headroom

LSBU has sufficient headroom to borrow up to the proposed additional £25m.

Without approval, LSBU is able to borrow up to a multiple of 5 x EBITDA which given the current level of surplus is approximately £75m.

<b>Loans:</b>	<b>Forecast balance July 18 £m</b>
<b>Current LSBU Loans:</b>	
Barclays	20.6
Allied Irish	4.5
Total current loans	25.1
<b>Potential Lambeth College loans:</b>	
Barclays	14.0
<b>Headroom</b>	35.9
<b>Total</b>	75.0

The proposed RCF of £25m is within the current headroom and would take group borrowings (assuming Lambeth merger) to £64m. This is within the 5 x multiple of EBITDA for both LSBU and group (although the latter assumes release of grant to income to offset any operating deficit). If the proposed merger does not proceed the LSBU loan position would be £50.1m which is well within the limit of £75m.

Loan totals as a % of income would be:

- 35% of income (without Lambeth College merger)
- 38% of consolidated group income (if the merger does proceed and assuming Lambeth College income of £25m pa)

The current sector average is 36.6%.

### **Cost and affordability**

Our latest financial forecasts assume additional interest of £900k pa being an assumed all-inclusive cost of 3% on an assumed upper limit of £30m additional borrowing.

The latest indicative cost is as follows:

- Arrangement fee 50 basis points (0.5% x £25m) = £125,000
- Interest on funds drawn: 180 basis points (1.8%) above 1 month LIBOR which currently stands at 0.53% = £582,500 if we drawdown the full £25m
- Non utilization fee of half agreed margin 0.9%. So if we do not drawdown any funds the cost would be £225,000 pa.

These rates are not fixed and the University will be exposed to interest rate movements during the RCF term.

All rates to be tested through the RFP.

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# Cashflow forecast

Appendix 1

	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Opening Cash Position	39,000	37,500	20,700	12,100	5,900	39,000
London Road		25,000	20,000	20,000	0	65,000
LEAP	1,500	6,800	3,600	1,200	1,200	14,300
Planned Expenditure	1,500	31,800	23,600	21,200	1,200	79,300
Cash Generation		15,000	15,000	15,000	15,000	60,000
Closing Cash Position	37,500	20,700	12,100	5,900	19,700	19,700
RCF: to fund working capital (£25m)		25,000	25,000	25,000	25,000	
Total funding available		45,700	37,100	30,900	44,700	
Net liquidity (days)		129	100	80	110	
<b>Worst case cash position</b>						
<i>ie if cash out before cash in</i>		5,700	-2,900	-9,100	4,700	
RCF: to fund working capital (£25m)		25,000	25,000	25,000	25,000	
Total funding available		30,700	22,100	15,900	29,700	
Net liquidity (days)		87	60	41	73	
<b>Lambeth</b>						
Potential TU funds held (loan offset)		8000	3000	0	0	
Revised		110	68	41	73	
Sector average (current 128 days)						
Sector forecast (days)		88	81			

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	CONFIDENTIAL
Paper title:	Lambeth College commercial debt
Board/Committee	Finance, Planning and Resources Committee
Date of meeting:	1 May 2018
Author:	Richard Flatman, Chief Financial Officer
Executive sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	To update FPR on proposals for the transfer of LC debt to LSBU.
Recommendation:	FPR is requested to approve the proposal.

## Introduction

All commercial debt held by Lambeth College (LC) is with Barclays as is the majority of the University's debt with the exception of one loan with Allied Irish Bank.

LC loans can be summarized as follows:

- Money market loan previously £2m+ (already repaid in full)
- Revolving credit facility £1.4m (factored into historic debt position and will be repaid in full from the £12m write off by the Transaction Unit)
- Barclays commercial debt outstanding of £14m at rates of approx. 5% fixed rate + margin, dated 2035 and secured on both Clapham and Vauxhall.

## Requirement

The requirement is to agree a methodology such that:

- LC transfers the debt to LSBU group
- LC releases the current LC security to enable rationalisation of the LC property portfolio
- LC (newco) meets the demands of the TU to demonstrate use of funds by end May 2019
- LSBU retain headroom for additional borrowing capacity if necessary linked to the development of London Road
- Comply with all existing and future covenants
- Ideally have one group facility in future
- Achieve all of the above without triggering significant break costs

In final discussions with the TU we gave a clear commitment that we would:

- Meet their demands to utilize funds by 31 May 2019, and
- With immediate effect consolidate into LSBU group accounts, the accounts of the new subsidiary company, into which the assets and liabilities of LC will transfer.

### **Key issue – Break costs on the LC fixed term loans**

Ideally Barclays would novate the £14m commercial debt into NEWCO (subsidiary of LSBU) and we would use the TU funds to repay (or part repay) the debt at the date of transfer whilst at the same time agreeing with Barclays an ongoing facility for the Newco subsidiary to draw-down funds over the business turnaround period. This, we believe, would have enabled us to comply with TU requirements.

This would be the preferred solution because all LC assets and liabilities would transfer to the new subsidiary company.

However, the current break cost on the fixed term LC loans is approx. £5m and this has not been factored into the TU bid submission. We were aware of the break costs from the initial PwC due diligence report but the assumption was that (a) the “stage 1” merger would not result in crystallisation and immediate repayment of the loans and that (b) Barclays would novate the debt, which they are able to do. The original intention therefore was always that we would not break the loans but consolidate them within the LSBU group accounts. It is the more recent requirement to demonstrate use in full of the TU funds by May 2019 that has caused the problems given all the delays encountered to date. Repayment (or part repayment) to satisfy the requirements of the TU would trigger the break clause.

### **Potential solution**

One potential solution (as yet untested with the TU) is for Barclays, rather than novating the debt to the new subsidiary, to novate the debt on existing fixed terms to LSBU. (They will reprice the margin to reflect University risk rather than the current higher margin set to reflect the fact that LC has consistently been in breach of its covenant).

On transfer of the debt, LSBU will create an inter-company debtor with NEWCO.

On receipt of the grant from the TU, NEWCO will transfer funds to LSBU, thereby effectively clearing the inter-company balance. We can hopefully demonstrate to

the TU that the funds have been used immediately to refinance NEWCO and clear the LC commercial debt.

LSBU will have taken on the commercial debt but it will be offset by the cash transferred.

There will be no group balance sheet impact as we have also agreed to consolidate from date of merger.

It is unlikely that Barclays will provide additional funding to NEWCO and hence LSBU will need to use the £14m to fund the cashflow requirements of NEWCO in the turnaround period. We will therefore have the cash to fund working capital requirements during the turnaround and can remit to NEWCO on an “as required” basis during the turnaround period.

This will not result in additional interest cost within LSBU. The net interest charge after netting off any interest earned on the TU funds remaining will be recharged to NEWCO via the inter-company account along with other LSBU charges in respect of support provided. The interest cost was factored into the Cash Flow Availability for Debt Service financial model.

At the end of the turnaround period LSBU group will still hold the commercial debt (as originally forecast but in LSBU rather than NEWCO). This will affect the University position but not the consolidated group balance sheet position.

## **Security**

On novation to LSBU it is likely that new Security will be required and the current charges over Clapham and Vauxhall will be released. Subject to any other charges which may exist, this will help in terms of our ability to rationalize the LC estate.

## **Impact on LSBU borrowing capacity**

MPIC's recent decision to invest £80m on student journey project (LEAP) and London Road refurbishment over the next few years will potentially require additional short term borrowing of £20m to £30m. Taking on the commercial debt of LC will reduce the headroom. However, we will have sufficient capacity based on a 5x multiple of EBITA which even at breakeven levels would be approx. £70m (and at planned surplus levels closer to £95m). The current level of bank debt in LSBU is approx. £25m so at breakeven level this would be tight but achievable. Acting as banker and holding the £14m may however in the short term reduce our need for additional borrowing.

## **Covenants**

The other key challenge will be covenant compliance. We know that LC has consistently been in breach. It may be possible to wrap the LC debt into a new group facility on the same T&Cs. We will review carefully before finalization.

## **Recommendation**

FPR is recommended to support the proposal that LC's £14m debt with Barclays is novated to LSBU on completion of project larch. This is subject to discussion with the TU and Barclays and approval of LSBU Board.

