

Meeting of the Finance, Planning and Resources Committee

4.00 pm on Tuesday, 28 April 2020
via MS Teams

Agenda

<i>No.</i>	<i>Item</i>	<i>Pages</i>	<i>Presenter</i>
1.	Welcome and Apologies		MC
2.	Declarations of Interest		MC
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Core areas			
5.	Management accounts to 31 March 2020	9 - 16	RF
6.	Student recruitment and retention update	17 - 30	NL
7.	Budget scenarios 2020-21	31 - 36	RF
8.	Revised cashflow forecast	37 - 42	RF
9.	REI update	43 - 50	PI
Regular review items			
10.	Students' Union update	51 - 80	BW
	<ul style="list-style-type: none"> • 2018/19 accounts • Code of Practice compliance • Proposed incorporation (verbal update) 	To follow	
Chair's Business			
11.	FPR Terms of Reference	81 - 92	MC
For information			
12.	KPI tracking update	93 - 96	RF

Date of next meeting
4.00 pm on Tuesday, 30 June 2020

Members: Michael Cutbill (Chair), Jerry Cope, Peter Fidler, Nelly Kibirige, Mee Ling Ng, David Phoenix and Deepa Shah

No. Item *Pages* *Presenter*

Apologies: Pat Bailey and Nicki Martin (staff governor)

In attendance: Richard Flatman, Paul Ivey, Kerry Johnson, Nicole Louis, Ralph Sanders, James Stevenson and Ben Whittaker (LSBSU Interim CEO; for item 10 only)

**Minutes of the meeting of the Finance, Planning and Resources Committee
held at 4.00 pm on Tuesday, 25 February 2020
Technopark, SE1 6LN**

Present

Michael Cutbill (Chair)
Jerry Cope
Peter Fidler
Nelly Kibirige
Mee Ling Ng
David Phoenix
Deepa Shah

Apologies

Pat Bailey

In attendance

Richard Flatman
Paul Ivey
Nicole Louis
James Stevenson
Kerry Johnson

1. Welcome and Apologies

The above apologies were noted.

2. Declarations of Interest

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

3. Minutes from the last meeting

The minutes of the meeting of 5 November 2019 were approved. There were no proposed redactions.

4. Matters arising

All matters arising were noted either as completed or as agenda items. It was agreed that an update on the School of Arts and Creative Industries portfolio review should come to the April 2020 meeting of the committee.

It was noted that the Student's Union statutory accounts were in preparation and would be circulated to the committee. A turnaround consultant was assisting the SU President and Council with its strategy and restructure, with a report to be presented to the Executive in spring 2020.

5. **FPR remit**

The committee discussed the proposed revision of the FPR remit, recognizing the importance of EDI in many of its aspects. It was agreed that further amendments would be made by the Governance Team, after which a revised Terms of Reference would be brought to the April 2020 committee meeting for approval. A corresponding annual business plan for the committee would also be produced.

In addition, the highest level KPIs in relation to the corporate strategy 2020-25 would be reviewed by a group of governors. Once agreed, the KPIs would enable the committee to track progress in the relevant areas of its remit.

The Chair thanked all who had contributed to the proposal.

6. **Management accounts December 2019**

The committee discussed the management accounts to 31 December 2019. It was noted that the full year forecast as at 31 December 2019 was trending towards a surplus of £3m, which would deliver the University £1.5m ahead of budget and in line with the outturn for 2018/19. The strong performance was largely driven by student recruitment. A commentary on the surplus figure would be provided to the March 2020 Board meeting alongside the January 2020 management accounts.

The committee noted that staff costs were a key area of focus, which were 57.5% in the December 2019 accounts but revised down to 55%-56% in January 2020.

7. **Student recruitment and retention update**

The committee discussed the strong recruitment figures for semester 2, 2019/20 for LSBU, with 128% of the enrolment target secured to date. It was noted that the only mode for which the University was not currently at target was apprenticeships, although recruitment should increase throughout semester 2. The Chair congratulated the recruitment team on the successful result.

It was confirmed that the University does not make 'conditional unconditional' offers. A briefing note on the proportion of unconditional offers made would be included in a future student recruitment update to the committee.

The committee noted that withdrawal and interruption trends continued to be favourable compared with the same point in 2018/19.

8. Progression update 2019/20

The committee discussed the progression update for 2019/20, which summarised current initiatives to improve student progression.

Following discussion of the University's hardship fund, it was agreed that a benchmarking exercise would be carried out to ensure that the size and scope of the fund were appropriate. It was also suggested that the name of the fund be amended in a way that could reduce any stigma around making an application.

The committee noted that the Access & Participation Plan set out the commitment to EDI in relation to progression. Any gaps will be identified and reported against.

9. REI update

The committee noted the update on research and enterprise activities since the beginning of the 2019/20 academic year. Research income was performing well with £2.3m secured to the end of Period 5, with a further £2.6m contracted.

An update on key enterprise projects was given, and it was noted that work was underway to improve internal processes for contracting. The committee was advised that enterprise income continued to be a challenge but that performance was being reviewed on a monthly basis. It was noted that it may become more difficult to secure European funding following the UK's departure from the EU, and that effects were already noticeable.

10. KPIs 2018/19 and 2019/20 targets

The committee noted the 2018/19 KPI performance as at 31 December 2019.

11. Treasury management report

The committee noted the treasury management report, dated 31 December 2019, showing total bank balances of £59.0m and outstanding loans of £35.1m.

12. Strategic HR report and gender pay gap report

The committee noted the strategic HR report, including a verbal update on the University's Coronavirus contingency planning.

The University's improved gender pay gap figures were noted (published separately); it was agreed that the Executive would confirm when ethnicity pay gap figures were due to be reported.

Date of next meeting
4.00 pm, on Tuesday, 28 April 2020

Confirmed as a true record

..... (Chair)

FINANCE, PLANNING AND RESOURCES COMMITTEE – TUESDAY 25 FEBRUARY 2020

ACTION SHEET

Agenda No	Agenda/Decision Item	Action	Date Due	Officer	Action Status
4	Matters arising	SU accounts to come to April meeting	28 April 2020	CCO/SU CEO	On agenda
		SU update/budget to go to LSBU Executive	Spring 2020	CCO/SU CEO	On Exec agenda for 6 May 2020
5	Matters arising	School of Arts and Creative Industries portfolio review – update to be provided	28 April 2020	Provost	In progress – postponed until June meeting
5	FPR remit	Revised Terms of Reference to come to April meeting	28 April 2020	Chair/Group Secretary	On agenda
6	Management accounts Dec 2019	Commentary on surplus figure to be provided to March 2020 Board meeting alongside January 2020 management accounts	12 March 2020	CFO	Complete
7	Student recruitment & retention update	Briefing note on proportion of unconditional offers made to be included in future student recruitment update	Spring 2020	CCO	In progress

Agenda No	Agenda/Decision Item	Action	Date Due	Officer	Action Status
8	Progression update 2019/20	Benchmarking exercise to be carried out to ensure size and scope of hardship fund appropriate Access & Participation Plan – identify gaps re EDI and report against	Spring 2020	CCO/Student Services	Complete – see supplemental paper
9	Strategic HR report and gender pay gap report	Executive to confirm when ethnicity pay gap figures due to be reported	28 April 2020	POD Exec Director	Verbal update at meeting

Agenda Item 5

	INTERNAL
Paper title:	Management accounts March 2020
Board/Committee:	Finance, Planning and Resources committee
Date of meeting:	28 April 2020
Author(s):	Ralph Sanders - Director of Financial Planning, Reporting & Registry
Sponsor(s):	Richard Flatman – CFO
Purpose:	To update the Finance, Planning and Resources committee on the financial position of the University as at 31 March 2020
Recommendation:	The FPR Committee is asked to note the March Management Accounts.
Executive summary:	<p>The full year forecast as at 31st March 2020 is trending towards a surplus of £1.5m. This is a reduction of £1.5m compared to the Feb-20 position and £1.5m less than the outturn for 18/19.</p> <p>The forecast for income this month has been reduced by £4.7m to £154.8M reflecting our current expectations of the impact that Covid 19 may have on the University's financial position, including a reduction in student tuition fees (£2m), vacation lettings (£0.5m), commercial property rental (£0.4m), term time lettings (£1m) and HSC CPPD delivery (£0.5m). This position would deliver income growth of £5.7m as compared to 2018/19.</p> <p>Tuition fees and Health Contract income billed at the end of Mar-20 stands at £117m compared to £102m for the same period last year, an increase of £14.2m (13.9%); and we were £1.1m ahead of the forecast position for the full year.</p> <p>We have now enrolled 644 more new students (FTE) than at the comparable period in 18/19, an increase of 11%. Continuing students are up 4% on last year and overall we have 811 FTE more students than at the same time last year.</p> <p>Recurring Staff costs continue to be underspent against budget (1.5% for Mar-20), and are forecast to represent 56.7% of income by the end of the year. This is up from 54.9% last month due to the reduction in income forecast.</p> <p>The University is currently holding cash and cash equivalents of £53.8m and is holding £2.9m with respect to the Lambeth College transaction. Without these transactions, the University would be holding £50.9m, an improvement on the equivalent position of £45.1m in Mar-19.</p> <p>The above position will deliver EBITDA at 10.0% which is lower than the 11.1% of 18/19, assuming the balance in Exceptional Items is spent.</p> <p>The University is closely monitoring the current situation with regard to student engagement and the key risk to the above position is our ability to report Home students as attending at the beginning of Semester 3 and reasonably charge fees to International students.</p>

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MARCH 2020 EXECUTIVE SUMMARY

This Executive Summary reports on the draft financial position of London South Bank University as at 31st March 2020.

1) RAG Status

Income Growth <i>FYF v 18/19 outturn</i>	3.8%
Opex Growth	0.3%

Staff Cost % <i>excluding restructuring</i>	56.7%
Staff Cost Growth <i>excluding restructuring</i>	4.5%

FYF Surplus <i>(Contribution %)</i>	1.0%
EBITDA	10.0%

2) Summary

The full year forecast as at 31st March 2020 is trending towards a surplus of £1.5m. This is a reduction of £1.5m compared to the Feb-20 position and £1.5m less than the outturn for 18/19.

The forecast for income this month has been reduced by £4.7m reflecting our current expectations of the impact that Covid 19 may have on the University's financial position for student fees (£2m), vacation lettings (£0.5m), commercial property rental (£0.4m), term time lettings (£1m) and HSC CPPD delivery (£0.5m).

The forecast for Exceptional Items has decreased by £3.5m to £2.7m as a result of changes to income and costs forecasts this month. £0.4m of this balance is already allocated to the Research Investment pot and £1.6m has been allocated from the Revenue Investment pot to projects and business cases leaving a balance of £0.7m.

Tuition fees and Health Contract income billed at the end of Mar-20 stands at £117m compared to £102m for the same period last year, an increase of £14.2m (13.9%); we are £1.1m ahead of the forecast position for the full year.

We have now enrolled 644 more new students (FTE) than at the comparable period in 18/19, an increase of 11%. Continuing students are up 4% on last year and overall we have 811 FTE more students than at the same time last year.

Recurring Staff costs continue to be underspent against budget (1.5% for Mar-20), and are forecast to represent 56.7% of income by the end of the year. This is up from 54.9% last month due to the reduction in income forecast.

The University is currently holding cash and cash equivalents of £53.8m and is holding £2.9m with respect to the Lambeth College transaction. Without these transactions the University would be holding £50.9m, an improvement on the equivalent position of £45.1m in Mar-19.

The above position will deliver EBITDA at 10.0% which is lower than the 11.1% of 18/19, assuming the balance in Exceptional Items is spent.

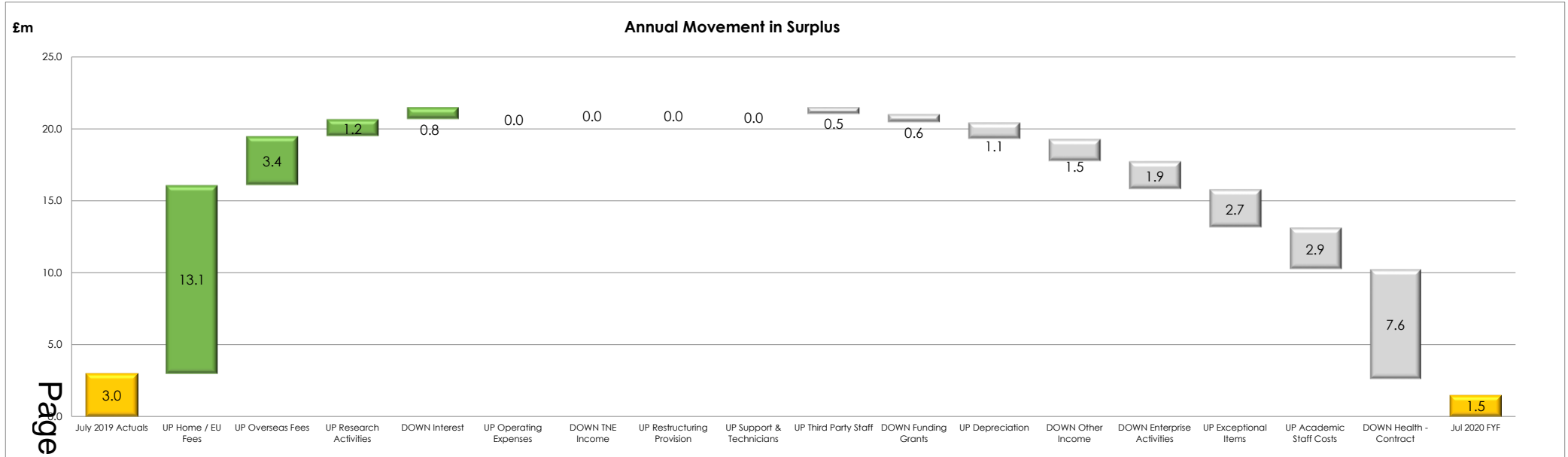
3) Table 1: Full Year Forecast vs. Budget

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Financial Summary in £'m	CURRENT YEAR BUDGET vs PRIOR YEAR ACTUALS				FULL YEAR FORECAST OUTTURN POSITION					YEAR ON YEAR (Y-T-D COMPARISON)			
	18/19 Actuals	19/20 Budget	Change to 18/19	Change %	Feb 19/20 Forecast Outturn	Monthly move	Mar 19/20 Forecast Outturn	Variance to 19/20 Budget	Budget variance %	18/19 Actuals	19/20 Actuals	Change to 18/19	Change %
Funding Grants	14.4	12.0	-2.4	-17%	13.8	0.0	13.8	1.8	15%	9.2	9.3	0.1	1%
Health - Contract	10.6	2.2	-8.4	-79%	2.9	0.0	2.9	0.8	36%	7.4	2.5	-4.9	-66%
Home / EU UG Fees	73.5	82.5	8.9	12%	85.5	-1.4	84.1	1.6	2%	74.3	86.6	12.3	17%
Home / EU PG Fees	10.2	12.5	2.3	22%	12.8	-0.1	12.7	0.2	2%	10.4	12.5	2.1	20%
Overseas Tuition Fees	10.3	11.6	1.3	12%	14.6	-0.8	13.7	2.1	18%	10.3	15.0	4.7	46%
TNE Income	1.8	2.0	0.2	10%	1.6	0.0	1.6	-0.4	-21%	1.8	1.7	-0.1	-3%
Research Activities	6.0	7.5	1.5	25%	7.2	-0.0	7.2	-0.3	-4%	4.0	4.2	0.2	5%
Enterprise Activities	10.5	10.7	0.2	2%	9.9	-1.4	8.6	-2.1	-20%	6.2	5.3	-0.9	-15%
Student Related Income	10.2	10.9	0.7	7%	10.8	-1.0	9.8	-1.1	-10%	7.4	7.1	-0.3	-4%
Other Operating Income	1.2	0.1	-1.1	-91%	0.1	0.0	0.1	0.0	18%	0.3	0.2	-0.1	-32%
Endowments & Interest	0.3	0.1	-0.2	-63%	0.2	0.0	0.2	0.1	103%	0.2	0.2	0.1	45%
Income	149.1	152.1	3.0	2%	159.6	-4.7	154.8	2.7	2%	131.5	144.7	13.2	10%
Academic Staff Costs	39.9	45.8	5.8	15%	42.8	0.0	42.8	-2.9	-6%	26.6	28.0	1.4	5.3%
Support & Technicians	41.4	42.0	0.6	1%	41.9	0.1	41.8	-0.2	-1%	25.7	27.5	1.8	6.8%
Third Party Staff	2.7	1.7	-1.0	-35%	2.9	0.3	3.2	1.4	83%	1.6	2.4	0.9	56%
Restructuring	1.2	1.5	0.3	26%	1.5	0.0	1.5	0.0	0%	0.6	0.3	-0.3	-54%
Depreciation	9.4	10.5	1.1	12%	10.5	0.0	10.5	0.0	0%	5.9	5.7	-0.2	-4%
Operating Expenses	47.2	44.5	-2.7	-6%	47.2	0.2	47.4	2.9	6%	28.1	29.8	1.7	6%
Interest Payable	4.4	3.5	-0.8	-19%	3.5	0.0	3.5	0.0	0%	2.8	3.0	0.3	9%
Exceptional Items	0.0	1.1	1.1	0%	6.2	-3.5	2.7	1.6	149%	0.0	0.0	0.0	0%
Expenditure	146.2	150.6	4.4	3%	156.6	-3.2	153.3	2.7	2%	91.2	96.7	5.4	6%
Surplus for the year	3.0	1.5	-1.5	-49%	3.0	-1.5	1.5	0.0	0%	40.2	48.0	7.8	19%
Surplus as % of income	2.0%	1.0%	-50%		1.9%		1.0%			30.6%	33.2%		
Staff costs as % of income	57.1%	59.8%	5%		55.9%		57.7%			41.4%	40.2%		

4) Forecast Summary

Compared to 18/19 we are forecasting an increase in total income of £5.7m (3.8%), a decrease of £4.8m vs Feb-20. Total recurring staff costs are forecast to increase by £3.8m (4.5%) year-on-year (up £0.2m vs last month), and the costs associated with staff restructuring are expected to increase by £0.3m. Depreciation is forecast to increase by £1.1m. Operating expenses are forecast to be in line with 18/19, this does not include the £2.7m increase in exceptional items to fund in-year investments (down from £6.2m last month). We are also forecasting a £0.8m (19%) decrease in interest payable. This results in an annual surplus at £1.5m.