	CONFIDENTIAL
Paper title:	Strategic HR Report
Board/Committee	Finance, Planning and Resources Committee
Date of meeting:	1 May 2018
Author:	Mandy Eddolls, Executive Director of HR
Executive/Operations sponsor:	Mandy Eddolls, Executive Director of HR
Purpose:	Discussion
Recommendation:	The committee are asked to note the report.

## **Executive Summary**

### **1.0 Workforce Planning**

- 1.1 With the predicted shortfall in income for next year, workforce planning remains the key focus of the next quarter.
- 1.2 Spend on operating expenses has been reviewed, both in year and for 2018/19 but the levels of spend on staffing costs will also need to undergo a fundamental review. This will include an immediate review of staff costs that are more easily curtailed:
- Contract staff
  - Consultant spend
  - Temporary staff spend.

However, it is likely that simply reducing these costs will not achieve the necessary cost reductions, particularly as some of these costs will need to be on going as these are often the most cost efficient ways of hiring specialist skills for short term requirements e.g. software testers.

- 1.3 The next obvious (and legally robust) step would be to run a voluntary redundancy programme prior to any review of permanent contracts. A Voluntary Redundancy programme will commence in May, and previous exercises have proved popular.

- 1.4 As the profile of student recruitment in some schools has changed, there may also be a requirement to consider the skills and expertise balance in Schools to align with new requirements.
- 1.5 Executive are also reviewing the operating model for professional services that are currently delivered on site on expensive terms and conditions.

## **2.0 Industrial Relations**

- 2.1 We have not been affected by the widespread industrial action taken by UCU in regards to pension provisions. We have a relatively small number of staff in USS (c65) and our staff have not therefore been balloted for action, either under the UCU action or that proposed by UNISON.
- 2.2 However, pensions remain a focus for Unions and it would be imprudent to believe we will never be effected by action.
- 2.3 At a local level, relations with the major Unions remain manageable.

## **3.0 HR Operations**

- 3.1 The primary focus of the Operations team has been to carry out remedial work on record keeping, especially in light of the requirements for UKVI. Files have now been cleaned and digitised and missing documentation rates have dropped. Further work is planned to deliver the final quality required.
- 3.2 Integration between payroll and HR operations has vastly improved and error rates have dropped, as referenced in the last PWC audit.
- 3.3 HEFCE awarded LSBU the highest outcome category for its Prevent Annual Report and we have received £100k in grant funding from them for the work.

## **4.0 Equality, Diversity and Wellbeing**

- 4.1 Wellbeing LSBU Conference focused on 'Time to Change Pledge' and highlighted the challenge of Mental Health. 400 staff attended throughout the day.
- 4.2 Update on Race Charter Mark in Chief Operating Officer's report.

## **5.0 Appraisals**

- 5.1 The new appraisal round is due to go live in early June, in a new on line format.
- 5.2 Focus has shifted from simple completion to higher quality objectives, and the OD team have delivered a series of workshops on developing a coaching culture through objectives.

## **6.0 Leadership Development**

- 6.1 The Leadership Academy offering has been extended and is now offered to all people managers. Based on the deliverables deriving from The Manager's Charter, feedback from the six modules has been excellent.
- 6.2 In a drive to improve diversity in senior leadership, 13 staff have been part of the Diversifying Leadership programme for BAME staff run by the Leadership Foundation for Higher Education.

## **7.0 Employee Engagement**

- 7.1 The 2018 full employee engagement survey is due to launch on 23<sup>rd</sup> April.
- 7.2 The tender process to commission a new Benefits and Recognition platform has completed and a portal platform selected. It pulls together our already wide range (but hard to find) benefits package into one place, offers a comprehensive range of store discounts and allows for peer to peer recognition. It will launch in June.

## **8.0 Compulsory Training and Apprenticeships**

- 8.1 Compulsory training has been streamlined and has improved functionalities on our e-learning platform. A module on GDPR has been added.
- 8.2 We have launched a Level 3 Management Apprenticeship Programme, with 23 staff confirmed as delegates. This will mean approximately one third of our levy payment will be spent, an improvement on our starting position for the year.

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	CONFIDENTIAL
Paper title:	Chief Operating Officer's Report
Board/Committee	Finance, Planning and Resources Committee
Date of meeting:	1 <sup>st</sup> May 2018
Author:	Ian Mehrtens
Executive/Operations sponsor:	Ian Mehrtens, COO
Purpose:	An update on activities and an indication of which goals in the corporate strategy these activities help to deliver against.
Recommendation:	The Committee is requested to note the contents.

## Executive Summary

The Committee is asked to note the contents of the paper.

### 1. Academic Related Resources

#### 1.1. General *(Goal 2, Goal 3 and Goal 7)*

- 1.1.1. The Director is championing with Organisational Development, LEAN working within a group of service staff in ICT.
- 1.1.2. This is a collaborative team effort to improve performance by systematically removing waste and reducing variation and ensuring continuous improvement.
- 1.1.3. The initiative is being worked alongside the output from the current state analysis review carried out towards the end of last year that identified process improvements to improve organisational effectiveness.

#### 1.2. ICT *(Goal 2, Goal 3 and Goal 7)*

- 1.2.1. The team are working on the re-tender of the cloud services as the existing IBM solution contract expires in April 2019.
- 1.2.2. Consultants have been brought in to assist with this process, to understand the risks and to ensure that the latest technology is being

employed.

- 1.2.3. It is expected that the solution to be procured will be more robust based on a demand led service backed up to the cloud.

## **2. Estates and Academic Environment**

### **2.1. Estate Development** *(Goal 2, Goal 3, Goal 4 and Goal 8)*

- 2.1.1. A Transformative Estate Development Plan was presented to MPIC in March and subsequently to the full Board later the same month.
- 2.1.2. The plan presented was in three phases with the first phase to refurbish London Road and associated works, the later phases dependent upon developing an innovative off balance sheet solution to the funding.
- 2.1.3. Both MPIC and the Board supported the proposal and the Phase One funding plan. Work has now begun to prepare the detailed specifications and engage with stakeholders on the plans. The first output will be the refurbished laboratories in Faraday and E, M and J blocks.

### **2.2. St George's Development project**

- 2.2.1. The scheme is in the town planning process now although it will not be considered until after the local elections in May.

## **3. Equality, Diversity and Inclusion (EDI)** *(Goal 2, Goal 3 and Goal 7)*

- 3.1. Work is on target to submit an application for the Race Charter Mark in November 2018. The submission has to include evidence from staff and students and action plans to deal with the issues identified.
- 3.2. We had an amazing response with 1725 students and 483 staff responding, exceeding the response rate from other universities that have been awarded the charter mark.
- 3.3. The results are being analysed coordinated with focus groups, the Students' Union and the staff BAME network, Equinet.
- 3.4. Our submission for the Stonewall Workplace Equality Index resulted in 111.5 out of a possible 200 marks, placing us at rank 104<sup>th</sup> out of a total 434 participating organisations. This is disappointing despite a great deal of effort from a large number of people. We have had our feedback session with Stonewall and have decided to not submit to the Index this year as we are submitting to REC and Athena Swan but to spend the next two years focusing on embedding the culture across the organisation. We will submit again in 2019.

**4. Organisational Effectiveness** *(Goal 2, Goal 3, Goal 4, Goal 7 and Goal 8)*

- 4.1. Following a review of the effectiveness of the Operations Board, the Vice Chancellor has created an Organisational Effectiveness Group (OE Group), chaired by the COO comprising three Deans and the Directors of the main PSG's.
- 4.2. The Group has a remit to improve the organisation effectiveness ensuring that processes and core activities are fit for purpose.
- 4.3. The OE Group has taken as its baseline, the output from a recent Current State Analysis undertaken by a consultancy, Gate One. This report identified recommendations for action based on the MoSCoW system (must, should, could, would).
- 4.4. At the time of writing, the Group has met twice and developed 9 projects that span PSG's and once completed will deliver a more effective organisation. In doing this work, consideration will be given to other entities within the group so that services can be offered Group-wide wherever possible, reducing cost and improving effectiveness.
- 4.5. The COO will report to the exec quarterly on progress and it is intended that going forward a summary of that report will come to FPR through the COO's report.

Ian Mehrtens  
Chief Operating Officer  
April 2018

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	CONFIDENTIAL
Board/Committee:	Finance, Planning & Resources
Date:	1 May 2018
Paper title:	Treasury Management Report
Author:	Natalie Ferer, Financial Controller
Executive sponsor:	Richard Flatman, Chief Financial Officer
Recommendation by the Executive:	To note this report on treasury management activity

## 1. Executive Summary

31 March 2018 the university and its subsidiary held total bank balances in current accounts, deposits fixed term accounts and loans outstanding as follows:

	£'000
Current Accounts	17,620
Deposits and fixed term accounts	31,628
Loans outstanding (creditors)	(24,770)

There were no cash flows during the quarter that were unusual for the time of year.

## 2. Cash Balances and term deposits

2.1 Details of all the University's bank and deposit balances are shown below.

Bank / Title	Type of Account	Previous Month Balance	31 March 2018	
			Balance Currency	Balance Sterling
<b>NatWest</b> [LSBU's Main Trading Account]	Corporate Cash Manager Plus Euro Currency Account	£	€	£
		10,331,640		10,984,007
		1,850,839	<b>3,570,272</b>	3,140,412
<b>NatWest</b> [Charitable Funds]	Corporate Cash Manager Plus	1,750,907		1,756,214
<b>HSBC</b>	Business Current Account Euro Currency Account	6,493		6,493
		746,159	<b>842,604</b>	741,154
<b>Lloyds TSB</b>	Corporate Special Account Fixed term deposit maturing 14th Feb 2018	2,111		2,111
		<b>5,128,810</b>		<b>5,128,810</b>
		<b>5,582,654</b>		<b>5,582,654</b>
<b>Bank of Scotland</b>	Corporate Deposit Account Corporate Instant Access	<b>5,888,520</b>		<b>5,888,520</b>
		198,323		198,331
<b>Federated Investors LLP UK</b>	Sterling Liquidity Fund 3 Sterling Cash Plus GBP	1,854		1,854
		5,299,477		5,300,987
<b>Barclays</b>	Business Account FiBCA	5,544		5,544
		3,410,870		3,410,870
<b>Scottish Widows Bank Plc</b>	Deposit Account	5,126,833		5,126,833
		234,162		234,163
<b>Total LSBU Funds at Bank</b>		<b>45,565,196</b>		<b>47,508,957</b>
<b>NatWest</b> [Access Fund Account]	Business Current Account CCMP	0		0
		468,048		468,102
<b>NatWest</b> [SBU Enterprises Ltd]	Business Current Account CCMP	0		0
		1,057,071		1,271,485
<b>Total Access &amp; Enterprises Funds</b>		<b>1,525,120</b>		<b>1,739,586</b>
<b>Total of all Fund at Bank</b>		<b>47,090,316</b>		<b>49,248,544</b>

2.2 The table below shows the interest rates we currently receive for our accounts and fixed term deposits

Bank	Account	Funds held at 31/3/18 £'000	Maturity date	Interest rate %
Natwest	CCMP	10,984	No notice	0.15
Natwest	Euro current account	3,140	No notice	0.15
Natwest	Charitable funds	1,756	No notice	0.15
Lloyds TSB	Fixed Term Deposit	5,128	95 days	0.70
Lloyds TSB	Fixed Term deposit	5,582	95 days	0.70
Bank of Scotland	Corporate Deposit account	5,888	No notice	0.40
Federated Investors	Liquidity fund	5,300	No notice	variable*
Barclays	FIBCA	3,410	No notice	0.35
Scottish Widows	Deposit Account	5,126	No notice	0.01

\* Variable rate of return (between 0.57% - 0.91%)

2.3 The current forecast is for interest income to be around £110k. This will continue to be revised during the year to reflect the movement in cash balances.

2016/17 Actual £'000	2017/18 Budget £'000	2017/18 forecast £'000
£154,162	£110,000	£110,000

2.4 A detailed list showing how much we hold at each bank and assessment of counterparty limits is shown below. In line with our Treasury Management Policy, the University is permitted to place deposits with banks and building societies operating in the UK which are authorised and regulated by the Financial Conduct Authority and Prudential Regulatory Authority in accordance with the following credit rating criteria. The minimum rating criteria must be met by at least 2 of the main three credit rating agencies.

Credit Rating agency	S&P	Moody's	Fitch	Bank Limit (£ Millions)
Band 1 (Minimum Ratings)	A	A2	A	£10.0
Band 2 (Minimum Ratings)	BBB+	Baa1	BBB+	£5.0

To maintain sufficient balances in our main current account with Nat West, the policy allows up to £25m to be held with this institution with deposits or term accounts being for no longer than 1 month.

<b>Bank</b>	<b>S&amp;P</b>	<b>Moody's</b>	<b>Fitch</b>	<b>Band</b>	<b>Maximum deposit in line with TMP £'000</b>	<b>Funds held at 31/3/18 £'000</b>
Natwest	BBB+	A1	BBB+	B	£5,000	£17,620
HSBC	AA-	Aa3	AA-	A	£10,000	£747
Lloyds TSB	A	Aa3	A+	A	£10,000	£10,713
Bank of Scotland	A	Aa3	A+	A	£10,000	£6,086
Federated Investors	AAAm	N/A	AAA	A	£10,000	£5,302
Barclays	A	A1	A	A	£10,000	£3,416
Scottish Widows	A	A2	AA	A	£10,000	£5,361

Scottish Widows is part of the Lloyd Banking Group and as such we are in breach of our Treasury Management Policy by holding in excess of £16m in total with these institutions. We are now preparing instructions to withdraw the Scottish Widows deposit and it is likely that we will place with Barclays which is offering returns linked to the base rate which is likely to increase in the near future.

## 2.5 Deposits maturing

<b>Banks</b>	<b>Deposit (£M)</b>	<b>Rate (%)</b>	<b>Term (Days)</b>	<b>Maturity Date</b>
Lloyds	5.1	0.70	95	95 day notice
	5.6	0.70	95	95 day notice

## 2.6 Investment options

The University now subscribes to the Finalysis UK Banking Market Review. This shows that there are a few options available to the University that will return slightly higher rates than we are obtaining at present. Most financial institutions now have lengthy procedures when setting up new accounts as part of their anti-money laundering due diligence. This makes it difficult to quickly switch money to a new institution where we do not have an established relationship. Subject to Board approval, we will be setting up accounts with one or more institutions to allow us to take advantage of higher interest rates when they become available. In the meantime, indicative rates available are shown below.



Santander time deposit	£250k +	6 months	0.60%	Band 1
Santander time deposit	£250k +	24 months	1.05%	Band 1
CAF Fixed Term deposit (Scottish Widdows)	£10k - £5m	12 months	0.5%	Band 1
Lloyds bank	£50k - £5m	12 months	0.85%	Band 1
Close Brothers notice account	£50k	12 month notice	1.2%	Band 1 (not rated by S & P)
Tridos	£25k plus	90 days notice	0.55%	Not rated

### 3. Loans

3.1 The University's Loan Balance at 31 March 2018 is £24.6m.

Lender	31/7/17 £'000	31/3/18 £'000	Term	Interest rate	Security
Allied Irish Bank (GB)	3,868	3,584	26.5 years to 2027	6.67% Fixed	Dante Road halls of residence
Barclays Bank	4,508	4,353	25 years to 2032	5.67% fixed	David Bomberg House
Barclays Bank	5,000	5,000	To April 2029	5.25 % fixed	K2 Building
Barclays Bank	7,653	7,475	23.25 years to 2032	5.54% fixed	K2 Building
Barclays Bank	4,380	4,157	23 years to 2032	0.225% over Libor	K2 Building
Salix	200	200			
<b>Total loans</b>	<b>25,609</b>	<b>24,770</b>			

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 with Barclays.

We are in the process of forecasting cashflows linked to the £65m development of London road and the £15m investment in project LEAP. It is expected that a short term additional banking facility of between £20m and £30m will be required.

### 4. Summary and conclusion

The Committee are requested to note this Treasury Management Report.

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	CONFIDENTIAL
Paper title:	Key Performance Indicators – Strategic Enablers
Board/Committee	Financial Planning & Resources Committee
Date of meeting:	1 <sup>st</sup> May 2018
Author:	John Baker – Corporate & Business Planning Manager
Executive/Operations sponsor:	Richard Flatman – Chief Financial Officer
Purpose:	To present the latest performance figures for the KPIs for Strategic Enablers for the 17/18 cycle, as at 31 <sup>st</sup> March 2017. (Performance figures for the other goal KPIs are provided for information).
Recommendation:	The Committee is requested to note this report.