The key movement in the year-on-year position remains the £13.1m increase in Home/EU Tuition fee income, down £1.5m vs Feb-20 as we have provided £1m against the potential impact of Covid-19. The increase year-on-year is the result of strong recruitment for both Semesters 1 and 2, but is also because the NHS contract which funded student fees for Pre-Registration courses has ended and new Health & Social Care students are funded through Tuition fee income, hence the £7.6m decrease in Health Contract. The forecast for Overseas Tuition Fee income has also been decreased by £1m to provide against the potential impact of Covid-19 on student fees, and currently stands at £3.2k (33%) ahead of the position for 18/19.

Research income is forecast to grow by £1.2m (20%) year-on-year due to a general increase in research activity in the Schools and additional funding grants. Enterprise activities are forecast to decrease by £1.9m (18%) compared to 18/19. This is a reduction of £1.3m vs Feb-20 forecast position due to the anticipated impact of Covid-19 on vacation lettings, commercial property rental and HSC CPPD delivery.

Recurring staff costs are forecast to increase by £3.8m (4.5%) year-on-year. The University finished 18/19 with a recurring staff cost of £80.8m including £3.2m of extraordinary pension costs.

Operating expenses are forecast to be in line with 18/19 levels of expenditure, however this does not include the £3.2m of Exceptional items of which £2m has already been allocated to Research pot or Investment pot funded activities. Exceptional items stood at £6.3m for Feb-20 month end. The reduction is due to changes to the income forecast this month reflecting some of the more certain financial impacts expected from the Covid-19 pandemic.

5) Contribution Analysis

The Mar-20 contribution forecast has reduced by £837k compared to the prior month. This does not include a high level provision of £2m that has been made against student fee income based on our current expectations of the impact of Covid-19; the provision is currently held in FUNI as we do not yet know where the impact will materialise. Other in-month adjustments include a £540k reduction to HSC's CPPD income forecast due to unavailability of NHS staff, LSS and ACI reduced their income forecasts, by £244k and £72k respectively (not related to the impact of the crisis).

The total income forecast for the Schools portfolio is £138.3m, this is reduced to £136.3m if we take into account the high level provision of £2m in FUNI. After taking into account this provision we are forecasting an increase of £8.3m (6.5%) compared to 18/19 and £3.8m more than budget.

Total costs are forecast to increase by £7.2m (13.8%) compared to the prior year. 66% of this increase is attributable to staff costs and 24% to Overseas agency fees supporting growth in student recruitment.

The full year forecast for the Schools staff costs is unchanged at £1.1m less than budget reflecting savings made year to date and taking into account current recruitment plans; this is £5.9m more than the outturn in 18/19. YTD the Schools portfolio is underspent by £1.2m. Most significantly HSC is forecast to underspend by £1m and YTD spend is £0.9m below budget. BEA is forecast to underspend by £205k and YTD is £554k underspent compared to budget.

After adjusting for the £2m provision against student fees, net contribution from the Schools would be forecast to increase by £1.1m (1.5%) to £77.1m

Contribution per School across Teaching, Research and Enterprise activities

£'millions	Applied Sciences		Arts and Creative Industries		Built Environment & Architecture		Business		Engineering		Health & Social Care		Law & Social Sciences		Total All Schools	
	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF
Income	£10.8	£11.2	£11.3	£11.1	£18.9	£19.9	£18.0	£24.1	£17.9	£19.0	£36.7	£37.0	£14.4	£16.0	£128.0	£138.3
Expenditure before space charge	£4.7	£5.2	£4.2	£4.7	£5.9	£7.3	£6.2	£8.5	£9.1	£9.4	£16.3	£17.4	£5.6	£6.7	£52.1	£59.3
Contribution	£6.1	£5.9	£7.1	£6.5	£12.9	£12.5	£11.8	£15.7	£8.8	£9.7	£20.4	£19.5	£8.8	£9.3	£75.9	£79.1
Contribution %age	56%	53%	63%	58%	69%	63%	66%	65%	49%	51%	56%	53%	61%	58%	59%	57%

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

£'millions	Applied Sciences		Arts and Creative Industries		Built Environment & Architecture		Business		Engineering		Health & Social Care		Law & Social Sciences		Total All Schools	
	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF	18/19 Actual	Mar 19/20 FYF
Teaching Income	£9.9	£10.2	£10.8	£10.6	£17.8	£18.9	£17.2	£23.3	£13.9	£14.8	£32.0	£34.1	£13.9	£15.4	£115.5	£127.2
Teaching Staff	£3.6	£3.8	£3.1	£3.3	£4.8	£5.5	£4.3	£5.1	£4.7	£4.7	£12.6	£13.4	£4.7	£5.5	£37.8	£41.3
Teaching Expenditure excl. space charge	£0.4	£0.5	£0.7	£0.6	£0.7	£1.0	£1.6	£3.2	£1.1	£0.9	£1.6	£1.8	£0.7	£0.9	£6.8	£9.0
Teaching Contribution	£6.0	£5.8	£7.0	£6.8	£12.3	£12.8	£11.2	£15.6	£8.1	£9.6	£17.8	£18.8	£8.5	£9.2	£70.9	£77.0
Staff cost as %age of income	36%	38%	29%	31%	27%	29%	25%	22%	34%	32%	39%	39%	34%	36%	33%	32%
Contribution %	60%	57%	65%	63%	69%	68%	65%	67%	59%	65%	56%	55%	61%	60%	61%	60%
Return on Academic Investment	167%	152%	225%	208%	253%	234%	258%	308%	174%	202%	142%	140%	180%	168%	187%	186%
Full Year Student FTE	1,007	1,007	1,189	1,119	1,879	2,052	2,096	2,410	1,380	1,415	3,961	3,699	1,546	1,705	13,058	13,407
Expenditure per FTE	£3,926	£4,361	£3,198	£3,476	£2,937	£3,135	£2,840	£3,430	£4,167	£3,991	£3,581	£4,130	£3,519	£3,725	£3,416	£3,749
Contribution per Stud FTE	£5,900	£5,800	£5,900	£6,000	£6,500	£6,300	£5,300	£6,500	£5,900	£6,800	£4,500	£5,100	£5,500	£5,400	£5,400	£5,700

Before any adjustments to reflect the impact of Covid-19, the School of Business is forecast to increase teaching contribution of £4.4m (39.3%) compared to the 18/19 outturn, as a result of strong student recruitment in both semesters 1 and 2. Staff costs are only forecast to increase by 17% putting pressure on their staff student ratio. The Schools of Engineering (£1.4m), Health and Social Care (£1m) and Law and Social Sciences (£0.7m) are also forecasting significant increases in teaching contribution. This position will change as the impact of Covid-19 materialises and we are able to update the forecast on a school-by-school basis.

The School of Business and Engineering have seen their staff costs expressed as a percentage of income fall year-on-year, HSC remains at 18/19 levels whilst all other Schools are forecasting an increase.

The Schools Teaching budget was set using Staff / Student ratios and with a standard investment in Operating Expenses per student. Schools predominately offering courses categorised as "high-cost subjects" by the OFS receive more funding per student to compensate for the cost of providing specialised laboratory space and technical support. It is consistent with expectations that those Schools delivering a portfolio of courses biased towards "high-cost subjects" would have a higher contribution to cover the costs incurred by Estates and Technicians required to support delivery.

6) Student Number Analysis

At the end of Mar-20 we had 13,406 enrolled FTE and are 7% ahead of the year on year position. This is 65 FTE more than last month. There are no students waiting to complete the enrolment process (4 at the same time last year).

The biggest increase is in new students which is up by 11%; most significantly the School of Business has seen growth of 46% in new student numbers and is up by 23% overall compared to 18/19. Law and Social Sciences is showing a total increase of 14% compared to the same period last year and the School of Built Environment and Architecture is up by 10%.

[----- New -----]				
School	Mar-19	Mar-20	Change	% Change
ASC	437	495	58	13%
ACI	496	467	-29	-6%
BEA	825	905	80	10%
BUS	924	1,350	426	46%
ENG	565	662	97	17%
HSC	1,776	1,640	-136	-8%
LSS	729	879	149	20%
YTD Total	5,753	6,397	644	11%

[----- Continuing -----]				
School	Mar-19	Mar-20	Change	% Change
ASC	529	512	-17	-3%
ACI	641	652	11	2%
BEA	1,038	1,147	109	10%
BUS	1,034	1,060	26	3%
ENG	769	753	-16	-2%
HSC	1,993	2,059	66	3%
LSS	768	826	58	8%
YTD Total	6,771	7,009	237	4%

[----- TOTAL -----]				
School	Mar-19	Mar-20	Change	% Change
ASC	965	1,007	41	4%
ACI	1,137	1,119	-18	-2%
BEA	1,864	2,052	188	10%
BUS	1,958	2,410	452	23%
ENG	1,334	1,415	81	6%
HSC	3,769	3,699	-70	-2%
LSS	1,497	1,705	208	14%
YTD Total	12,525	13,406	881	7%

7) Student Withdrawal Analysis

Month on Month

Lost income has increased from £3,301k in Feb to £3,704k at Mar-20 month end – an increase of £403k or 12.2%. Headcount of total drops has also increased from 650 to 754 – an increase of 104 students (16%). In month Interruptions have increased from 236 to 289 (53 students) whilst withdrawals have increased by 51 students from 414 to 465.

The March total drops figure of 754 includes 68 students who either attend "off-site" provision such as CEG, BUE or other non-campus activity, so the true figure is 686. These types of courses do not attract fee income in QLx and are included for completeness in the numbers.

Year on Year

Lost income is down from £3,751k in Mar-19, to £3,703k in Mar-20 (1.3%) and the headcount of drops remains the same at 754 for both years. In terms of the comparable position, we are marginally ahead of the 18/19 position and ended the year with a total lost income of £4,490k. The forecast for this year (unchanged from last month) is £4,958k, £468k more than total lost income in 18/19.

UG income lost to drops is down year on year from £3,159k to £3,051k (3.4%) whilst headcount shows a small increase from 590 to 596.

PG lost income has increased by 10.3% from £592k to £653k, due to year on year PGT fee inflation. Headcount of drops is down marginally from 164 to 158, broadly in line with last year.

Overall interruptions are slightly down from 292 to 289 (1.03%) whilst withdrawals are 0.65% up on the same point last year; 462 to 465.

Summary

The position at the end of Mar-20 looked positive as we had performed slightly better than 18/19. However, these numbers should be tempered by the uncertainty within the sector as a result of the Covid-19 crisis. The forecast will not be updated until early May, when we get an understanding of how many students have been lost over a full month of the pandemic.

Equally, by May we should have some sense of clarity around what "engagement" looks like for recently joined second start semester students, NHS final year students that have been pulled to the critical front-line, as well as any bottle-necks or delays we have in the process. An element of back-dating will be inevitable.

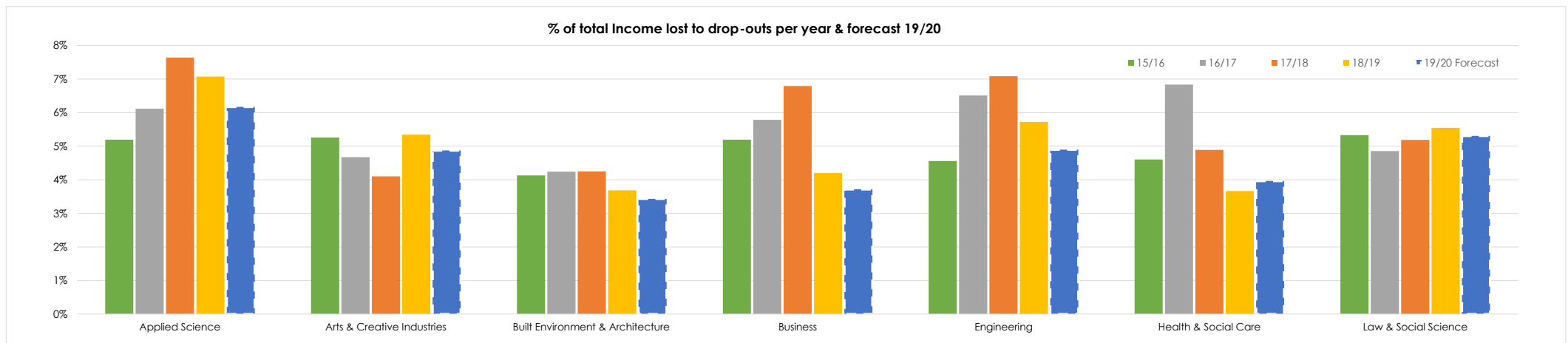
NOTE: the forecast remains unchanged from Feb-20 and will be updated in May-20

Lost Fee Income' in £000K	16/17 Actuals	17/18 Actuals	18/19 Actuals
Applied Science	552	653	603
Arts and Creative Industries	429	391	538
Built Environment & Architecture	616	601	558
Business	904	998	696
Engineering	834	815	659
Health & Social Care	232	482	715
Law & Social Sciences	647	652	722
Total	4,214	4,592	4,490

Feb-20 Forecast 19/20	% change 18/19 vs 19/20	Forecast % income lost by Jul 20	Last 4 year school average	Lost income as at Mar-20
570	-5.4%	6.2%	6.5%	500
490	-8.9%	4.9%	4.8%	294
570	2.2%	3.4%	4.1%	489
850	22.2%	3.7%	5.5%	805
628	-4.7%	4.9%	6.0%	524
1,050	46.9%	4.0%	5.0%	558
800	10.8%	5.3%	5.2%	534
4,958	10.4%	4.4%	5.2%	3,704

Academic year	YTD withdrawals (incl. Interrupted)
16/17	877
17/18	757
18/19	754
19/20	754

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"Lost income" is the difference between income generated at Enrolment and the amount retained at the end of the Year. The University receives funding for UG students in 3 tranches; 25% for Semester 1, 25% for Semester 2 and 50% for semester 3; if a student does not progress into the following semester then a refund is generated.

8) Income Analysis

YTD income is £13.2m (10%) ahead of the 18/19 position and forecast to be £5.8m (3.9%) more than the outturn for last year. The total income forecast currently stands at £154.8m; £2.7m (1.8%) more than budget.

The income forecast for Mar-20 has been reduced to reflect our current expectations of the impact of Covid 19 as compared to the February forecast income position:

- £459k potential reduction in HSC CPPD fees as NHS staff are unavailable.
- £500k potential reduction in vacation lettings as Summer Schools are unlikely to go ahead.
- £400k potential reduction in commercial property rentals as tenants are unable to use rented space and may terminate contracts.
- £1,000k potential reduction in term time lettings as students move back home for the lockdown period until the University campus re-opens.
- £2,000k potential loss in student fee income.

YTD Home and EU UG student fee income is £12.3m (16.5%) ahead of the equivalent period last year; the forecast is £10.6m (14.4%) ahead of the comparable prior year position and includes a £1m high level provision against the impact of Covid-19. A further £1m has been provided against Overseas tuition fees.

YTD Research income is £173kk (4%) behind the budgeted position for Mar-20 and £185k (5%) behind the same period in 18/19. The University is expecting to deliver £1.2m (19.6%) more than the outturn for 18/19 and has YTD delivered 59% of the total forecast for the year. It is likely that the Covid-19 outbreak will impact on research, delaying activities. This has not yet been reflected in the forecast.

Enterprise income as at the end of Mar-20 was £743k (12%) less than the same period in 18/19 and £117k (2.1%) behind budget. The income forecast has been decreased by £1.4m compared to last month due to a reduction in anticipated income from vacation lettings, property rentals and CPPD income noted previously.

9) Staff Cost Analysis

In terms of recurring staff cost the University has spent £887k (1.5%) less than budget for the first 8 months of the year. The majority of YTD staff savings (£1.2m) are in the Schools portfolio; the Schools of Health and Social Care, and Built Environment and Architecture are particularly behind in terms of spend, £907k and £554k respectively. The Schools are set to embark on a recruitment campaign to increase staff numbers to support the growth in student population.

Collectively the PSGs are £190k over budget. This includes unbudgeted costs of £347k relating to staff working on the LEAP project and at Lambeth (which will be recharged at the end of the year). These are partially offset by an underspend in TWI (£331k) due to a reduction in income generating activities. There is also a £231k timing difference in FUNI.

Recurring staff costs for Mar-20 are £4.1m (7.5%) more than for the comparable period in 18/19. The spend on Academic staff cost is £1.4m (5.3%) higher compared to the same period in 18/19. Support staff costs have also risen year-on-year and are £1.8m (6.8%) more than the equivalent period last year.

The forecast for staff costs has increased by £107k month-on-month. People and Organisations are forecasting an overspend of £63k, and LEAP/Lambeth by a further £52k (reclassified from OPEX). Student Support Service are forecasting a reduction in their staff cost forecast of £64k as they deliver ALIGN demand and method changes.

The reduction in forecast income has increased the staff costs expressed as a percentage of income to 56%; it was 54.9% last month.

10) Operating Expense Analysis

Operating Expenses are £31k (0.1%) underspent against budget for the YTD. We have incurred £1.7m (6.1%) more costs than for the comparable period in 18/19. This difference is because YTD we have recognised £2.6m overseas agency fees but we had only recognised £836k during the equivalent period in 18/19.

We are forecasting an overspend of £2.9m against budget for the year. This includes £2m unbudgeted costs to cover the set-up and rental costs for the PortaKabins and Tabard Street, and an additional £1.4m for overseas recruitment agency fees. The full year forecast for 19/20 is now almost exactly the same as the total outturn for 18/19, but excludes any spend on OPEX from Exceptional Items - i.e. the Investment Pot.

11) Interest Payable

Interest payable is £599k over budget. The overspend relates to management charges that will be recharged to Lambeth College at the end of the financial year. The forecast for the year remains as per the budget.

12) Exceptional Items

The forecast for Exceptional Items has been decrease by £3.5m to £2.7m as a result of changes to income and costs forecasts this month. £0.4m is allocated to the Research Investment pot and £1.6m has been allocated from the Investment pot to projects and business cases leaving a balance of £0.7m.

13) Budget Analysis

The University operates on a Portfolio basis so members of the Executive are expected to manage their portfolio as a whole and if one area requires additional funds this can be generated by reducing investment in another area of the Executive's responsibility. Where it is anticipated that an Executive's consolidated portfolio will not to deliver its budgeted contribution, an application for funding from the Investment post should be made via a business cases to the University's Executive.

LONDON SOUTH BANK UNIVERSITY / ENTERPRISES

Management Summary Report from August 2019 To The End Of March 2020

SMT Area: All

Cost Centre: %



Full Year Outturn Last Year (£)	YTD Actuals Last Year (£)	Description	FULL YEAR				YEAR TO DATE				Note	Full year Forecast less Actual YTD (£)
			2019 Forecast (£)	2019 Budget (£)	Variance - Forecast to Budget (£) %		2019 Actuals (£)	2019 Budget (£)	Variance - Actuals to Budget (£) %			
-149,049,467	-131,477,310	Total Income	-154,835,231	-152,100,000	2,735,231	2%	-144,688,657	-132,877,532	11,811,126	9%		-10,146,573
85,203,850	54,481,173	Total Staff Costs	89,270,292	90,995,142	1,724,850	2%	58,215,594	59,005,740	790,146	1%		31,054,698
9,352,180	5,913,373	Total Depreciation	10,500,000	10,500,000		%	5,669,601	5,590,114	(79,487)	(1%)		4,830,399
47,234,281	28,086,072	Total Other Operating Expenses	47,368,104	44,501,373	(2,866,731)	(6%)	29,787,761	29,756,657	(31,104)	(%)		17,580,343
4,360,146	2,756,605	Total Interest Payable	3,532,906	3,532,906		%	3,012,722	2,414,095	(598,627)	(25%)		520,184
		Total Exceptional Items	2,663,929	1,070,579	(1,593,350)	(149%)						2,663,929
		Total Internal Allocations					3,027		(3,027)			-3,027
-2,899,009	-40,240,088	Contribution	-1,500,000	-1,500,000		%	-47,999,953	-36,110,926	11,889,028	33%		46,499,953
57.2%		Staff costs as % of income	57.7%	59.8%			40.2%	44.4%				
1.9%		Contribution %	1.0%	1.0%			33.2%	27.2%				

CONFIDENTIAL	
Paper title:	LSBU Group Recruitment update
Board/Committee(s)	Finance, Planning and Resources Committee
Date of original meeting(s):	28 th April 2020
Authors:	Mehmet Tarhan – Planning and Insight Manager Jamie Jones – Director of Student Services Karen McLernon – Head of Performance Analysis
Executive/Operations sponsor:	Nicole Louis – Chief Customer Officer
Purpose:	For information
Recommendation:	The committee is requested to take note

Executive Summary

The University

Domestic and international marketing and admissions teams have successfully transitioned to remote working in response to the Covid-19 outbreak, and ‘business as usual’ activities have resumed including outbound conversion calling, complemented by new virtual activities which are coming online, starting on 20th April. Notwithstanding a nominal dip in late-March, the flow of applications into the University has been largely unaffected by the coronavirus outbreak and we remain ahead of last year in terms of FAs, with 2,200 secured to date versus 1,900 the prior year (up 17.3%). With our pipeline intact and our year-to-date performance strong, the University remains on course to achieve a projected 22,000 to 23,000 applications Pre Clearing on UGFT courses (increase of 8.3-13.3% v LY).

Student services has also made a successful transition to remote working with all services, excluding those related to sports and recreation continuing to operate remotely. There has been particular focus on supporting student hardship and delivering tailored engagement and wellbeing plans for students in in specific circumstances. In March, there was a 32% increase in the number of MHWB appointments offered, likely as a result of the Coronavirus. Student in-year withdrawals and interruptions (through to March) remain positive compared to last year in terms of both the proportion and absolute number of students. Lost income due to withdrawals and interruptions as at March YTD stands at £3.7 mn, or 3.3% of total income, a small improvement on the prior year (4.0%). Given the uncertainties around the impact of the Covid-19 pandemic, an updated full year forecast will not be available until May earliest.

Lambeth College

The College has received 1,000 applications compared to 800 last year to date (up 25%), but the extended closure of schools due to Covid-19 is now having a pronounced effect on the flow of applications to the College. We expect this to recover when schools reopen but the long-term impact on recruitment remains to be seen. The College is also exploring the use of audio/video technology to conduct remote interviews

Please see Appendix A for specific details on marketing recruitment and student services contingency activities linked to the Coronavirus.

Please see Appendix B for details of the prioritised university courses with a September start which are recommended to be extended to a January start option to protect international enrolment income

Please see Appendices C & D for additional analysis of on in-year withdrawals and interruptions

Student Recruitment – Mid April 2020

We remain ahead of last year in terms of FAs, with 2,200 secured to date versus 1,900 the prior year (up 17.3%).

We have received more enquiries about deferring places but the vast majority have been for information only, with no formal request. We do expect the vast majority of students to commence their studies in September as a UCAS Covid-19 insight report showed that of over 500 young people surveyed, nearly 90% were committed to attending university.

Of the Postgraduate offer-holders who have requested a deferral, it is interesting to note that they have cited income as their reason of deferral and we are likely to see the number of self-funded entrants this year decline as a result of the economic impact of coronavirus.

S1- 2020/21
Sept to December starts

Course Type
Domcile

UGFT
UGPT
Apprenticeships
PGFT
PGPT
Study Abroad

LSBU Overall
Home
EU
OS

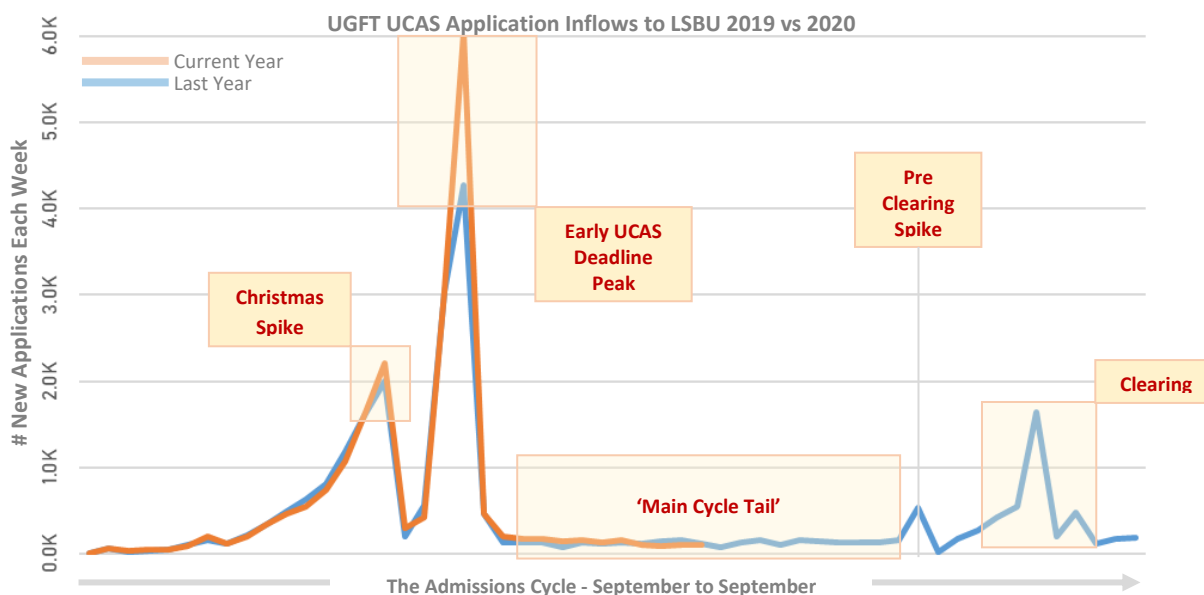
Year on Year Recruitment Performance
FAs = Firm Accepts

Year to Date FAs	Last Year to Date FAs	%+/- change	+/- change
1513	1283	↑ 17.9%	▲ 230
95	70	↑ 35.7%	▲ 25
35	25	↑ 40.0%	▲ 10
484	405	↑ 19.5%	▲ 79
79	92	↓ -14.1%	▼ -13
7	12	↓ -41.7%	▼ -5

2213	1887	↑ 17.3%	▲ 326
1790	1599	↑ 11.9%	▲ 191
248	168	↑ 47.6%	▲ 80
175	120	↑ 45.8%	▲ 55

Pipeline Projections

Notwithstanding a nominal dip in late-March, the flow of applications into the University has been largely unaffected by the coronavirus outbreak. Weekly applications have been tracking closely against previous year since the start of the cycle (save for our higher peak at the Early UCAS Application deadline). With our pipeline intact and our year-to-date performance strong, the University remains on course to achieve a projected 22,000 to 23,000 applications Pre Clearing on UGFT courses (increase of 8.3-13.3% LY).



We are currently halfway through our 'Main Cycle tail', a period where we steadily receive a low number of applications (less than 200 per week over five months). While the application volume here not substantial, the period itself is of particular importance to LSBU with these late applicants being 11% more likely to choose LSBU. The average conversion to Firm of late offer-holders is 33% compared to 22% of early offer-holders. It should be noted that our projected 8 to 13% growth in applications will not generate an equal improvement later down the funnel at enrolment - the higher peak at the Early

Deadline shown above is due to 1) 18-year-old early applicants, which are historically our weakest converters, and 2) applications on health courses, which have pre-determined caps.

Presently the UGFT institutional average conversion rate of Home/EU offer-holders stands at 25.6%, which is a slight improvement on where we were last year to date at 23.1%. Therefore, on current conversion and in respect to our remaining 7000 active offer-holders plus the late long tail pipeline, we can expect to generate in the region of 1,600 FAs (if conversion drops back down to last year's levels) or closer to 1,800 FAs if we maintain our current trajectory. With over 1,500 FAs secured to date, we would therefore achieve a Pre-Clearing total of 3,100 FAs on the lower end or up to 3,300 FAs the higher end, and assuming a 90% conversion to enrolment this would yield 2,800-3,000 full enrolments (against a provisional enrolment target of 3,860 excluding OS). The enrolment gap Clearing would need to bridge therefore would be 1,060-860 fully enrolled students which would require up to 1,200 or as low as 980 FAs to be generated in the summer. We will refine this picture as the cycle progresses and as we receive more clarity around student numbers and potential caps by the OfS. (For reference the university generated 1,030 FAs last year excluding GSM - but we did experience extenuating circumstances around the outage of the telephone system during the first day of clearing).

Enrolment Targets

Marketing and International have worked with Finance to model alternative enrolment scenarios as part of the financial planning process. Overseas recruitment is likely to see the greatest impact in addition to the risk of OfS caps for Home / EU students. In the best-case scenario, we assume that the OfS does set a cap for the sector but one based on the most recent intake. For LSBU, 19/20 being our most successful year of new student recruitment, this would represent the least restrictive cap of any for LSBU. OS will see a reduction in numbers in S1, but on the proviso that we can make a greater number of courses available for entry onto S2, the loss can be mitigated to around 200 students. The top five courses per School, which would yield the greatest number of OS students in S2, as outlined by the International team, are provided in Appendix A for reference. This scenario also assumes that Apprenticeship courses can offer multiple points of entry.