**Executive Summary:**

The report presents the latest performance figures for the KPIs for strategic enablers (the full KPI report is provided for information).

Financial forecast figures are provided from the March management accounts (*for KPIs 8,9,17 & 20 - 22*).

The Committee is requested to note the report.

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Report Date		30th January 2018			Past Performance			Benchmark	Target	Forecast	Result	DoT		Ambition	17/18 Rating Criteria		
Corporate Strategy Goals	20/20 Success Measures	#	Key Performance Indicators	14/15	15/16	16/17	Aspirational Group 15/16 average	17/18			YoY	Exec. Lead	20/21	Green	Amber	Red	
Teaching and Learning	Top 50% of universities for graduate employment / starting salaries.	1	Graduate level employment &/or Further study (EPI population)	68%	76.0%	81.8%	67.1	80%				PVC (SE)	80%	80 % +	77 - 79 %	< 77 %	
Student Experience	Top quartile of all universities in NSS	2	NSS scores – overall satisfaction (First Degree respondents)	82%	82%	82%	82.4%	84%				DVC	89%	84 % +	80 - 83 %	< 80 %	
		3	International Student barometer (% recommending LSBU)		77%	77%	not available	78%		80%			81%	78% +	75 - 77%	< 75 %	
		4	PGT experience (% satisfaction)	74%	74%	74%	not available	77%					82%	77 % +	73 - 76 %	< 73 %	
		5	Student Staff Ratio	16.4:1	17:1	16.5:1	17.6:1	17:1					18:1	<=17	17 - 18	> 18	
Employability	95% students in employment / further study (EPI)	6	DLHE Positive Outcomes; employment or further study (EPI)	90.2%	90.8%	94.6%	92.0%	95%				PVC (SE)	95%	95 % +	90 - 94 %	<90 %	
	Top 10 UK universities for student start ups	7	Number of Student start ups	30	50	65 (*)	53.6	90				PVC (R&E)	150	90 +	85 - 89	< 85	
Research & Enterprise	Top 50% UK for Research & Enterprise Income	8	Research Income (non Hefce)	£2.0	£1.9	£2.8	£10.3	£3.1	£3.2		↑	PVC (R&E)	£6.0 m	£3.1 m +	£2.9 - 3.0 m	<£2.9 m	
		9	Enterprise Income	£8.1	£7.8	£9.2	not available	£10.5	£10.7		↑		£19.0 m	£10.5 m +	£10 - 10.4 m	<£10 m	
Access	Top London Modern for LPN recruitment	10	% recruits from low participation neighbourhoods (Young FT FD)	7.7%	8.4%	9.2%	6.8%	8.2%		8.9%	↓	CMO	9.0%	8.2% +	7.9 - 8.1 %	<7.9 %	
		11	FTUG % (w/o HSC contract) recruited before Clearing	71.8%	71.8%	71.1%	not available	75%	78.3%		↑		90%	75 % +	71 - 74 %	< 71 %	
	Exceed expectations on completion	12	First Degree Completion projection (at or above benchmark)	-7 %	-5.8%	-5.5%	-2.5%	-2%		-1.8%		DVC	+3%	>= -2 %	-3 to -4 %	<-4 %	
		13	Year 1 progression	73.1%	77.3%	74.7%	not available	80%					85%	80 % +	77 - 79%	<77%	
		14	Good Honours	61.2%	66.4%	69.1%	67.4%	63 - 67%					63 - 67%	63-67%	68-69% 61-62%	>69% <61%	
		15	PGT completion	61.5%	58.7%	69%	not available	70%					85%	70% +	66-69%	< 66%	
International	4 QS Stars	16	QS Star Rating	3 stars	3 stars	4 stars	not available	4		4 stars	→	VC	4	4	3	2	
		17	Overseas student income (millions)	£11.2	£9.8	£11.2	£31.9 m	£13.1	£10.8		↑	PVC (R&E)	£20m	£13.1 m +	£12 - 13 m	<£12 m	
People and Organisation	Rated as a good employer	18	Appraisal completion % (Amongst all eligible staff)	90%	91%	95.6%	not available	100%				EDHR	100%	100%	95 - 99 %	< 95 %	
		19	Average Engagement Score as as %		58%	62%	70%	66%					EDHR	75%	66%	63 - 65 %	< 63 %
Resources & Infrastructure	Grow our income by 25% to £170m annually, deliver an operating surplus of 5% and an EBITDA margin of 15%	20	Surplus as % of income	0.9%	2.4%	1.3%	3.0%	1.0%	1.0%		↓	CFO	5.0%	1 % +	0.8 - 0.9 %	< 0.8%	
		21	Income (£m)	£140.8m	£138.2	£144.5	£202.8m	£150.5m	£143.2		↓		£170.0m	£150.5 m +	£145 - 150 m	< £145 m	
		22	EBITDA margin (EBITDA expressed as % of income)	9.2%	11.8%	12.0%		13.0%	10.8%		↓		15.0%	13% +	12 - 12.9%	<12%	
	Student satisfaction with facilities & environment in top UK quartile	23	Student satisfaction ratings with facilities & environment (FD)	87.7%	90.0%	87.2%	86.5%	90.0%					COO	90%	90 % +	86 - 89 %	< 86%
		24	ICS Service Index %	68%	76%	66%	-	76%					80%	76% +	72-75%	<72%	
Overall	Top London Modern university (excl UAL)	25	Times - League table ranking	120 / 127	120 / 128	106 / 128	98	103				VC	85	103 or higher	104 - 108	109 or lower	
		26	Guardian – League table ranking	111 / 119	107 / 119	92 / 121	86	87					70	87 or higher	88 - 92	93 or lower	
		27	Complete University Guide – League table ranking	119 / 126	115 / 127	108 / 129	90	105					87	105 or higher	106 - 110	111 or lower	

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	CONFIDENTIAL
Paper title:	18/19 Corporate Roadmaps
Board/Committee	Financial Planning & Resources Committee
Date of meeting:	1 May 2018
Author:	John Baker – Corporate & Business Planning Manager
Executive/Operations sponsor:	Richard Flatman – Chief Financial Officer
Purpose:	For Information
Recommendation:	The Committee is requested to note the Corporate Roadmaps for 18/19.

## Executive Summary:

- These Corporate Roadmaps for 18/19 were developed from an Ops Board Development session in September 2017, and through interaction with Exec leads and their senior managers.
- Please note that the Roadmaps are now shared with staff through our new [intranet](#) – in an approach designed to be more flexible, efficient and intelligent, and integrated with the content around the planning cycle and approach. This document was just a vehicle for approving content.

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# Teaching and Learning



By building on existing achievement and innovation we will provide a consistently excellent and distinctive LSBU educational experience.



Professor Shân Wareing – Pro Vice Chancellor, Education and Student Experience

## Our Goal:

We will ensure that our teaching remains highly applied, professionally accredited and demonstrably linked to research and enterprise, developing attributes that will make our graduates highly sought after.

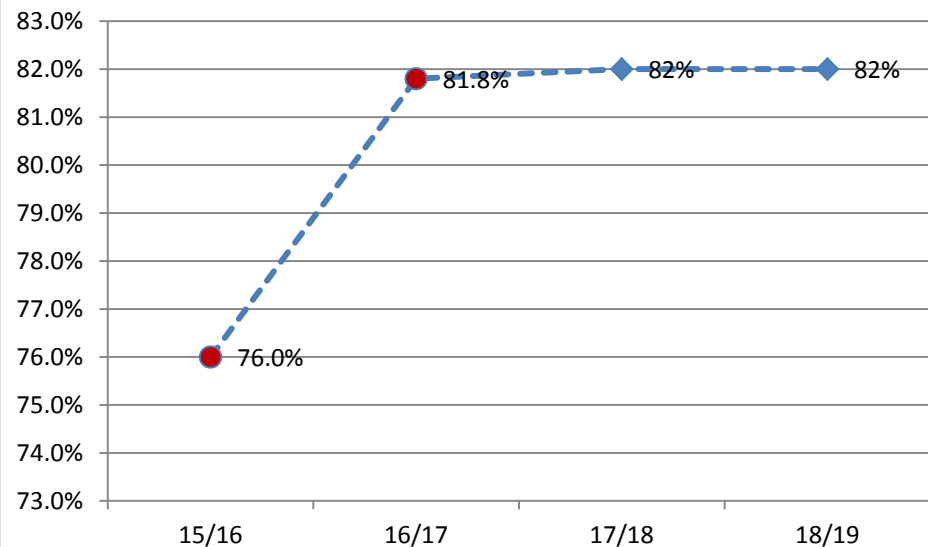
## 20/21 Targets:

- 80% of our graduates will be in graduate level employment
- Top 50% of UK universities for both graduate employment and starting salaries

## 18/19 Priorities:

- ▶ Conduct Assessment audit, and CRIT support programme to move towards more practice based assessment and a reduction in the setting of exams
- ▶ Embed the Digitally Enhanced Learning baseline in all course and module moodle sites
- ▶ Work with CRIT to develop inclusive Universal Design principles and staff development activity, to inform curriculum design in order to reduce the attainment gap and improve progression (*\* link to Access #6*)
- ▶ Ensure lecture capture facilities are available in 300 teaching rooms, & develop pilot spaces for experimentation in teaching practice, and research regarding use of active learning & social spaces in supporting curriculum delivery (*\* link to R&I #2*)
- ▶ Increased use of online submission and anonymised marking so that it will be the dominant mode for coursework assessment.
- ▶ Deliver phase 1 of the 'Portfolio & Curriculum Redesign project to provide increased clarity about course components and options across all curriculum (*\* link to Access #3 & 4*)
- ▶ Implement Curriculum management tool, supporting student recruitment, CMA compliance and academic quality (*\* link to Access #3 & 4*)

## Progress: KPI 1 – DLHE Graduate Level Employability – EPI Cohort



# Student Experience



By listening to our students and treating them as partners, we will enable more students to successfully complete their courses, and achieve their career goals



Professor Shân Wareing – Pro Vice Chancellor, Education and Student Experience

## Our Goal:

We will ensure that students are seen as participants in their learning, and that the student voice is encouraged and listened to.

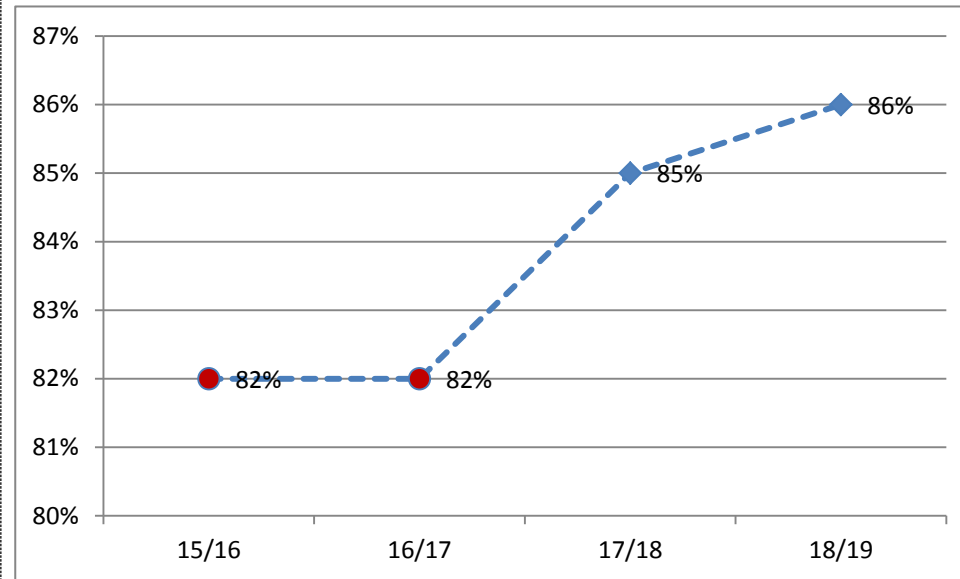
## 20/21 Targets:

- 85% of our full time, first degree students will progress from year 1 to year 2
- Our Students will rate us in the top quartile of all universities in the NSS, with 89% overall satisfaction
- 81% of our international students will recommend LSBU

## 18/19 Priorities:

- ▶ Complete design and blueprinting stages of the Student Journey Transformation Project, to replace the current Student Record System.
- ▶ Ensure timetable provision is accurate, stable and accessible; for students and staff, and ensure allocation methodology links to planning cycles to ensure suitable room allocations
- ▶ Conduct audit of existing teaching rooms to establish baseline principles and resource requirements for non-specialist teaching spaces across LSBU campus, supported with staff feedback mechanisms (\* link to R&I #2)
- ▶ Develop project to replace MyLSBU with a new student portal to support intuitive access to key information and enable simplified processes
- ▶ Develop clearer mechanisms & processes for student voice feedback in Schools, with higher participation rates and routes for reporting agreed actions (\*Link R&I #3 Y1 Student survey)
- ▶ Ensure personal tutoring offer is communicated for all courses on MyLSBU and the Corporate website

## Progress: KPI 2: NSS Q22



# Employability



Our students will develop discipline-based expertise that they can apply in real world situations.



Professor Shân Wareing – Pro Vice Chancellor, Education and Student Experience

## Our Goal:

We will provide students with an individualised learning experience to develop the skills and aspirations that enable them to enter employment, further study or start their own business.

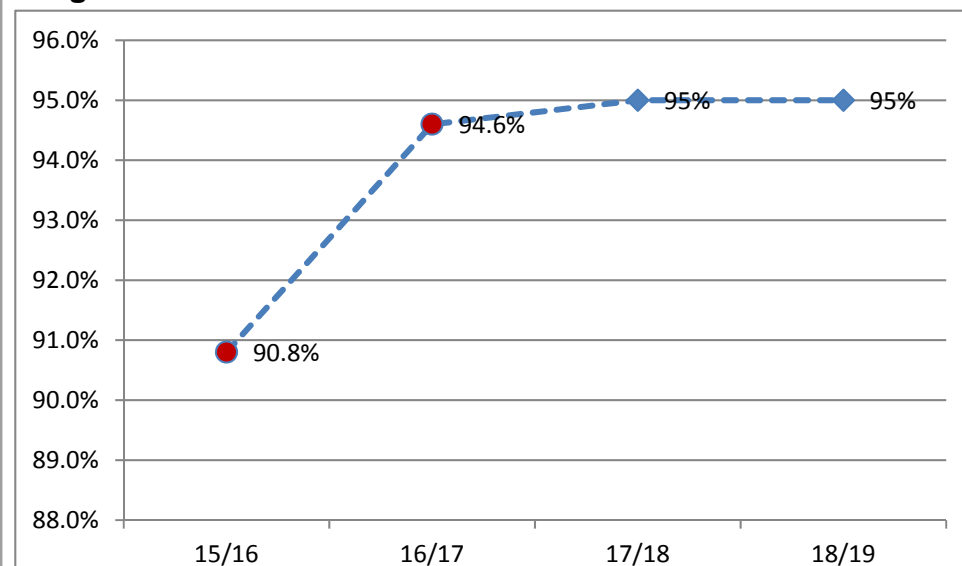
## 20/21 Targets:

- 95% of our students will be in employment or further study within 6 months of graduating
- One of the ten best UK universities for supporting and fostering student start-ups with 150 new start-ups per year

## 18/19 Priorities:

- 1 ▶ Ensure placements, internships and professional opportunity offer is fully available for full time Undergraduate students studying at Southwark and Havering locations.
- 2 ▶ Develop internal systems and processes to manage the transition from DLHE to the Graduate Outcomes survey
- 3 ▶ Embed employability attributes in PostGraduate taught curricula
- 4 ▶ Engage with businesses in order to extend the offer within the recruitment agency to external positions so as to connect our students with work opportunities in the local community
- 5 ▶ Develop the articulation of the workplace competencies delivered by the full range of current LSBU HEAR activities, and design additional activities to compensate for any gaps identified in the 16/17 review of workplace requirements.

## Progress: KPI 6: DLHE Positive Outcomes



# Research and Enterprise



Only by unlocking the skills and talents of everyone at LSBU will we be able to put our knowledge into practice and deliver real world impact.



Professor Paul Ivey – Pro-Vice-Chancellor, Research and External Engagement

## Our Goal:

We will deliver outstanding economic, social and cultural benefits from our intellectual capital, by connecting our teaching and research to the real world through commercial activities and social enterprise.

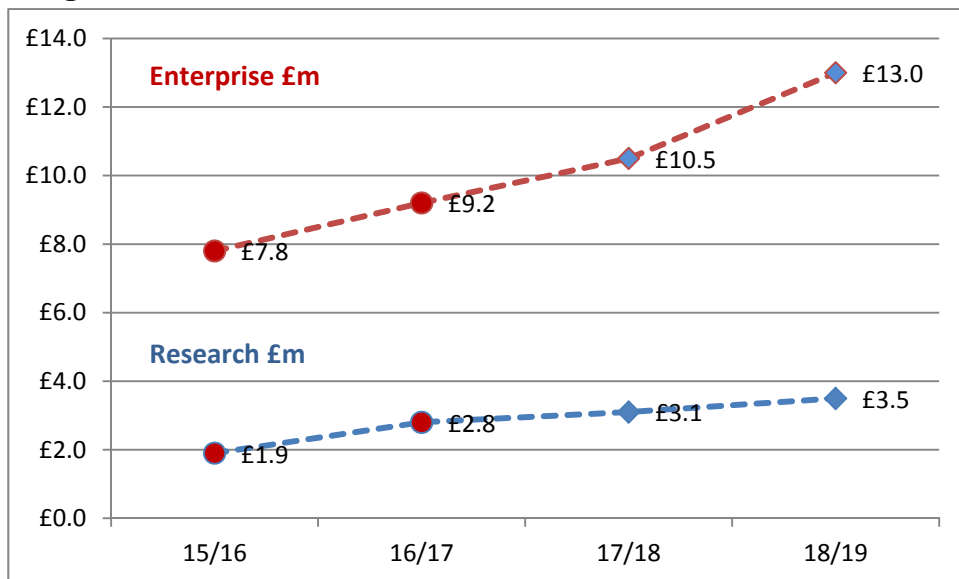
## 20/21 Targets:

- We will be in the top 50% of UK universities for research and enterprise income
- Research income outside of QR funding will increase to £6 m
- Enterprise income will increase to £19 m

## 18/19 Priorities:

- 1 ▶ Oversee the implementation and roll out of a Central Research Administration platform, to enable seamless management and reporting of all contracted activity, from point of award, including the routine capture and articulation of research impact
- 2 ▶ Develop and implement process and infrastructure to support the management of publication registrations with regard to compliance with open access and concordat requirements
- 3 ▶ Embed a routine approach to the capture and dissemination of external research metrics, to inform the preparation for REF and participation in international league tables
- 4 ▶ Develop and deploy a web enabled 'Experts Database' for both internal & external use, to enable integrated linkage and access to academic expertise and participation in research groups and centres
- 5 ▶ Develop with the Confucius Institute at Caxton House the Sino-British Public Health Research Centre, with Southeast University in Nanjing.

## Progress: KPIs 8 & 9: Research & Enterprise income



# Access



Our history is rooted in providing opportunity for our local community and we will build on this rich heritage to become London's top modern university for access to opportunity.



Nicole Louis – Chief Marketing Officer

## Our Goal:

We will work with local partners to provide opportunities for students with the potential to succeed, and through active engagement, ensure we retain them.

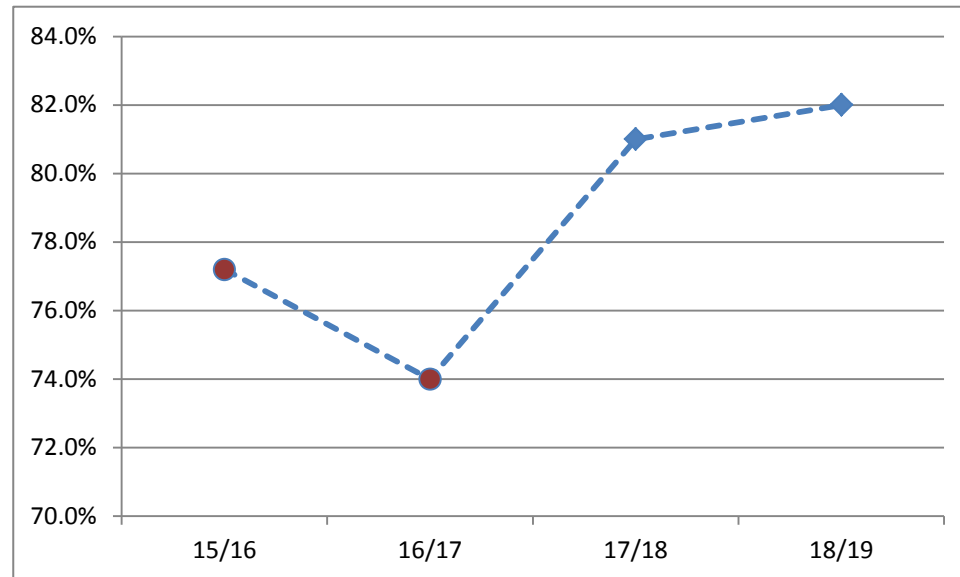
## 20/21 Targets:

- 9% of recruitment will come from low participation neighbourhoods
- 75 % of our applicants will be recruited before Clearing

## 18/19 Priorities:

- ▶ Embed more cohesive and customer centric approach to converting potential throughout admissions cycle including maximising conversion in main cycle and creating a more joined up approach with academic staff
- ▶ Embed LSBU brand positioning throughout schools and PSGs, incorporating enterprising values into offer and promotional strategies, to strengthen brand awareness, appeal and advocacy
- ▶ Implement digital engagement strategy, (& content based approach to communications) with development of a proposal to transition to a new website & re-organise team to focus resources on integrated content creation. (\* link to T&L #6 & 7 - SRS / CRM as enabler)
- ▶ Complete transformative validation cycle for UG / PG portfolio - re-shaping portfolios (& workforce) to align with identified market opportunities & revised institutional course framework (\* link to T&L #6 & 7)
- ▶ Enhance strategy for outreach & widening participation through forming strategic partnering with key institutions colleges in the metropolitan area and embedding flagship programmes for WP
- ▶ Strategic integration of demographic data into planning and review of application, enrolment, progression, attainment and employability processes, with direct links to development and review of published access agreement (\* link to T&L #3)
- ▶ Build new areas of provision relative to market opportunity for non-accredited / short course provision.

## Progress: KPI 15: Year 1 progression % - FT First Degree students





# Internationalisation



By developing international partnerships we can enhance the teaching and learning we provide and develop our research and enterprise activities across the world.



Professor Paul Ivey – Pro-Vice-Chancellor, Research and External Engagement

## Our Goal:

We will develop the multicultural community of students and staff, working through international alliances and partnerships to further build our capacity and capabilities in education, research and enterprise.

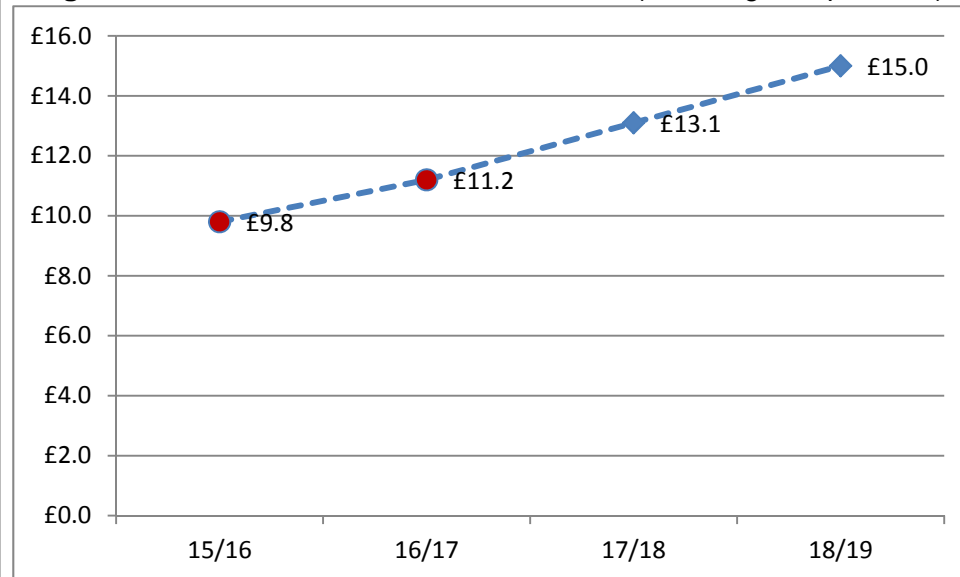
## 20/21 Targets:

- We will achieve 4 QS Stars
- Grow overseas student income to £20 m (including £4 m of TNE)

## 18/19 Priorities:

- 1 ► Fully establish the Sino-Campus Joint venture Entrepreneurship centres in Beijing and Nanjing, with a total of 1000 students enrolled on 3 approved TNE programmes
- 2 ► Develop and submit a strategic development plan for the creation of an international space within the Southwark campus, providing an outward looking facility for enabling international partnership activity, and the delivery and facilitation of international programmes (\* link to R&I)
- 3 ► Implement the first phase of the joint validation programme, to enable two way exchange between LSBU and overseas partners, with at least 3 modules jointly accredited in relevant subject areas.
- 4 ► Deliver the applicant portal project to provide an improved customer journey for applicants and agents, with improved and integrated reporting (\* link to R&I)
- 5 ► Work with the Confucius Institute to further embed mandarin teaching within programmes within Schools.