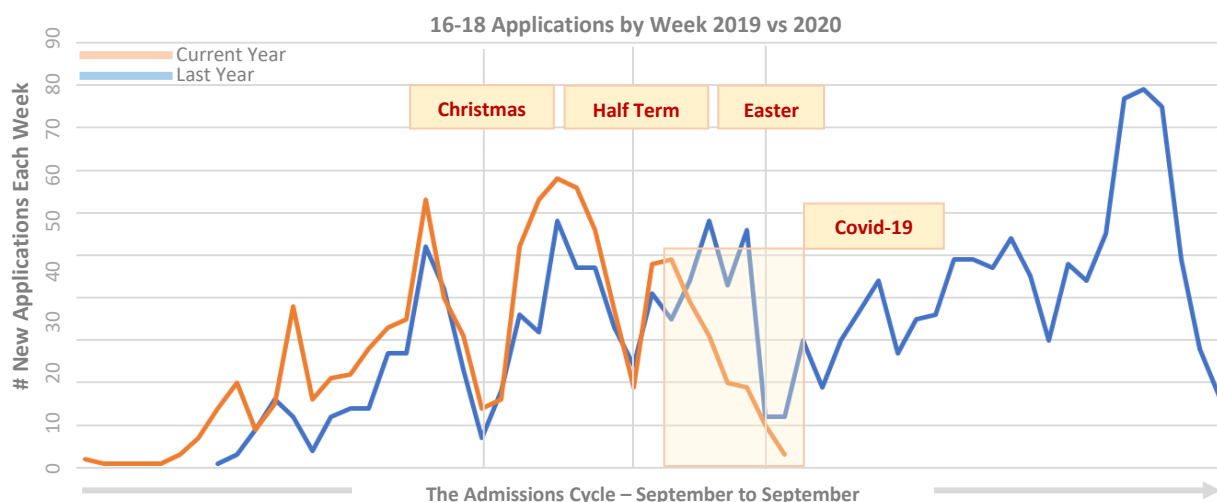
In the middle-case, assuming a stricter cap based on the last three years of recruitment, we would see a greater loss in Home/EU amounting to 1,000 students off the original target. This is due to smaller intakes preceding 2019/20. This scenario assumes that we are only able to increase our S2 provision in a limited capacity.

S1-S2	Targets		Variance	
	2020	Original	New	+/-
Best	7167	6753	▼ - 414	▼ - 5.8%
Home/EU	6372	6157	▼ - 215	▼ - 3.4%
OS	795	596	▼ - 199	▼ - 25.0%
Medium	7167	5840	▼ - 1327	▼ - 18.5%
Home/EU	6372	5363	▼ - 1009	▼ - 15.8%
OS	795	477	▼ - 318	▼ - 40.0%

Variables/ Dependencies
OfS cap based on last years intake, opening up more courses for S2 OS and Apprenticeship students
OfS cap based on last three years intake, and limited number of courses open for S2 OS and Apprenticeship students

Lambeth College

The College has received approximately 1,000 applications to date compared to 800 last year (+25%). Annual school holidays are known to cause temporary dips in the flow of applications at the College, but their extended closure in response to Covid-19 is leading to a more pronounced and visible reduction in applications compared to what we are seeing at the University. Applications from May onwards have historically had the highest conversion rates for the College and we would expect application rates to recover once schools re-open.



In response to the Covid-19 situation the College is also exploring the use of audio/video technology to conduct remote interviews, and is seeking to maximise the use of remote and online enrolment processes to minimise the ongoing impact on College recruitment for the 2020/21 academic year.

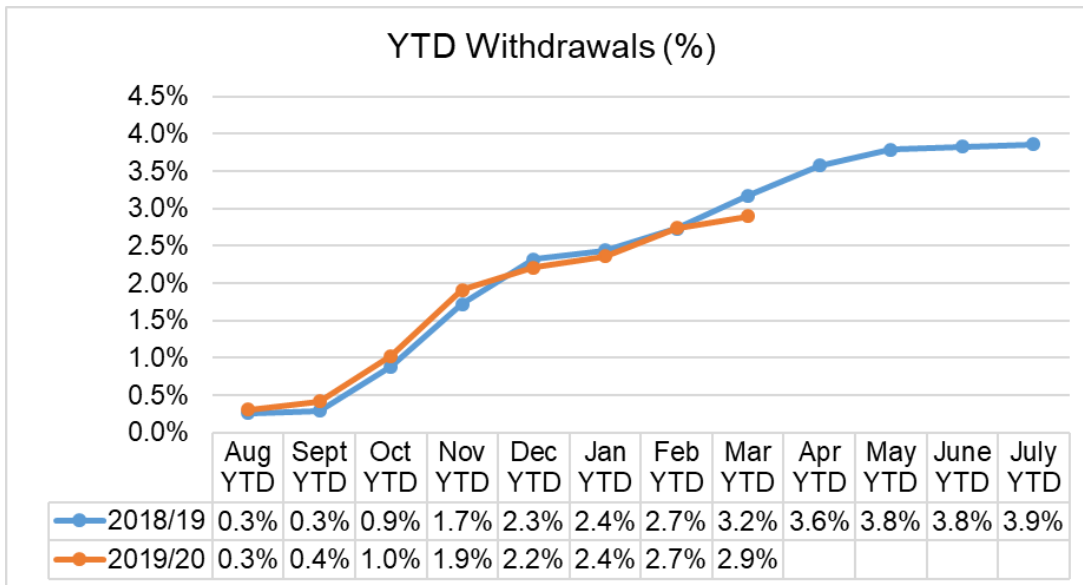
Student Withdrawals and Interruptions – End March 2020

Executive Summary

- Withdrawals and interruptions remain positive compared to last year in terms of both the proportion and absolute number of students.
- Lost income due to withdrawals and interruptions as at March YTD stands at £3.7 mn, or 3.3% of total income, a small improvement on the prior year (4.0%). Given the uncertainties around the impact of the Covid-19 pandemic, an updated full year forecast will not be available until May at the earliest.
- Compared to last year, YTD income lost for UG students decreased by £108k but PG students increased by £61k. The PG increase is largely due to higher PG fees in 2019/20.
- The review of non-attending students between Student Admin and DESEs following semester 1 exam boards was completed in March. However, due to the Covid-19 pandemic all face-to-face teaching has moved online and all monitoring of non-attending students between Student Admin and DESEs has stopped. PPA will assess in collaboration with Finance and Student Admin whether this report can be meaningfully produced for April.

1. Withdrawals

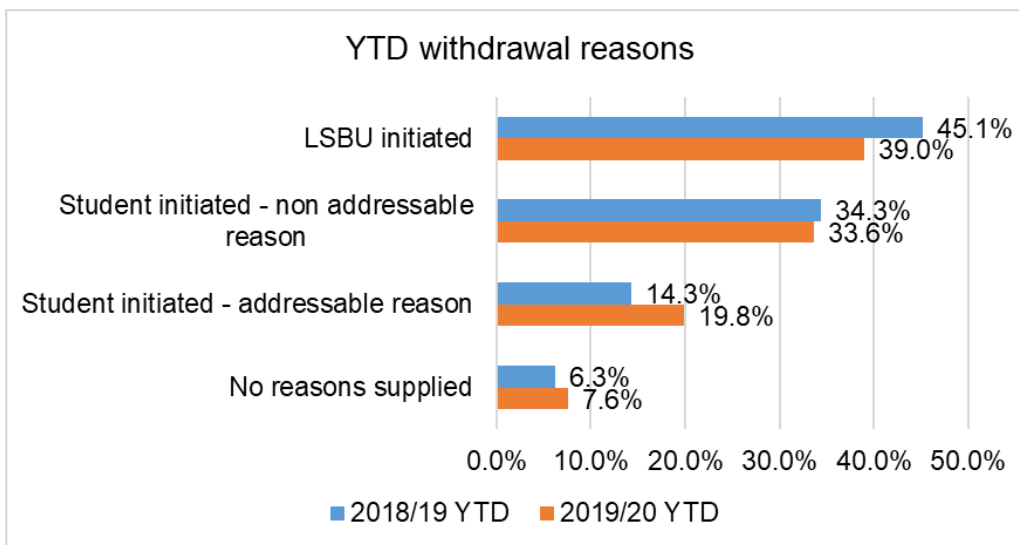
Figure 1: YTD Withdrawals (%)



Year 1 part-time first degree students have a higher proportion of withdrawals than year 1 full-time first degree students at 7.2% compared to 5.0%. The proportion of year 1 full-time first degree students that withdrew is slightly lower compared to last year's 5.6%.

APS, ACI, BUS and ENG continue to see a higher than average proportion of students that withdrew. ACI and LSS have the largest reduction in the number of students that withdrew compared to last year.

Figure 2: YTD withdrawal reasons



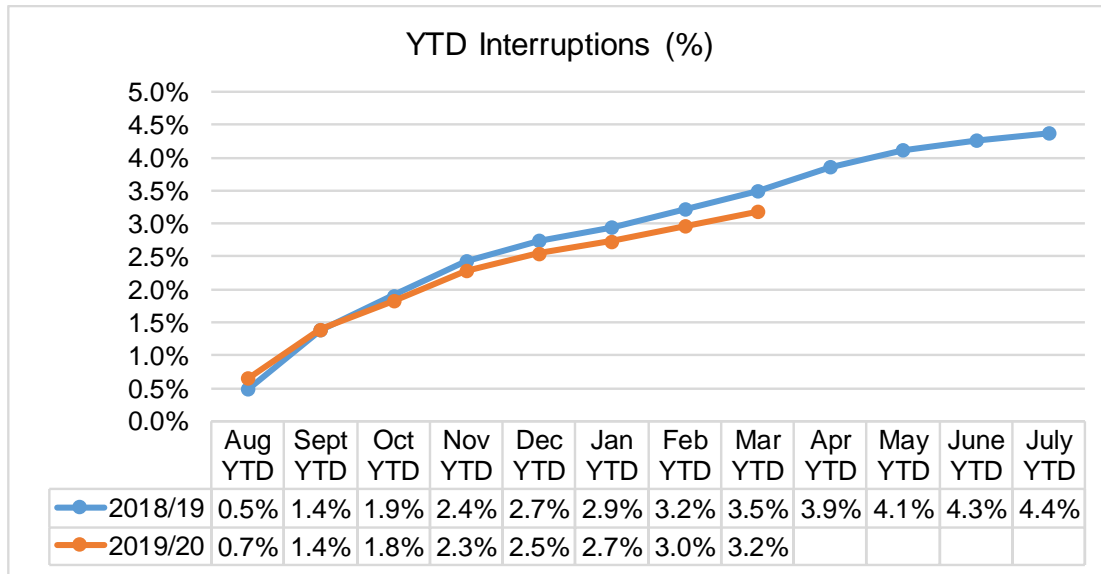
LSBU initiated reasons remain the largest withdrawal reason at 39.0% but are lower than last year's 45.1%. Semester 1 attendance reviews between Student Admin and DESEs were completed in March. However, attendance monitoring has been paused during the Covid-19 pandemic which may impact comparability of withdrawal reason statistics to prior periods.

The proportion of student initiated – addressable reason* increased significantly compared to last year due to an increase in the number of students that transferred to a different provider (33 compared to 15). The proportion of UG students that transferred to a different provider is significantly higher than PG students, 87.9% compared to 12.1%. The number of year 1 UG students that transferred to a different provider is slightly higher than year 2 UG students.

* includes suitability / quality of course or transfer to another provider

2. Interruptions

Figure 3: YTD Interruptions (%)



The proportion of PG students that interrupted is higher than UG students (4.4% compared to 2.8%).

APS continues to see a higher than average proportion of students that interrupted. LSS has the highest reduction in the number of students that interrupted compared to last year.

For further detail on the number of withdrawals and interruptions by school, please see the charts in the appendix C and D

For additional information on withdrawals and interruptions by school and course please refer to the [Withdrawals and Interruptions dashboard in MIKE](#)¹. Please note the data in MIKE is updated on a daily basis, showing the latest information from the student record system.

Please note there have been changes to the number of withdrawals and interruptions in prior months compared to the previous report due to backdated data processing by Registry.

1

https://anaximander.lsbu.ac.uk/ibmcognos/bi/?perspective=dashboard&pathRef=.public_folders%2FMI02%2FInstitutional%2FWithdrawals+and+Interruptions+dashboard&action=view&mode=dashboard

Student Services - End March 2020

Student Mental Health and Wellbeing

Students declaring a disability to LSBU	01/08/2018 – 30/11/2018	01/08/2019 – 31/03/2020
Total no of students	Historical data not available*	2463
	18/19 total for year 2,577	

Number of Mental Health and Wellbeing appointments offered				
	01/08/2018 – 31/03/2019	01/08/2019 – 31/03/2020	% change	
August	100	78	22% decrease	
September	108	118	9% increase	
October	226	244	8% increase	
November	240	246	3% increase	
December	206	207	0	
January	181	183	0	
February	199	213	7% increase	
March	198	261	32% increase	
Total so far	1458	1550	6% increase	

Student Safety Concern Response

	01/08/2018 – 31/03/2019	01/08/2019 – 31/03/2020	% change
Total Cases	126	59	53% decrease*

*Partly due to sexual violence now being recorded separately, and not at the Safety Concern Response meeting due to changing protocols/model. May in part be due to introduction of welfare staff in residential team (within estates) so incidents being resolved within accommodation

Student General Enquiry Management

	18/19	19/20	18/19	19/20	18/19	19/20
	Feb	Feb	Mar	Mar	Year to date	Year to date
Administration	307	1306	260	906	897	9939
Advice	427	475	397	291	3706	3701
Employability	131	9	164	2	1083	80
Estates	13	17	13	7	101	125
Fees	198	217	138	88	1685	1807
International	49	93	52	118	376	489
Library	18	16	27	4	200	127
Other	69	47	33	502	777	1130
Registry	34	379	8	634	352	1591
Skills	1	25	4	17	31	188
Student Life	582	930	459	341	5736	5737
SU	17	18	18	8	123	147
Wellbeing	815	820	818	462	6505	6468
	2661	4352	2391	3380	21572	31529

The number of enquiries in most areas has remained constant. The steep rises are in the Administration and Registry categories, which can be attributed to Student Admin using the SID system to log, triage and respond to student enquiries.

With the launch of the Emergency Hardship Fund, we will see a sharp rise in the number of "Student Life" enquiries logged for April 2020.

Appendix A

Coronavirus Response – Marketing and Student Services

Marketing and Admissions

Domestic and International admissions teams have successfully transitioned to remote working in response to the ongoing Covid-19 outbreak. Additional resources have been allocated to digital enquiry channels such as Live Chat, but our phone lines remain open and in operation for applicants and enquirers wishing to communicate with us directly. Application processing is unaffected as staff are set up to access our Student Record System from home, and we are keeping to existing turnaround times in terms of decision-making.

In compliance with social distancing measures the government has introduced, on-campus conversion and recruitment events are cancelled. These events will now take place virtually for both domestic and international audiences, with the first of 26 subject-specific webinars starting on 20th April and LSBU's first virtual Open Day planned for early June. We continue to engage offer-holders with cut-through direct mail in the form of Deans letters and congratulatory postcards, in addition to digital CRM engagements which provide timely and reassurance to applicants affected by the outbreak. Unibuddy, a digital communication platform connecting prospects to current students will launch at LSBU from 20th April, ensuring that we maintain our valuable student-to-applicant contact during this period. Additionally for our international applicants, we are also conducting additional webinars centred on visa and immigration advice. We are also looking at alternative English language qualifications and tests, as the British Council is not conducting any IELTS examinations due the pandemic, which will affect our ability to clear Conditional Offers later on.

UCAS have pushed back the upcoming Firm/Insurance reply deadline to the 19th May, giving students two additional weeks to make their choices, which will be an important health-check for the sector and for LSBU. A Level and GCSE results days will take place as originally intended on 13 August and 20 August, as confirmed by UCAS. We expect our Clearing operation to run in line with previous years – with Early Clearing opening from 5th July for those who have already received their results, and the intensive Main Clearing period kicking off normally on A Level Results Day in mid-August.

The OfS announced an initial two-week moratorium on Unconditional Offer-making to school-leaver applicants on predicted grades, which was later extended by an additional two-weeks and then again by a further two weeks. . This has not so far impeded our own offer-making as we had already processed over 95% of our Unconditional Offer Scheme offers, and were coming to a natural stop. Once the moratorium lifts, we will be able to finalise our remaining Unconditional Offer Scheme offers.

Student Services

All staff within Student Services are now working remotely and each of our individual services are offering a wide range of support to students. In some areas, due to working patterns, we are able to offer an enhanced level of customer service than that which is available when we are on campus. This is something

that we will look to continue when we return to Southwark and Havering. We are also working with schools to amend administrative processes (e.g. Extenuating Circumstances) to meet the current needs of our students and courses.