## Progress: KPI 17 – Oversea Student fees £ms (including TNE partners)



# People and Organisation



LSBU aspires to become seen as a leading employer with staff who are committed, motivated and proud.



Mandy Eddolls - Executive Director of Organisational Development and HR

## Our Goal:

We will create an environment which attracts and fosters the very best staff, and within which all staff feel their achievements are equally and fairly valued and rewarded, feel proud of their university and take appropriate responsibility for its development.

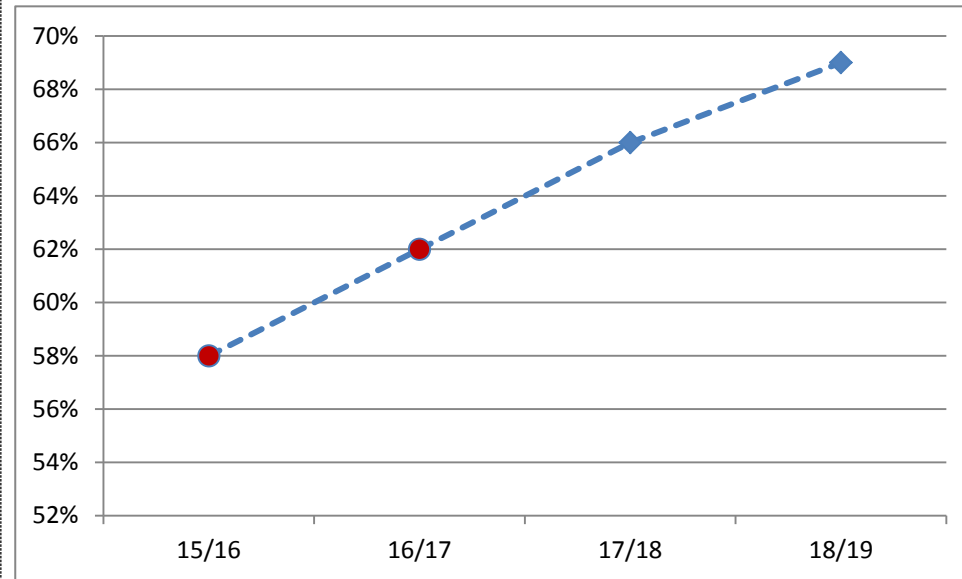
## 20/21 Targets:

— Our average employee engagement score will be 75%

## 18/19 Priorities:

- 1 ▶ Engender a customer focused culture of accuracy in service delivery, defining acceptable standards through development of a suite of service statements as part of the planning process, and refining & simplifying processes with a value for money focus. (\* link R&I #1)
- 2 ▶ Ensure the workforce is appropriately skilled, aligning staff skill sets to insight and career pathways through Workforce Plans, and supporting the matching of portfolio to market trends.
- 3 ▶ Develop an objective methodology for reviewing teaching performance, and embed this as part of the academic framework & the criteria considered in the promotions cycle.
- 4 ▶ Implement a consistent approach to Academic Workload planning, and review and clarify the expectations around leadership roles in academic areas. (Q: specify Course Directors & Heads of Division)
- 5 ▶ Review service provision to family of institutions, ensuring integrated services and policies for all partners, utilising best practice where identified, with change prioritised by impact (\* link R&I #4)
- 6 ▶ Conduct and analyse a staff satisfaction survey structured to include the Corporate Strategy's five operating principles, to embed these, and provide a baseline for continuous service improvement.

## Progress: KPI 18: Average Staff Engagement Score



# Resources and Infrastructure



We need to create an environment that facilitates learning and supports our colleagues to deliver the very best student experience.



Ian Mehrrens - Chief Operating Officer

## Our Goal:

We will strategically invest in the creation of first class facilities and infrastructure services which are responsive to academic needs and outcome focused.

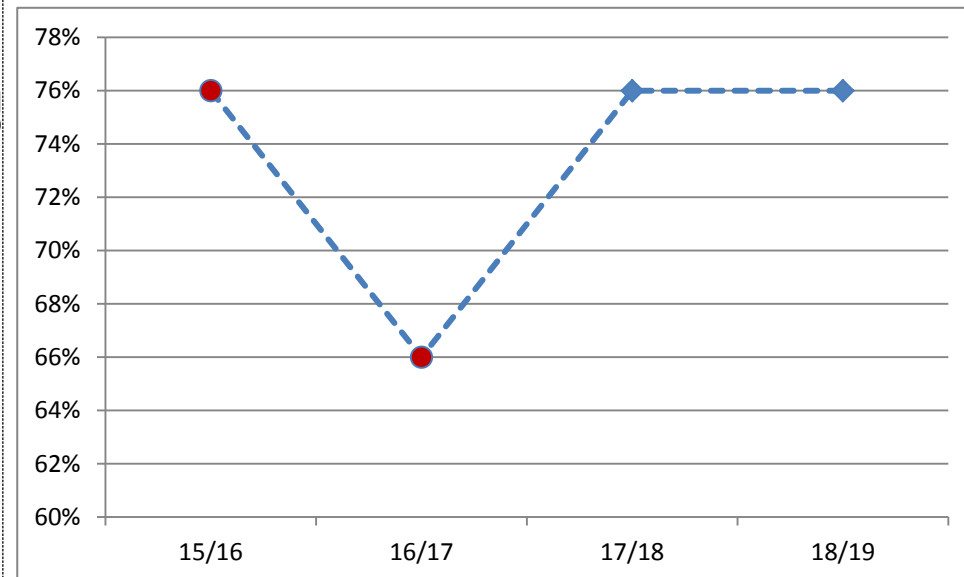
## 20/21 Targets:

- 90% of our students will be satisfied with our facilities
- We will achieve an average ICS Service Index % score of 80%

## 18/19 Priorities:

- ▶ Building on the success of the Customer Service Working Group, develop institutional mechanisms and fora to establish a collaborative working culture, with quarterly progress reports provided to all staff, and integrated with Ops Board cascade cycle and internal communications messaging (*\* Link P&O #1*)
- ▶ Deliver an inter-disciplinary approach to design development for the London Road redevelopment project, planning spaces to accommodate state of the art multi-use laboratories. (*\* Link T&L #4 & SE #3*)
- ▶ Implement course level student experience survey for Y1 Undergraduate students, providing an online platform for real time output presentation and analysis, and a mechanism for this feedback on campus operations to connect with the planning & review cycle. (*\* Link SE #5*)
- ▶ Develop a strategy for an effective Integrated Service delivery approach across the Family of institutions, establishing 'as is' baselines informed by existing good practice (*\* link to P&O #4*)
- ▶ Oversee transition to an Agile approach to project development and delivery in relation to the technical roadmaps, with an emphasis on cloud based provision of digital technology, and mapping situations of existing services to optimise performance, reliability and efficiency.

## Progress: KPI 23: Institute of Customer Service - % positive index score





	CONFIDENTIAL
Paper title:	Travel, subsistence and expenses policy
Board/Committee	Finance, Planning & Resources Committee
Date of meeting:	1 May 2018
Author:	Penny Green, Head of Procurement Services
Executive/Operations sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	Decision
Recommendation:	The Committee are requested to approve the policy, following Executive approval on 28 March 2018.

## Executive Summary

The following policy amendments have been made (highlighted in yellow):

- Enhanced Duty of Care obligations for travellers to high risk destinations
- UK flights no longer require a Travel Authorisation form
- Ability for lead business areas to approve trips. International approval of international recruitment and partnerships introduced
- Premium class travel removed for non-business critical long-haul trips. Rest days either side of outbound/return flights required for long-haul economy
- Online booking tool introduced for UK travel bookings
- Note: recent update to Travel Package Regulations Act. Overnight trips bookings must be made through a Travel Management Company if two or more of the following are involved: flights; hotels/accommodation; internal transport; activities (even though these may be with a contracted third party)

The following aspects of the policy are due to be reviewed and confirmed by the Organisational Effectiveness Group:

- which trip purposes are 'business critical from the full list of current trip purposes: Teaching; Recruitment; Research - excl conferences; Partnership - incl exam bookings; Conferences – presenting; Conferences –attending; Official Events - incl graduation; Training; Field Trip; Residential;
- who will review requests for travel class upgrades if a wellbeing case is presented for long haul non business critical trips.

The Committee is requested to approve the policy.

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## Travel, subsistence and expenses policy

Effective Immediately

Introduction	<p>Travel by employees is often an essential element in delivering the University’s corporate objectives. It accounts for a significant proportion of the University’s running costs, and through this policy, the University aims to achieve value for money through safe, convenient, cost-effective and sustainable travel.</p> <p>Work based activities commonly requiring travel include recruitment visits, field trips, student residentials, attendance at conferences, business meetings, research and teaching overseas.</p>
Scope	<p>This policy applies to:</p> <ul style="list-style-type: none"> <li>• the University and any subsidiary companies</li> <li>• all forms of travel, including flights, rail, vehicle hire, taxis, accommodation and travel related services.</li> <li>• all employees and visitors to the University incurring travel and associated expenditure on behalf of the University.</li> <li>• all sources of funding and payment methods, including partly funded projects</li> </ul> <p>This policy should be read in conjunction with the University’s Travel Procedure and Expense Guidance documents.</p>
Aims and Objectives	<p>This policy aims to achieve value for money (doing the right thing, at the right price, the right way) through safe, convenient, cost-effective and sustainable travel. The following principles underly the policy approach:</p> <ul style="list-style-type: none"> <li>• all staff conduct themselves in accordance with the University’s EPIIC values, working towards the best outcome for the University at all times</li> <li>• travel processes aim to create a trouble-free experience, enabling travellers to focus on delivering business priorities</li> <li>• staff safety is of paramount importance at all times</li> <li>• travel occurs only when necessary</li> </ul>
Compliance	<p>Adherence to this policy is mandatory. Non-compliance constitutes a breach of Financial Regulations and may also result in the employee not being covered by the University’s insurance policy. This would render them subject to disciplinary action and ineligible to claim expenses.</p>

## Process

<p>Step 1: Needs Assessment</p>	<p>Travel will only be booked when it has been established that:</p> <ul style="list-style-type: none"> <li>• the travel is necessary</li> <li>• it supports delivery of the University’s corporate objectives</li> <li>• it is proportionate</li> <li>• there are no practical alternatives to achieve the same outcome, such as video conferencing or reducing the number of travellers</li> </ul>
<p>Step 2: Safety, Risk and Insurance</p>	<p>High standards of health and safety during foreign travel are paramount. They must override all other considerations, including academic and should be the result of thorough planning, care and common sense. Travel abroad may expose staff to a number of health and safety hazards arising specifically from the travel itself and/or the conditions of the country being visited. These may not be necessarily work related.</p> <p>The University has a statutory duty of care to protect, so far as is reasonably practicable, the health, safety and welfare of its staff and students whilst undertaking foreign travel. Managers, under the requirements of Regulation 3 of The Management of Health &amp; Safety at Work Regulations 1999 must ensure that all trips and associated work activities are covered by a suitable and sufficient risk assessment and that appropriate control measures have been adopted.</p> <p>Adequate and effective management arrangements will be put in place by the University to protect the health and safety of its employees. All individual employees embarking on trips should take heed of the advice training, instruction and guidance given to them and act upon it. It remains the responsibility of each individual to give adequate consideration to their own health and safety and the likely conditions and situations they are likely to encounter, and to notify the University if additional arrangements need to be put in place. This includes insurance cover.</p> <p>Risk Assessments are integrated into the travel authorisation process and must be completed and kept up to date. High risk trips will require additional authorisation and travellers must have completed related eLearning in the past 2 years before going on a high risk trip. Travellers and Line Managers must act proactively in response to any risk alerts relating to the trip at any stage, including responding promptly to any communication requesting confirmation of their safety. Travellers are recommended to download the International SOS app, particularly if they are travelling to high risk destinations.</p>

<p>Step 3: Authorisation</p>	<p>All travel plans outside the UK must be approved in advance through the completion of a Travel Authorisation form. Full disclosure of the purpose of travel must be made when the travel is approved, including personal travel, recovery time and any non-University business related activity. Only costs necessary to perform University business are to be approved. Where possible, travellers should make full use of public transport and opportunities for walking or cycling.</p> <p>Additional approvals may be required depending on the trip's level of risk and purpose. Depending on the trip purpose, approval may be required from the lead area of the business, and will be coordinated by Procurement where relevant. This will include but not be limited to the approval of international recruitment and partnership trips by the International Team.</p>
<p>Step 4: Booking</p>	<p>The University's Travel Buying team are to be used for all:</p> <ul style="list-style-type: none"> <li>• travel booking relating to international flights and accommodation</li> <li>• travel-related services (including staff visas and additional passports)</li> </ul> <p>Bookings are to be made in accordance with the following:</p> <ul style="list-style-type: none"> <li>• no personal gain or loss to the individual</li> <li>• a total cost approach</li> <li>• travel must be in economy class for all non critical business travel. Full rest days should be taken either side of the outbound and return flight when flying economy and the flight time exceeds 6 hours.</li> <li>• Business class can only be booked when all of the following criteria are met: flight time exceeds 6 hours; the line manager and budget holder have confirmed that economy class travel or premium class travel with rest periods is not possible; and the purpose of the trip is classified 'critical business travel' as determined by the Executive Committee. Advance approval is required for Business Class travel through the Travel Authorisation Form. Current Executive classifications of business critical travel are detailed on LSBU's <a href="#">OurLSBU/Travel pages</a> First class travel is not permitted. Free upgrades may be taken if offered at booking stage or checkin.</li> <li>• Employees must ensure that they meet all passport, visa and vaccination requirements for the areas they will be travelling to, and allow sufficient time for them to be obtained</li> </ul> <p>Travellers must make bookings direct with the agreed providers for the following forms of travel:</p> <ul style="list-style-type: none"> <li>• Uk flights, rail and accommodation (using LSBU's online tool)</li> <li>• vehicle hire</li> <li>• taxis</li> <li>• travel within London on Transport for London (TFL) operated services</li> </ul> <p>Guidance on how and where to make these bookings are available on the LSBU's <a href="#">travel web pages</a></p>

<p>Step 5: Subsistence and Expenses</p>	<p>Travellers are expected to exercise reasonable judgement regarding expenses incurred under this policy and to neither personally gain or lose financially from its implementation.</p> <p>Staff can claim expenses in line with the this policy, the University's Travel and Expense Procedure and Guidance documents and the University's Gifts and Hospitality Policy. This includes the cost of meals, entertainment, public transport within London, mileage for use of a private vehicle or bicycle. It is recommended that taxis taken while abroad are booked through the travel buying team. Certain items are excluded and cannot be claimed through expenses including travel between home and work, the congestion charge and any of the services that must be booked through the Travel Buying team.</p>
<p>Step 6: Outcome Review</p>	<p>Quarterly reports of all travel expenditure showing name, purpose, travel class, cost and outcome will be presented to Executive for review. <b>This will include travel bookings made less than 21 days before departure</b></p>
<p>Amendments</p>	<p>The University reserves the right to make changes to these policies from time to time, and amendments will be circulated to staff in accordance with current employment law legislation. Updates may be by individual letter, memorandum, update to the document, or by means of notice/bulletin boards.</p>
<p>Supporting Documentation</p>	<p>University's Travel and Expense Procedure and Guidance documents on the <a href="#">LSBU travel web pages</a>  <a href="#">Travel Authorisation Form</a>  <a href="#">Gifts and Hospitality Policy</a>  <a href="#">Anti Bribery Policy</a>  <a href="#">University values</a>  <a href="#">Recent changes to Travel Package Regulations Act</a>  <a href="#">Travel Risk eLearning</a>  <a href="#">International SOS App</a></p>