Our revised activities have to date focussed on three key areas.

Emergency Hardship Fund

By mid-March, we had formulated a plan, approved by the University Executive, to reallocate resources to form an Emergency Hardship Fund, with the aim of supporting students who had become financially distressed due to Covid-19. This includes, but is not limited to, students losing part-time work (often with immediate effect), needing IT and other equipment to enable them to keep up with their course remotely. It is vital that we provide immediate short-term financial support to such students to enable them to manage their finances ahead of the next student finance (loan/grant) payment date, which is the 27th April. The fund was launch on 1st April and in its first 2 weeks has paid out £86K to 353 students (average of £244 per student). The Student Advice team have ensured that we are working to a 72 hour turnaround from students applying to the fund to receiving the payment. Some brief analysis:

- Many of our student requiring the lower level of funding (£200-250) have been without dependants and in the process of having their jobs furloughed and essentially we are topping up their lower income to enable them to meet their financial requirements until the next Student Loan/Grant payment is made on 27th April.
- Of the students that required the higher levels of funding (£400-£600) they have tended to be students with dependants or living with someone who is out of work or needs to self-isolate due to health reasons.
- We have had 19 students requesting the funding to buy a laptop. All 19 have received an award to enable them to do this. (We are giving them the money rather than buying equipment).
- We have a less than 5% refusal rate on applications. All students that have applied are also receiving extensive financial advice from our team, detailing how to financially react to the crisis, e.g. advice on how to ask for credit card payment holidays, loan repayment holidays, private rent reductions etc.

In addition to the Emergency Hardship Fund We have recently utilised £71K that was not claimed from the Access Bursaries to make a payment of £250 (each) to 290 students – all of which Student Finance England classify as having no household income (likely either estranged or from a family on benefits). This payment was made to the relevant students during week commencing 23rd March. We have also purchased £1K of Sainsbury's (£20 each) vouchers that we can e-mail to any students in dire need, so that they can buy essentials, whilst we help them to access our Emergency Hardship Fund.

Support for HSC Students on Clinical Placement

HSC students, many of whom are being called to clinical placements, are being given priority access to support through our Mental Health and Wellbeing team, which includes the addition of weekend appointments with our team of advisors. Our support also features an enhanced range of digital resources, available 24/7 to fit shift patterns, as well as advice and support for the students in relation to their emotional wellbeing and “switching off” when away from work.

Working closely with the school and our colleagues in the Accommodation teams, we are also offering such students the opportunity to move into our Halls of Residence for the period that they are on their clinical placement. The students are also directed to apply for the Emergency Fund, where applicable.

Support for Students in Halls of Residence

Students that remain in Halls have been surveyed by the Mental Health and Wellbeing team, in order for us to have a better understanding of their needs at this time both in practical and wellbeing terms. Working with colleagues in Accommodation and Academy of Sport we have now made contact with each of the students individually and put together a programme which covers essentials (laundry, food collections), wellbeing (emotional and exercise) and socialising (on-line content and interaction).

Appendix B

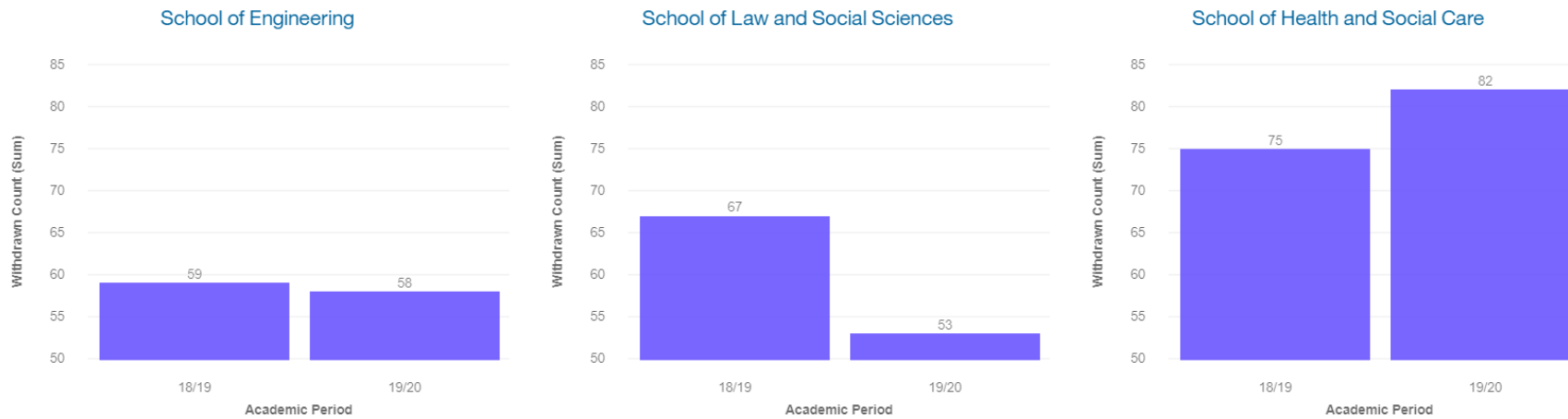
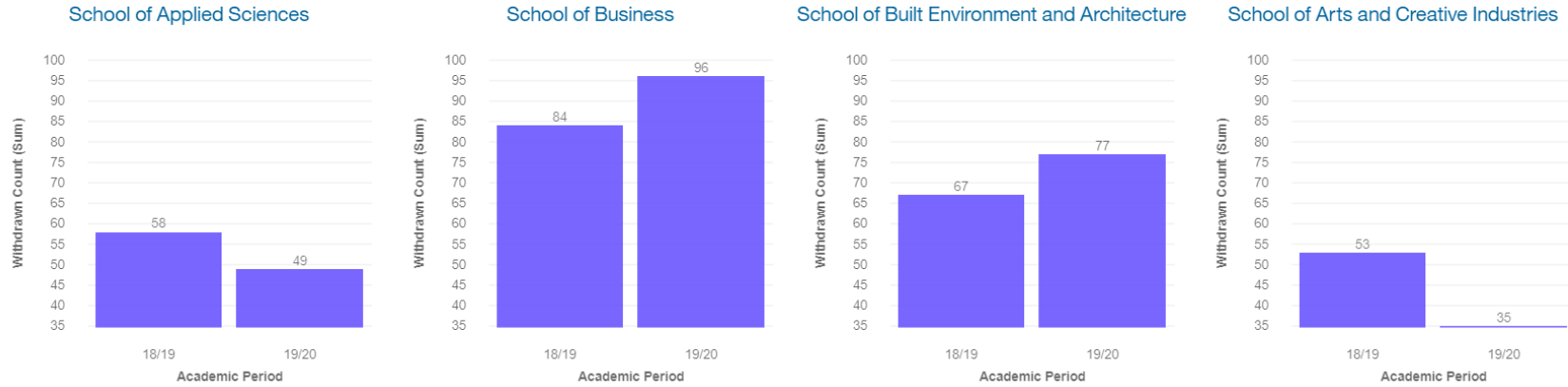
Priority Courses for S2 entry for OS students

The School of Business is excluded as they have an extensive offer for January intake. HSC is excluded as recruitment from OS markets into these courses will not be material.

ACI	APS	BEA	ENG	LSS
BA Advertising BA Fashion BA Journalism BA Game Design BA Film Practice	Bsc Biomedical Sci BSc Psychology BSc Psychology - Clinical MSc Psychology MSc Mental Health & Clinical Psychology	BEng Civil Eng BA Architecture MA Architecture (only three courses as extensive S2 offerings already)	BEng Mech Eng BSc Computer Sci BEng Chemical Eng BEng Electrical Eng MSc Electrical Eng	LLB Law LLB Int. Commercial Law BA Tourism BA Politics MSc Int. Tourism

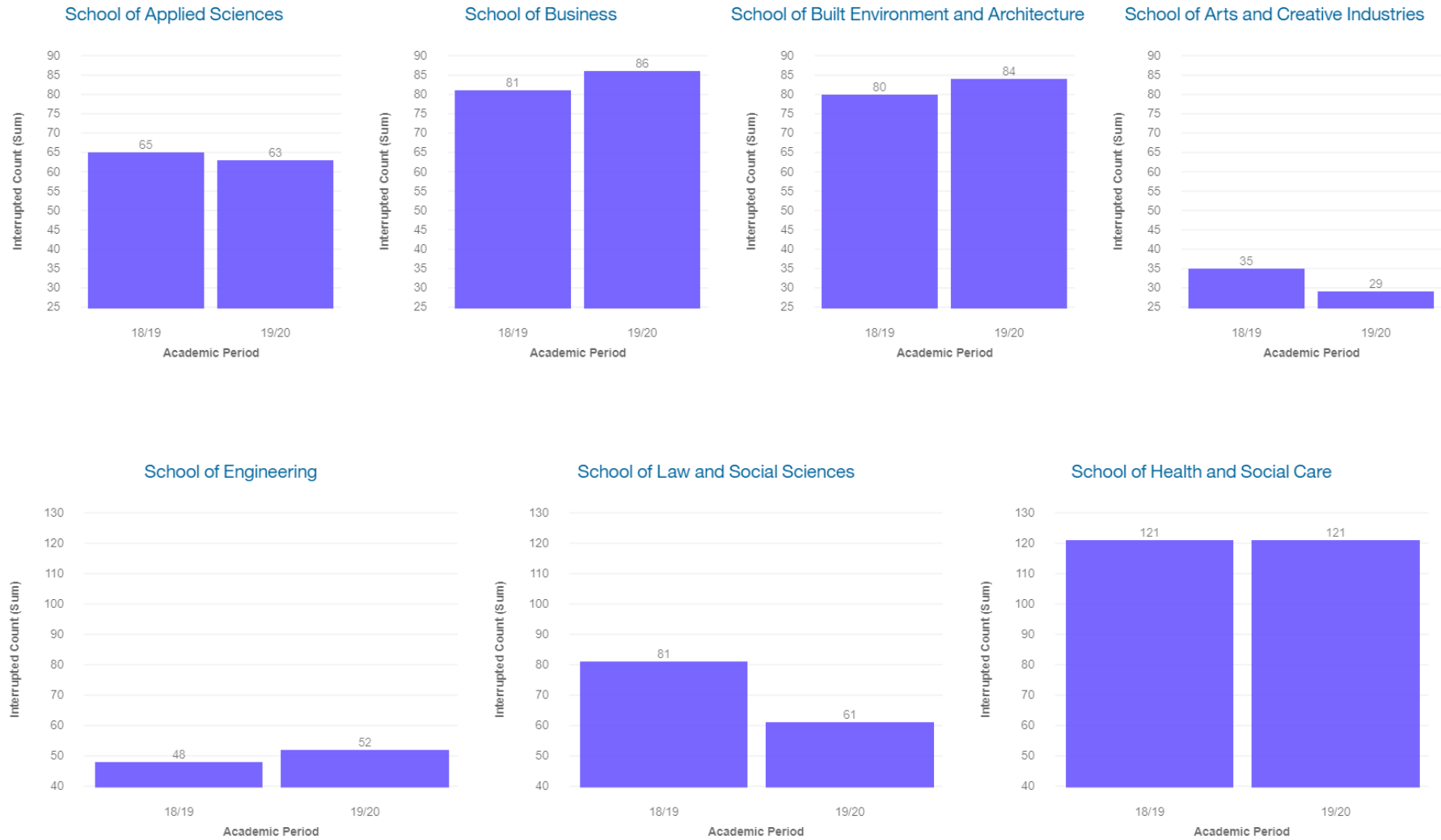
Appendix C – Number of withdrawals by schools

Withdrawals count



Appendix D – Number of interruptions by school

Interruption counts



Agenda Item 7

	INTERNAL
Paper title:	2020/21 Budget scenarios
Board/Committee:	Finance, Planning and Resources committee
Date of meeting:	28 April 2020
Author(s):	Ralph Sanders - Director of Financial Planning, Reporting & Registry
Sponsor(s):	Richard Flatman – CFO
Purpose:	To update the Finance, Planning and Resources committee on budget scenarios for 2020/21 and to recommend approval of scenario 2(b)
Recommendation:	FPR Committee is asked to review the budget scenarios set out in this paper and recommend to Board approval of scenario 2(b); with target income of £153M and with 'headroom' of £5M to mitigate further potential risk to delivery.
Executive summary:	<p>The University had been preparing a budget for 2020/21 with £167M of income which would have supported an additional £2.7M in staffing as compared to the 2019/20 rolled forward position and the University had begun to explore the recruitment of additional academics.</p> <p>This income target now looks ambitious given the implications of Covid-19, as do the recruitment aspirations.</p> <p>This paper sets out 4 scenarios to show how reductions in recruitment, retention, and other areas of income generation might impact our income budget and the consequences this could have on the affordability of our staffing cohort.</p> <p>Our Best case scenario is based on detailed targets agreed across the University before the Covid 19 outbreak</p> <p>Our 2a workable scenario, which assumes an £11M reduction in income versus the original position, requires £3.4M of reductions from our rolled forward staff position.</p> <p>Our 2b workable scenario, which assumes a £13.5M reduction versus the original position and delivers £5M 'headroom', requires £6.3M of reductions from our rolled forward staff position.</p> <p>Our Worse case scenario, which assumes a £27M reduction in income versus the original position requires £12.5M of reductions from our rolled forward staff position and delivers a deficit.</p> <p>The recommendation of the Executive is that the University begins to plan around the Workable 2b scenario, recognising that we will be entering the year with a budget that does not balance. There is a £6m risk around staff cost with £5m of potential headroom compared to break even position (assuming income</p>

	hits budget of £153M). A number of actions are highlighted which will enable us to make a more balanced judgment in Autumn when there is greater clarity on recruitment and income forecasts.
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INTRODUCTION

During the first few months of 2020, Finance Business Partners worked together with budget holders and representatives from across the University to prepare a first draft of the 20/21 income budget. New home student recruitment targets were agreed by the Schools, in collaboration with Marketing and Finance, and Overseas & EU targets were agreed with the International Office. Progression rates were reviewed by the Schools, and Research and Enterprise income targets agreed with the REI team. Two months ago, based on these agreed targets, we were proposing to set a realistic income budget target of £167M.

Covid-19 has changed the environment in which we operate, creating unprecedented levels of uncertainty about the future including a potential decline in International student numbers and the possibility of a cap on Home and EU Fulltime Undergraduate recruitment.

A number of budget scenarios have subsequently been considered by the Executive including;

- a Best case scenario, based on the detailed targets agreed across the University before the Covid-19 outbreak
- a Workable 2(a) scenario that assumed reductions in recruitment, and reductions in Research and Enterprise as agreed with the MAC and REI teams following the outbreak
- a Workable 2(b) scenario that used “(a) as a baseline but which also reduced income from the recruitment and continuation of Apprenticeship students, and further reduced research and enterprise activity. Model 2(b) also increased our contingency to £3m which , together with the assumed surplus of £2m, provides £5M of ‘headroom’ to mitigate some of the further potential financial risk in next year’s budget, and
- a Worse case scenario that assumed significant reductions in income and a delayed start to the Academic year.

The 4 scenarios are summarised below and more detailed analysis is provided overleaf.

- **Best case scenario** – This assumes that the University will be open in September as normal, that there will be no cap on student numbers and that we can mitigate some of the impact on recruitment by establishing a series of Semester 2 starts for our most popular Overseas courses and increase the number of intakes for our most popular Apprenticeship courses. In terms of Research and Enterprise, we have assumed that the REI targets that were previously agreed and based around the existing pipeline could be delivered with little interruption. This would set an income target of £167M, suggest a surplus of £3M (with a contingency of £4M), and generate cashflow of £13.5M as compared to the £15.35M in the OFS forecast. In terms of staffing, the current staffing forecast for 2019/20 is £87.7M which if we roll forward at 3.5% would total £90.7M. In this scenario, the University is budgeting £93.4M in staffing cost which fund £2.7M of new appointments.
- **Workable 2a scenario** - This assumes that the University will be open in September as normal, that any cap on student numbers would be comparable to the 2019/20 intake but that we only enrol 95% of that target. We would experience a decline in International students but mitigate the risk to apprentice recruitment by increasing the number of intakes for our Apprenticeship courses. In terms of Research, we have assumed a reduction of 10% against pipeline forecast whilst for Enterprise we have assumed that the teams would be able to match the 2019/20 performance. This would set an income target of £156M, suggest a surplus of £2M (with a contingency of £1.5M) and generate cashflow of £12.5M as compared to the £15.35M in the OFS forecast. In terms of staffing, at 56% of income, the University is budgeting £87.3M in staffing cost which requires £3.4M of savings from the rolled forward position.

- **Workable 2b scenario** - This scenario has the same assumptions as 2(a). However, we have also assumed that we will not be able to either recruit or retain the target number of apprentice students due to (i) a reduction in recruitment by employers and (ii) the difficulties in releasing nursing students by the NHS to the University. This scenario also assumes that we will not be able to match this year's level of Research and Enterprise activity and instead this would decline by £1.1M compared with scenario 2(a). This would set an income target of £153M, a surplus of £2M (with a contingency of £3.0M in order to deliver £5M headroom) and generate cashflow of £12.5M as compared to the £15.35M in the OFS forecast. In terms of staffing, the University is budgeting £84.4M in staffing cost which requires £6.3M of savings from the rolled forward position.
- **Worse Case scenario** - This assumes that the University will not be open in September as normal and that any cap on student numbers would be an average of the last 3 years of intake. This works to our disadvantage given recent growth. We would experience a decline in both Overseas and Apprenticeship enrolments and reduce re-enrolment by 5%. In terms of Research and Enterprise, we have assumed that the teams would be able to match 80% of their previously agreed target. We would also experience a decline in student-generated income, as there would be less activity in our Halls and our cafeterias. This would set an income target of £140M, track to a deficit of £3.5M and generate cashflow of £7M as compared to the £15.35M in the OFS forecast. In terms of staffing, the University is budgeting £78.2M in staffing cost which require £12.5M of savings from the rolled forward position.

With the exception of the best case model, all scenarios have a corresponding impact on the affordability of our current staffing cohort.

The recommendation of the Executive is that the University begins to plan around the Workable 2b scenario, recognising that we will be entering the year with a budget that does not balance. There is a £6m risk around staff cost with £5m of potential headroom compared to break even position (assuming income hits budget of £153M).

Whilst recommending that we enter the year in an unbalanced budget position, we are not at this stage suggesting that there should be an immediate retrenchment of the LSBU workforce. Given the desire to maintain capacity and capability within the organisation, we propose to roll forward the current staffing cohort within the professional functions and invest in Academic staff as appropriate, but only where there is headroom in the current year's forecast (so as not to put the roll forward position at risk).

Over the summer period we will undertake 2 key activities:

- An assessment of organisational shape, showing where we need to invest and where we need to make savings (and what that means in terms of staff)
- A refreshed assessment of potential efficiency savings through the Align programme (some of which will be staff cost related).

We will then have a comprehensive budget review in November when there is more clarity about recruitment and income forecasts. Assuming that we are not in our best case scenario, there will be a number of levers available including:

- accelerated implementation of Align savings
- reduced £3M investment Pot and/or the targeted £2M surplus
- potential non-implementation of the payrise (and even spine point increments) as a way to save jobs (subject to consultation).

We will also, at that stage in Autumn, have a better understanding of what applications for the 21/22 academic year are looking like. If we are required to make adjustments to the staff cost base, we would want to make sure that further reductions are not required within the next 12 months.

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SCENARIOS

Table 1 – Budget scenarios

	19/20 Feb-20 Forecast £'000	20/21 Best case £'000	20/21 workable case 2a £'000	20/21 workable case 2b £'000	20/21 Worst case £'000	Change vs 20/21 Best case	2b change vs 2a
Income							
Funding Grants	13,834	13,158	13,158	13,158	13,158	Grant based on last year's student numbers	
Health - Contract	2,947	741	556	556	370	50% reduction in CPPD contract in Worst Case; 25% workable	
Fees - Home & EU UG	80,392	83,987	79,609	79,609	74,197	Worst case assumes 13.9% reduction; workable 5.5% reduction	
Fees - Home & EU UG - New	37,823	35,657	33,696	33,696	30,700	workable assumes 5% reduction, worst 10%	
Fees - Home & EU UG - Continuing	42,569	48,330	45,913	45,913	43,497		
Fees - Home & EU PG	12,145	13,631	13,173	13,173	12,598	Worst case assumes 5% reduction; workable 4%	
Fees - Home & EU PG - New	8,016	9,348	8,997	8,997	8,529	Worst case assumes 5% reduction; workable, 2.5%	
Fees - Home & EU PG - Continuing	4,129	4,283	4,176	4,176	4,069	Best case assumes all students deferred to Jan starts and that all issues around Jan starts are resolved.	
Fees - Overseas UG	9,086	11,383	10,159	10,159	9,101	Worst case assumes 40% reduction; workable 25%	
Fees - Overseas UG - New	4,837	4,894	3,671	3,671	2,937	workable assumes 100% , worst 5% reduction	
Fees - Overseas UG - Continuing	4,249	6,489	6,489	6,489	6,164	Best case assumes all students deferred to Jan starts and that all issues around Jan starts are resolved.	
Fees - Overseas PG	5,500	5,332	4,130	4,130	3,383	Worst case assumes 40% reduction; workable 25%	
Fees - Overseas PG - New	5,045	4,807	3,605	3,605	2,884	workable assumes 100% , worst 5% reduction	
Fees - Overseas PG - Continuing	455	525	525	525	499	2a workable case assumes Sept starts can be pushed back until Jan-21 resulting in 95% of income retention. 2b assumes no additional new starts and so income is flat compared to 2019. Worst case 45% reduction.	mid point of worse case and 2a so 25% reduction and maintaining 2019/20 levels
Apprenticeships	5,739	7,412	7,041	5,559	4,077	10% reduction assumed in worst case scenario	
Overseas Partnerships	1,588	1,800	1,800	1,800	1,620	Grant allocation based on previous REF	
Research - Funding Grants	2,219	2,219	2,219	2,219	2,219	workable assumes 90% reduction, worst 80%	mid point of worse case and 2a (85% reduction)
Research - Grants	4,441	4,070	3,663	3,459	3,256	No change anticipated	
Research - Collaborations	291	73	73	73	73	No change anticipated	
Research - Studentships	215	139	139	139	139	No change anticipated	
Enterprise - Funding Grants	624	567	567	567	567	workable assumes 90% reduction, worst 80%	mid point of worse case and 2a (85% reduction)
Enterprise - Research Related Activities	600	747	672	635	598	50% reduction in CPPD income for Worst Case; 25% workable	mid point of worse case and 2a (37.5% reduction)
Enterprise - University Fees	2,419	3,746	2,809	2,341	1,873		
Enterprise - Other	6,287	6,576	5,950	5,550	5,151	Worst case assumes 20% reduction; workable 10%.	mid point of worse case and 2a (15% reduction)
Other - Student Related Income	10,834	11,141	10,027	10,027	7,173	Worst case assumes 20% reduction; workable 10%.	
Other - Operating Income	127					As per Best Case scenario	
Endowment Income & Interest Receivable	224	110	110	110	110	As per Best Case scenario	
TOTAL INCOME	159,512	166,831	155,855	153,264	139,662		
Earned Research	4,947	4,282	3,875	3,671	3,468	2a workable = 90% of best case	2b workable = 86% of best case
Research grants	2,219	2,219	2,219	2,219	2,219		
Total Research Income	7,166	6,501	6,094	5,891	5,687		
Earned Enterprise	9,306	11,069	9,432	8,527	7,621	2a workable workable = 85% of best case	2ba workable workable = 77% of best case
Enterprise grants	624	567	567	567	567		
Total Enterprise Income	9,930	11,636	9,999	9,094	8,188		
Expenditure							
Staff costs	87,663	93,425	87,279	84,410	78,211	Staff costs 56% of income	Staff costs 55.1% of income
Fundamental restructuring costs	1,500	1,500	1,500	1,500	1,500		
Other operating expenses	46,910	48,605	47,276	46,054	46,151		
Investment pot	6,407	4,000	1,500	3,000	1,000		
Depreciation	10,500	10,500	10,500	10,500	10,500		
Interest and other finance costs	3,533	5,800	5,800	5,800	5,800		
TOTAL EXPENDITURE	156,512	163,830	153,855	151,265	143,162		
Surplus/(deficit)	3,000	3,000	2,000	2,000	(3,500)		
Staff costs as %age of income	55.0%	56.0%	56.0%	55.1%	56.0%		
Contribution %age	1.9%	1.8%	1.3%	1.3%	-2.5%		
OPEX as %age of income	29%	29%	30%	30%	33%		
Roll forward staff cost position @ 3.5%		90,731	90,731	90,731	90,731		
Staff cost Investment / (Disinvestment)		2,694	(3,452)	(6,321)	(12,520)		

Agenda Item 8

	INTERNAL
Paper title:	Revised cashflow forecast April 2020
Board/Committee:	Finance, Planning and Resources committee
Date of meeting:	28 April 2020
Author(s):	Ralph Sanders - Director of Financial Planning, Reporting & Registry
Sponsor(s):	Richard Flatman – CFO
Purpose:	To update the Finance, Planning and Resources committee on the forecast cash position of the University
Recommendation:	<p>FPR Committee is asked to:</p> <ul style="list-style-type: none"> - note the current cashflow forecast for the University - note the initial responses on the planned Revolving Credit facility (RCF) - agree an approach for sub-committee approval of the RCF post commercial negotiation
Executive summary:	<p>Financial Modelling in September 2019 identified a requirement for additional funds should the LSBU Group's capital investment plans be approved.</p> <p>Modelling at the time suggested that the Group would have a maximum cash deficit of £31M in the year ending July 2022. Having tested our covenants, the Group was in a position to borrow up to £45M, which would deliver a minimum cash buffer of £14M for working capital purposes. With the approval of the Board we went to the Market for a revolving Credit Facility.</p> <p>Since the previous forecast, there have been some delays and changes to the expected levels and timing of Capital Expenditure for the LSBU group, particularly in relation to timing and approval of SBC expenditure on the Nine Elms Skills Centre (NESC). We have also reviewed capex priorities given the current level of financial uncertainty and have downgraded the Chapel as a priority in the short to medium term and have reduced the planned expenditure to £2m to cover essential maintenance/stabilisation costs. We have included Croydon costs, as this is considered a priority in the current environment. Additional annualised expenditure, which increased significantly at the back end of the original forecast has been scaled back to normal levels.</p> <p>We have not yet made any assumptions for cashflow planning purposes about lengthening and thinning the LEAP cashflow profile. However, following the recent discussions at Executive and MPIC, this is something we are investigating to provide more headroom on cashflow given the current financial uncertainty.</p> <p>We are currently forecasting a maximum cash deficit of £14M in the year ending 31 July 22. The reduction of £17M in cashflow requirements compared to the original £31M is driven primarily by these changes to the capex expenditure profile. Changes to the I&E forecast have been made but these largely affect only 20/21 and we assume that we recover thereafter to the previous forecast position. This latest forecast would indicate a reduced additional borrowing requirement of £30m.</p> <p>We have now received 3 offers of a revolving Credit Facility including 2 at the level of £45M (AIB and Lloyds) and a reduced facility of £30M from Barclays (the reduced</p>

level presumably reflecting the current level of indebtedness we already have with Barclays).

The structure and terms of the initial offers from the Banks is set out in detail in the document. It should be noted that these are still subject to commercial negotiation and that the offers were pre Covid-19. Whilst we understand that there is still an appetite to lend to LSBU, any final offer will be subject to review by the banks of updated forecasts and the pricing will inevitably change to reflect the additional sector risk as a result of Covid-19.

We are also aware that the banks are inundated with requests for additional financing. Now that we are clearer on the updated capex expenditure profile we would like to move quickly to secure the facility. FPR is asked to consider an approval process to enable early completion.

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INTRODUCTION

As part of the governance of our Capital expenditure programme, financial modelling was presented to MPIC/Board in September 2019 that demonstrated that our investment programme would need an element of external funding. Approval was gained to approach the capital markets for funds of up to £45M.

We have now received offers from three banks, two at the requested level of £45M and one at a reduced level of £30M.

Since the position presented last September, our immediate funding requirement has changed. This is primarily as a result of downgrading the reconstruction of the chapel as a priority and the delay to the construction of the South Bank Colleges Nine Elms Skills Centre in Vauxhall. This has removed £18.5M from the cashflow requirements for 2019/20 as per Table 1 and we are now forecasting to end the year with cash and investments of £40.4M. This has removed the immediate pressure for funds as detailed in Table 2.

We have not yet made any assumptions for cashflow planning purposes about lengthening and thinning the LEAP cashflow profile. However, following the recent discussions at Executive and MPIC, this is something we are investigating to provide more headroom on cashflow given the current financial uncertainty.

Revised Cash flow requirements

Table 1 – Capital Cashflow requirements

Capital Expenditure Reprofiting						
	2018/19	2019/20	2020/21	2021/22	2022/23	Total
Original Forecast						
Phase 1 LSBU	5,845	30,872	27,098	2,852	0	66,667
Chapel	0	5,000	5,000	0	0	10,000
Leap I	2,418	5,765	9,164	9,266	2,147	28,759
Additional Annualised Expenditure	1,500	2,000	4,000	8,000	10,000	25,500
Total LSBU Capital	9,762	43,637	45,262	20,118	12,147	130,926
Lambeth College Cash requirements						
Capital Expenditure (NESC +)	1,781	6,167	14,087	0	0	22,035
Total Original Forecast	11,543	49,804	59,348	20,118	12,147	152,961
Current Forecast						
	2018/19	2019/20	2020/21	2021/22	2022/23	
Phase 1 LSBU	7,593	16,496	34,091	2,954	4	61,139
Chapel	0	1,000	1,000			2,000
Leap I	1,837	7,037	6,631	13,525	1,506	30,536
LSBU Croydon			1,800	1,800	400	4,000
Additional Annualised Expenditure	5,218	2,000	2,200	3,000	4,600	17,018
Total LSBU Capital	14,648	26,534	45,723	21,279	6,510	114,693
Lambeth College Cash requirements						
Capital Expenditure (NESC +)	2,758	4,698	10,000	12,294	0	29,750
Total Revised Forecast	17,406	31,232	55,723	33,573	6,510	144,444
Change to original forecast	5,863	-18,572	-3,626	13,455	-5,636	-8,517

The cashflow forecast has been adjusted to reflect the current forecast position for 2019/20 as per the March Management Accounts and the 2B Workable budget as presented to FPR in conjunction with this paper. There is considerable uncertainty with regard to future forecasts and we are currently assuming that we will 'bounce back' to planned level of profitability in 21/22. If income were reduced over this period, we would have to match that reduction in expenditure to deliver to these forecasts.

Table 2 – Revised Forecast cashflow

LSBU Group Cashflow forecast					
Financial year ending:	31/07/2020	31/07/2021	31/07/2022	31/07/2023	31/07/2024
Cash flow from operating activities	£000s	£000s	£000s	£000s	£000s
Surplus for the year	1,500	2,000	4,600	5,600	6,600
Adjustment for non-cash items	£000s	£000s	£000s	£000s	£000s
Group Depreciation	12,400	12,400	16,100	18,100	20,100
Increase/(decrease) in pension provisions	1,214	1,126	1,125	1,125	1,125
Other adjustment for non-cash items	0	0	0	0	0
Total Non cash items	13,614	13,526	17,225	19,225	21,225
Adjustment for investing or financing activities	£000s	£000s	£000s	£000s	£000s
Investment income	-110	-110	-110	-110	-110
Interest payable	4,633	5,800	5,800	5,800	5,800
Release of TU Grant to support Lambeth College	-2,784	-2,399	-999	0	0
Total Adjustment for investing or financing activities	1,739	3,291	4,691	5,690	5,690
Net cash inflow/(outflow) from operating activities	16,853	18,817	26,516	30,515	33,515
Cash flows from investing activities	£000s	£000s	£000s	£000s	£000s
Payments made to acquire fixed assets	-31,232	-55,723	-33,573	-6,510	-20,000
Total cash flows from investing activities	-31,231	-55,722	-33,572	-6,509	-19,999
Cash flows from financing activities	£000s	£000s	£000s	£000s	£000s
Interest paid	-2,121	-2,210	-3,510	-3,510	-3,510
Repayments of amounts borrowed	-1,899	-2,175	-2,451	-2,727	-3,003
Total cash flows from financing activities	-4,020	-4,385	-5,961	-6,237	-6,513
(Decrease)/Increase in cash and cash equivalents in the year	-18,398	-41,290	-13,017	17,769	7,003
Investments, Cash and cash equivalents at beginning of the year	58,801	40,403	-887	-13,904	3,865
Investments, Cash and cash equivalents at the end of the year	40,403	-887	-13,904	3,865	10,868
Funds required to deliver minimum balance of £15M	0	15,887	28,904	11,135	4,132

Assuming we deliver to the 2b Workable budget scenario in 2020/21

The intial offers from 3 banks are presented in table 3

At this stage we are not making any recommendation to FPR as to which offer subject to further commercial negotiation) would be most appropriate for the University. The offer from Barclays and the 4-year facility would enable us to fund our proposed capital expenditure programme but would not deliver any headroom in terms of additional capital expenditure or slippage in terms of meeting our budget forecasts (for 21/22 only). In other years there would be headroom. However, it does enable us to meet our requirements and comes at a reduced cost. A clear recommendation will be made with an appropriate balance of price and risk post negotiation.

Table 3 Summary of Initial Offers

Lender	AIB	Barclays	Lloyds
Credit/Pricing approval status	Indicative Terms Further due diligence required	Indicative Terms Further due diligence required	Indicative Terms Further due diligence required
Amount/Nature	£45,000,000	£30,000,000	£45,000,000
Term (Years)	5 years	Option 1: 3 years Option 2: 4 years	Option 1: 3 years Option 2: 5 years
Extension Options	N/A	Option 1 & 2: Option to extend by a further 12 months at the end of year 1 and 2.	N/A
Interest Margin / Fee	1.70%	Option 1: 0.75% Option 2: 0.85%	Option 1: 0.65% Option 2: 0.90%
Pricing Review	N/A	N/A	N/A
Ref Rate	LIBOR	LIBOR/SONIA	LIBOR/SONIA
Interest Period(s)	1, 3 or 6 months	3 or 6 months	3 months
Non-Utilisation Fee	0.68%	Option 1: 0.30% Option 2: 0.37%	Option 1: 0.30% Option 2: 0.50%
Arrangement Fee	0.50% (£225,000)	Option 1: 0.30% (£90,000) Option 2: 0.40% (£120,000)	Option 1: 0.50% (£225,000) Option 2: 0.75% (£337,500)
Legal Documentation Fees	Not advised	£14,000	£22,000-£27,000
Prepayment Fee	Not applicable	Not Advised	Not Advised
Capital Repayment	Interest only during the revolving period with a Bullet Repayment at the end of Year 5	Option 1: Interest Only during the Revolving Period with a Bullet repayment at the end of Year 3 Option 2: Interest Only during the Revolving Period with a Bullet repayment at the end of Year 5.	Option 1: Interest Only during the Revolving Period with a Bullet repayment at the end of Year 3 Option 2: Interest Only during the Revolving Period with a Bullet repayment at the end of Year 5.
Security	Use existing security	Existing security - subject to McClaren House meeting 140%	Secured - First legal charge over David Bomberg House and New Kent Road Halls.
Security Minimum Level	Not Advised	Not Advised	Not Advised
Validity of offer	Not Advised	3rd May 2020	Not Advised

Covenant Check

The amount that the LSBU Group can borrow is limited by the Covenants on our existing debt. These covenants include LSBU not making a loss for two consecutive years and restricting any borrowing to 5 times EBITDA.

The current EBITDA Forecast for the University in 2020/21, assuming that we deliver to the Workable 2b Budget, is £2M surplus + £10.5M depreciation + £5.8M Interest = £18.3M which would suggest that we could borrow up to £91.5M. The University's borrowings as at 31 July 2019 totalled £36.4M and so we could reasonably accept all three offers above.

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	CONFIDENTIAL
Paper title:	REI Update
Board/Committee:	Finance, Planning and Resources
Date of meeting:	28 April 2020
Author(s):	Linsey Cole, Acting Director, Research, Enterprise and Innovation
Sponsor(s):	Paul Ivey, Managing Director SBUEL and Chief Business Officer and Deputy Vice Chancellor Innovation
Purpose:	For Information
Recommendation:	To note the update on research and enterprise activities.

Executive Summary

This paper provides an update on research and enterprise activities since the start of the 19/20 academic year to the end of March 2020 (end of period 6). The paper focuses on sharing mitigating actions to manage risk to research and enterprise activities, in light of the Covid19 pandemic.

The Committee is requested to note the contents.

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Executive Summary

This paper provides an update on research and enterprise activity to FPR. The paper comments on research and enterprise performance to date (income to the end of period 8) and current action to mitigate risks to project delivery and future income associated with the Covid-19 pandemic.

From this report, £2.7million of research income has been secured to the end of period 8, with a further £2million contracted. At this stage, there is a projected negative variance to budget of £373k for this financial year. The main negative variance to budget sits with The Welding Institute (TWI): research income from TWI has not been in line with our expectations. Enterprise income continues to be a challenge with over £2million income still needing to be secured. In light of the Covid-19 closures, the forecast income for rentals for April to July (£400k) and the forecast summer schools residences lettings (£500k) have been removed, as they look unlikely to be secured due to Covid-19 closures.

Since the Covid-19 closures, the Research, Enterprise and Innovation team (REI) has been working closely with academics across Schools and with our funders to review contracted projects: for projects that rely on accessing specialist facilities, activities may need to pause until there is access to the campus. The recent moratorium on face-to-face research means that colleagues have revisiting plans for research data collection to identify alternative ways to carry out their research. Our research pipeline will be affected by Covid-19, as funding calls have either been delayed or refocused on projects associated with Covid-19. For enterprise, some clients have asked to pause activity, due to furloughing their teams, which will lead to delays on contracted income being secured. Enterprise funders are also refocusing funding to address issues associated with Covid-19: for example, the GLA were due to publish new ESF funding calls in late March but this has now been delayed and it is expected that these will have a focus on addressing the employment and skills challenges that will result from Covid-19. The deadline for the Research Excellence Framework 2021 (REF) has also been extended: the staff census date of 31st July 2020 remains, but the submission deadline of 27th November 2020 will no longer apply. A new REF submission deadline will be issued in due course by Research England.

Engagement with Schools

MSTeams is being used to communicate COVID-19 related updates from funders to all LSBU staff via a dedicated channel 'COVID-19 funder updates'. These focus on:

- a. Impact on existing grant holders, with most research funders offering 3-6 month extensions and increased flexibility on budget spending (but no additional funding to date).
- b. Impact on forthcoming calls for proposals with many funders extending deadlines.
- c. Specific calls for research to tackle COVID -19

In parallel, the Research Awards and Business Development teams have been assessing existing projects for potential impact of the lock-down to staffing and project delivery and looking at the pipeline to develop strategies to minimise income loss going forward. The Research team is prioritising support for proposals to calls aimed at tackling COVID-19, including the UK Research and Innovation (UKRI) open call for ideas to tackle COVID-19. The Strategic Projects team has been working with lead academics for European Social Fund (ESF) and European Regional Development Fund (ERDF) projects to continue project delivery, with a focus on activities that were mid-way through testing or product development.

Work is underway with Finance and Schools on three-year budgets for research and enterprise income. Other activity with Schools includes:

- Work with the School of Business to establish new revenue from Continuing Professional Development (CPD) delivery.
- Within the School of Engineering, plans are being agreed to continue the work of the Innovation Centre. A new Technical Development Manager has been appointed to the Innovation Centre, which will create opportunities to work more closely with the Business Development Manager to focus on proposals and bids with increased quality and to increase revenue going forward.
- The Simulation for Digital Health (SimDh) ERDF project has successfully recruited a SimDH Research Fellow, who will deliver projects to enable iteration and validation of digital health products and services. They will work across three Schools (Applied Sciences, Health and Social Care, and

Engineering) on a project-by-project basis to drive delivery of activity resulting in new products & services, as well as research outputs.

Engagement with Students

Throughout the 1st semester of 2019/20, the team worked with 1944 students through delivering 35 sessions embedded within curricula across the university. We engaged 519 students in 27 extra-curricular events. In collaboration with the School of Arts and Creative industries and the School of Business, we supported further recruitment and training for the South Bank Collective and the Business Solutions Centre initiatives to provide students with real world experience of working with clients.

In March 2020, following the Covid-19 closures, delivery of all student-facing events and activities has moved online. Positive feedback has been received from students and colleagues involved in the three extra-curricular and two in-curricular sessions delivered to-date. The second Idea Hub programme, which supports students and recent alumni to validate an idea for a new business, has also recently started with all sessions accessible online. The new entrepreneurs have successfully progressed from Idea Hack to the 5-week programme, where they are furthering development of their business ideas.

Engagement with Tenants

Following government guidance the Clarence Centre, Blackwell's and the Technopark are currently closed, with tenants working home from during this time. The team is in contact with tenants on a regular basis and our messages follow government advice and guidance. There will be an impact on future tenancy operations, but the full impact is not yet known. The Finance Team have revised the tenant income to reflect a potential loss of income for the three-month period from April to July 2020 due to the Covid-19 close down. At this stage, we are following government advice on accessing the offices and believe that this downward revision will not be for the full three months, but will keep this under review and the Board updated.

Tenants continue to make internal moves after expansions and we are back filling spaces that became vacant: two companies will move out of the Clarence Centre once the offices reopen. New occupiers have already been identified and will move in once they are able to do so.

Recent tenant engagement includes:

- An event with the Centre for Mental Health promoting the Mental Health First Aid Training through a research project in partnership with the School of Applied Sciences.
- A visit to the Marvel Studios for students in the School of Arts and Creative Industries, organized by LocationWorks. The same company are looking to help develop a new Apprenticeship Standard in partnership with the University.
- 9 tenants applied to host LSBU students on internships this summer. The internships have been delayed

Engagement with Community

Southwark Council were awarded funding for the Local Access Programme. However, it will be less than the initial £1.6m requested in the original submission. The Local Access Programme has been placed on hold until operations return to normal. The University will continue to act as a partner in the Programme.

Other activities for the community include:

- The ESF-funded Digital Grid project delivered a capacity-building event in early March, its first Curriculum Review Event online in late March and currently has five students in a work placement with a second cohort planned for late April. The project has secured additional capital funding of £82k, but currently there is an embargo on the procurement of goods.
- London Agri-Food Innovation Clinic (LAFIC) delivered a bootcamp for 27 food related businesses in early March and has since had eight new applications for academic support from bootcamp attendees.
- LAFIC has been offering bespoke direct support to small food manufacturers to design and implement 'Virus Risk Management' and 'Business Contingency

Systems' and procedures in response to Covid-19. These SMEs are at the forefront of providing food to the front line services responding to the pandemic.

- Access2Innovation (A2i) registered 21 new businesses onto the project between January and March 2020. Four of these have converted to live projects, and a further 11 are in scoping with academics across the School of Engineering and Built Environment.
- A bootcamp for our tech ERDF programmes was planned for March on Fundraising and Investment in Tech but this was postponed due to Covid-19. The team are organising virtual support in the interim across the projects, to enable continued project delivery.

Operations and systems

REI has transitioned well to remote working. The 2019 Working Smarter project ensured nearly all staff had up to date laptops and were already trained on MSTeams use. Most files had been migrated from share drives though some remained in OneDrive. The Operations team has provided additional coaching sessions and guidance for users as they transition to remote working to ensure they get the best use out of MSTeams.

Update on development projects:

- We now have a test system for the Haplo Bio/Profile module that puts academics in charge of their own external profile management. We are working with stakeholders to finalise the input fields. Marketing have agreed to replace the LSBU website PeopleFinder with direct output from Haplo and we also plan to publish Research Centre information directly. This approach will transform our ability to maintain an up to date public face for our research and enterprise activities.
- The implementation of the Differentiated Services project, the restructuring across REI and Finance of our approach to proposal and project management to deliver greater value is inevitably impacted by the current Covid-19 situation. Appropriate timing is uncertain, but we remain committed to implementation to improve service delivery for Schools and external partners.

- REI HR development is ongoing, with an initial focus on induction and recruitment.
- CPD infrastructure: MediaSphere/PowerHub training had identified issues with both the system and content across proposition/presentation. The Operations team is about to review and build the systems roadmap working with the supplier; at present we see this as a university specification issue as opposed to system capability. We have recruited additional resource to rework the content and this element of the project is led by the enterprise team.
- We are aiming to get all reports - from Research Centres and Board reports, to research students and Haplo compliance delivered online with user access on demand. Currently our primary approach is advanced excel. We plan to use Power BI as an analytic/visioning tool. We are currently developing our in-house competence and are testing outputs from Haplo where we already have an API.

	CONFIDENTIAL
Paper title:	Students' Union 2018/19 Audited Accounts
Board/Committee	FPR
Date of meeting:	28.04.2020
Author:	Ben Whittaker, SU Interim Turnaround Director
Sponsor:	Nicole Louis, Chief Customer Officer
Purpose:	To inform FPR of the students' union 2018/19 Audited Accounts and trustee report as required under its operating code of practice with the institution.
Recommendation:	FPR is asked to: 1. note the union's 2018/19 audited accounts

Executive Summary

- Audit 2018-19 was successfully completed with an overall surplus of £71k reported.

Summary

- The accounts were prepared by the organisation's new Interim Head of Finance and external contractors following the departure of the union's senior team.
- Incoming resources for the year totalled £1.33m (2018: £1.29m), an increase of c£41k; Likewise, expenditure increased by £30k from £1.22m (2018) to £1.26m and the overall net position was £9k when compared with the previous financial year.
- The balance sheet position (with the exception of the large SUSS pension reserve £1.17m) was very strong, as current assets £650k (2018: £588k) less current liabilities £138k (2018: £115k) were sufficient for business continuity and 2018-19 proportion was 1.1 times more when compared with the previous financial year. The cash position dipped by £5k, which was negligible and there were no major purchases that would be classed as fixed assets during the year.
- The Union was advised by its auditors Knox Cropper LLP to review its position of risks and impact in light of the Coronavirus (COVID 19 virus) pandemic, as an event post audit. The advice was taken onboard and the Financial Statements include two sections to this effect.
- Points raised by Knox Cropper LLP in their Management Letter to the Board, as part of best practice were reviewed and investigated by Management. A formal response is included in this pack for information purposes.

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CHARITY NUMBER: 1158441

London South Bank University Students' Union

Annual Report and Accounts for the Year Ended 31 July 2019

London South Bank University Students' Union
Annual Report and Accounts for the year ended 31 July 2019
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London South Bank University Students' Union
Trustees Report
For the year ended 31 July 2019

The Trustees present their annual report for the year ended 31 July 2019 under the Charities Act 2011, together with the audited financial statements for the year.

Reference and administrative information

London South Bank University Students' Union (LSBUSU) is an unincorporated charity (limited by guarantee). The charity registration number is 1158441.

It was originally established under the Education Act 1994 when students' unions connected with exempt higher/further education institutions were removed by section 11(9), Charities Act 2006, from the list of exempt charities in Schedule 2 to the Charities Act 1993.

Principal Address

London South Bank University Students' Union
Student Centre
103 Borough Road
London SE1 0AA

Charity Trustees

Holding office for 2018/19
(from 1 July 2018 to 30 June 2019)

President & University Governor	Nelly Kibirige
VP Education	Sajjad Hossain
VP Activities & Employability	Kat Colangelo
VP Welfare & Equalities	Samantha Robson
External Trustee	Dean Casswell
External Trustee	Kate Wicklow
External Trustee	Nicola Allen
Alumni Trustee	Simon Little
Student Trustee	Adnan Mustafa
Student Trustee	Stevyn Kemp
Student Trustee	Joseph Anieke
Student Trustee	Jennifer Diver

Holding office for 2019/20
(from 1 July 2019 to 30 June 2020)

President & University Governor	Nelly Kibirige
VP Education	Sajjad Hossain
VP Activities & Employability	Hattie Tollerson
VP Welfare & Equalities	Isata (Ash) Kamara* resigned September 2019
External Trustee	Dean Casswell* resigned October 2019
External Trustee	Kate Wicklow
External Trustee	Nicola Allen
Alumni Trustee	Simon Little* resigned September 2019
Student Trustee	Karaen Maniar
Student Trustee	Mishaim Naseem
Student Trustee	Sayedullah Shahid
Student Trustee	Jannatul Ferdous

**Resigned during this term of office*

London South Bank University Students' Union
Trustees Report
For the year ended 31 July 2019

Auditors

Knox Cropper LLP
153-155 London Road
Hemel Hempstead
HP3 9SQ

Bankers

HSBC plc
28 Borough High St
Southwark
London
SE1 1YB

Solicitors

Farrer and Co
66 Lincoln's Inn Fields
London
WC2A 3LH

Key Management Personnel

Key management personnel include the Chief Executive and paid sabbatical officers.

London South Bank University Students' Union (LSBUSU) employs a Chief Executive to work closely with the Trustees and ensure effective management of the Union. Steve Baker was appointed to fill this position from May 2013 and filled this position during the year.

Structure, governance and management

The Union is constituted under the Education Act 1994 as a charity. The Union's charitable objects are:

- Promoting the interests and welfare of students at London South Bank University during their course of study;
- Representing, supporting and advising students as the channel between students and the University; and
- Providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its students.

The University Board of Governors formally approved a revised Constitution and Memorandum of Understanding for the Students' Union at its meeting on the 19th July 2012 and at Student Council on 6th November 2012. The Union's Constitution incorporating internal regulations or Rules are approved by the governing body of the University.

LSBUSU is administered by its Trustee Board of 4 Sabbatical Officers, 4 Students and 4 External, for the purposes of the Charities Acts. The four Sabbatical posts are President, Vice Presidents for Education, Activities and Welfare and Equalities. The Sabbatical posts are remunerated as authorised by the Education Act and an individual's term of office cannot exceed two years duration; an Officer can be re-elected for a maximum of two terms in the same or different positions.

The Union operates on democratic principles, with supervisory power vested in the Union's Council, which:

- Furthers the aims and objects of the Union;
- Receives minutes and reports from the Executive, Union Committees and Union Officers;
- Considers recommendations, motions and business as appropriate; and
- Elects students (apart from Sabbatical Officers) to serve on Union and University committees.

Council's membership comprises the Sabbatical Officers together with representatives of students' interests in the Union's Sports Clubs and Societies, School Representatives, Student Representative Officers and the Student Governors (which includes the Union's Sabbatical President)

Student Representatives commence their terms of office subject to completion of an appropriate course of training. This includes, for Sabbatical Officers, a handover with the outgoing Sabbatical Officer and training on the roles and responsibilities of Trustees (legal and administrative), with an ongoing training programme as and when needed for issues arising during their term of office.

London South Bank University Students' Union
Trustees Report
For the year ended 31 July 2019

As charity Trustees, all Trustees receive a comprehensive training programme into their legal and administrative responsibilities at the start of their term of office, with ongoing guidance as and when required for issues arising during their term.

The Trustees meet throughout the year to receive reports from individual Officers, Union employees and subcommittees to review the Union's performance and administration. Recommendations for Union policy are made to the Trustee Board to consider and approve policy.

LSBUSU also employs a number of non-student full and part-time staff for the sake of continuity in the management of its many activities. Such staff are accountable to the Chief Executive for the performance of their duties.

The remuneration of key management personnel is set by the Board, with the policy objective of ensuring that they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Union's success. The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with other unions to ensure that the Union remains sensitive to the broader issues of pay and employment conditions elsewhere. We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope to be rewarded for excellence. Delivery of the Union's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

Following the completion of the 2018-19 accounting year in the autumn of 2019 the organisation's senior management team left the organisation. As a result, the 2018-19 accounts have been prepared by an Interim Turnaround Team and Interim Finance Director alongside contracted accounting support by external providers.

Relationship with the University

LSBUSU is established in the University's Memorandum and Articles of Association in that there shall be a Students' Union. The Union receives a Subvention/Block Grant from the University, which also pays for utilities, some security staff and the majority of the costs associated with cleaning and premises maintenance. The non-monetary support is intrinsic to the relationship between the University and LSBUSU. As recommended by the Charities SORP an estimated value to LSBUSU for this free serviced accommodation has been included in the accounts at an estimated value (based on prior year space charge calculations). Although LSBUSU undertakes some income generating activities, it is dependent on the University's financial support.

The trustees consider it reasonable to anticipate that this or equivalent support from the University will continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body in one form or another. The trustees therefore consider the Union to be financially viable for the foreseeable future.

Principal Risks and Uncertainties

The Board with particular assistance from a risk management working party consisting of the chair of trustees and the Chief Executive, reviews the Union's current and planned future activities in the light of any major risks arising from time to time and the effectiveness of systems and procedures designed to manage them. The principal risks and uncertainties currently facing the Union are considered to be:

- the possible reduction in funding by the University

We work closely with the University, updating on our progress to set outcomes. We have ongoing conversation throughout the year concerning funding and we are fully included into the University's

London South Bank University Students' Union
Trustees Report
For the year ended 31 July 2019

finance planning process enabling us to negotiate and plan for increases or decreases in our funding allocation.

- The financial health of the University is itself dependent on its own income, which in turn is susceptible to factors beyond the control of the Union

We are regularly updated on the University's financial situation and, once again, ensure that this is included in any longer-term strategies.

- reputational damage in the unlikely event of a high-profile activity by a student

We undertake training and development of Student Volunteers who are supported by trained full time staff to ensure students are aware of the constraints in which they operate.

- reputational damage in the unlikely event of a high-profile activity by a trustee

Trustees' introduction includes full information of the responsibilities within the role and we work closely with all trustees to ensure they are fully aware of Union activity. Regular updates with trustees ensure that trustees have the opportunity to work through the organisation to meet any objective they may have.

Overall, we work very closely with the University, students and Trustees to ensure that we have knowledge of their activity. We use our plans and strategies to manage risk including the Union's reserves strategy, strategic plans, maintaining effective internal controls, risk registers, incident-reporting and monitoring systems and insurance cover wherever appropriate.

Post Balance Sheet Review

The Coronavirus (COVID 19 virus) pandemic has caused interruption to the delivery of face to face services and activities relating to sports and societies due to orders of the government to self-isolate on national health grounds. These orders have impacted on the operations of the Students' Union, as all public gathering of more than two people are banned and staff work remotely. In order to mitigate the impact of this disruption on the lives of Students, the Students' Union has bolstered its advice services and enhanced communication via telephone, emails and video link. The University has provided assurance that 2019-20 Subvention Grant would be paid in full, as part of its ongoing support to the continuity of the Students' Union. The Students' Union will also take a view on setting aside in the current financial year (2019-20) a reasonable contingency that will be utilised to refund Clubs and Societies membership fees for the period when activities are suspended.

Aims, Objectives and Activities

LSBUSU's Vision for this period has been: "Every student matters: powering your experience"

The following are the Union's long-term aims:

- (i) To promote for the public benefit the interests and welfare of students at the University during their course of study and to represent, support and advise LSBUSU's members;
- (ii) To provide appropriate social, cultural and recreational activities and forums for discussion and debate for the personal development of the Union's members; and
- (iii) To be the recognised representative channel between students and the University and also in relation to external bodies.

In furtherance of these aims the trustees have complied with their duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act.

London South Bank University Students' Union
Trustees Report
For the year ended 31 July 2019

In pursuit of these aims for the public benefit, LSBUSU:

- Will ensure the diversity of its membership is recognised, valued and supported;
- Has established departments and services for use by its members and to support its work with the University and other organisations on behalf of students.

These include the Union's Student Advice Service, Communications and Marketing Department, Representation and Democracy Department and Activities Departments. The Union's Sabbatical Officers and Council members are the students' representatives on all major University committees and the Board of Governors.

The Union represents its members (London South Bank University's students) on relevant local, national and international issues by maintaining contact with student representatives. Such contact ensures that the Union can take into account students' requirements and cater effectively for their needs. Student representatives are present on the University's policy/strategy making Boards/Committees and are also members of Course Boards within the four University Faculties.

Achievements and Performance

During this period LSBUSU:

- Saw an increase above over 30% in the number of students receiving one-to-one advice from the union's advice service – bringing the total to over 500 individuals receiving advice in this year
- Oversaw the election of over 500 course representatives championing students' interests
- Delivered over 30 hours of student representative training to ensure student representatives have access to the tools and support they need to represent students' interests
- Began running student sport having been given control of this area of work by the institution.
- Sports teams and clubs have been supported by dedicated staff.
- Hosted a Fresher's Fair with increased attendance
- Increased engagement in student societies
- Raised over £20,000 for good causes from student led initiatives
- Introduced the first ever students' union awards programme
- Delivered over 150 events on behalf of students
- Supported students to engage in the union and undertake volunteering and employment opportunities

Future Plans

LSBUSU has since entered into a period of strategic turnaround following the departure of its senior management team. As a result, the union is currently redeveloping its strategic direction and enabling strategies – with an ambition to become a relevant, responsive and truly transformative students' union by 2025. Trustees are leading this period of development alongside an appointed management consultant – with student and institutional engagement a key priority for the organisation in redesigning its strategy and organisational plans. The union will launch its revised strategy and structure ahead of the beginning of the 2020-21 academic year.

Financial Review

The Union's gross income from all sources this year totalled £1,330,510 (2018: £1,288,585). Total expenditure of £1,259,409 (2018: £1,226,031) on the wide-ranging student benefits we provide within a broadly balanced budget, as well as on the modest fundraising and other revenue-generating activities we undertake, left a surplus for the year of £71,101 (2018: £68,428 after actuarial gains of £5,874).

London South Bank University Students' Union
Trustees Report
For the year ended 31 July 2019

Designated (unrestricted) funds relating to the ongoing costs associated with facilities improvements amounted to £83,499 (2018: £89,499). This fund relates to a transfer during the year from general funds intended to cover future depreciation costs associated with recent capitalised refurbishment costs. Restricted society fund balances were reduced to zero (2018: £14,663) following a transfer from general funds of £7,309.

The Union should hold reserves to cover unexpected eventualities and also ensure there are sufficient reserves to resource planned capital expenditure. General Fund reserves at the 31 July 2019 included £240,884 (2018: £240,884) which has been designated as a protected minimum amount (shown as "Accumulated Funds") and the remaining £273,040 (2018: £221,222) as a development fund to support future activity. Use of development fund reserves will be considered by Trustees on a planned basis for future agreed projects which help the Union to support a high standard of service for students.

The Union is currently affiliated to the National Union of Students (NUS), for which the total subscription costs amounted to £36,000 (2018: £35,789) for the year, and no donations were made during the year to any external institutions out of LSBUSU's own resources.

Funds

Income and expenditure relating to clubs and societies are classified as restricted funds. All other funds have been classified as general funds, which are unrestricted in nature.

Funds Held as Custodian Trustee

In addition to the grant-support funds it disburses to Clubs and Societies, LSBUSU acts as custodian for funds raised by the students' many Clubs and Societies themselves. Club and Society funds are treated as restricted funds, which are included in restricted funds in the accounts. The holding of club and society balances is subject to the same safeguards as balances belonging to the Union, but their funds are accounted for separately to ensure that balances are appropriately protected.

Future Funding

The Board confirms that LSBUSU has sufficient funds to meet all its obligations. The Union is in receipt of a recurring block grant from the University which represents its principal source of funding, with the amount subject to annual confirmation.

London South Bank University Students' Union
Trustees Report
For the year ended 31 July 2019

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net incoming resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with charity law. They are also responsible for safeguarding the assets of the charity and ensuring their proper application under charity and tax law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

Insofar as each of the Trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Approved by the Board of Trustees on 9 April 2020 and signed on its behalf by:



Nelly Kibirige –
Chair of Trustees

London South Bank University Students' Union
Statement of Financial Activities
for the year ended 31 July 2019

Independent Auditor's Report to the Members of London South Bank University Students' Union

Opinion

We have audited the financial statements of London South Bank University Students' Union For the year ended 31 July 2019 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2019 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

London South Bank University Students' Union
Statement of Financial Activities
for the year ended 31 July 2019

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Knox Cropper LLP

Statutory Auditor

153-155 London Rd, Hemel Hempstead HP3 9SQ

Date:

Knox Cropper LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

London South Bank University Students' Union
Statement of Financial Activities
for the year ended 31 July 2019

	Notes	General Funds	Designated Funds	Restricted Funds	Total 2019 £	Total 2018 £
Income From:						
Donations and Legacies:						
University Grant		945,000	-	-	945,000	945,000
Space Grant (benefit in kind)		225,619	-	-	225,619	225,619
Other Trading Activities						
Marketing		89,443	-	-	89,443	90,339
Merchandising		10,135	-	-	10,135	6,001
Income from Investments		1,824	-	-	1,824	3,059
Charitable activities						
Student Activities		9,645	-	41,342	50,987	13,347
Other Income		7,502	-	-	7,502	5,220
Total income		1,289,168	-	41,342	1,330,510	1,288,585
Expenditure On:						
Charitable Activities for students:						
Advice & Representation		590,214	-	-	590,241	553,545
Communications and Marketing		343,254	-	-	343,254	322,333
Student Activities		256,627	6,000	63,314	325,940	350,153
Total expenditure	3-7	1,190,095	6,000	63,314	1,259,409	1,226,031
Net income/(expenditure)		99,073	(6,000)	(21,972)	71,101	62,554
Transfers between funds		(7,309)	-	7,309	-	-
Actuarial gains / (losses) on defined benefit pension schemes		-	-	-	-	5,874
Net movement in funds		91,764	(6,000)	(14,663)	71,101	68,428
Reconciliation of Funds:						
Fund balances brought forward		(743,292)	89,499	14,663	(639,130)	(707,558)
Fund balances carried forward		(651,528)	83,499	-	(568,029)	(639,130)

The notes on pages 14 to 23 form part of these accounts.

London South Bank University Students' Union
Statement of Financial Activities
for the year ended 31 July 2019

Notes	2019 £	£	2018 £	£
Fixed Assets				
Tangible fixed assets	8	85,701		92,999
Current Assets				
Stock		716	716	
Debtors & prepayments	9	107,337	41,338	
Cash at bank & in hand		541,477	545,983	
		<u>649,530</u>	<u>588,037</u>	
Current Liabilities				
Creditors: Amounts due within one year	10	(137,808)	(114,768)	
		<u>511,722</u>	<u>473,269</u>	
Net Current Assets		<u>511,722</u>		<u>473,269</u>
Net Assets Excluding Pension Liability		597,423		566,268
Provisions for Liabilities				
Pension Scheme Funding deficit	18	(1,165,452)		(1,205,398)
Net Liabilities		<u>(568,029)</u>		<u>(639,130)</u>
Reserves				
Accumulated Fund		240,884	240,884	
Development Fund		273,040	221,222	
Pension Deficit		(1,165,452)	(1,205,398)	
General Funds (Unrestricted)		(651,528)		(743,292)
Designated Funds (Unrestricted)		83,499		89,499
Restricted Funds		-		14,663
Total Funds	12	<u>(568,029)</u>		<u>(639,130)</u>

Approved and authorised for issue on behalf of the London South Bank University Students' Union on 9 April 2020.



.....
Nelly Kibirige
President

The notes on pages 14 to 23 form part of these accounts.

London South Bank University Students' Union
Statement of Financial Activities
for the year ended 31 July 2019

		2019	2018
		£	£
Net cash used in operating activities	21	(6,330)	73,650
<hr/>			
Cash flows from investing activities:			
Interest income		1,824	3,059
Purchase of fixed assets	8	-	(92,720)
<hr/>			
Net cash used in investing activities		1,824	(89,661)
<hr/>			
Change in cash and cash equivalents in the year		(4,506)	(16,011)
Cash and cash equivalent brought forward		545,983	561,994
<hr/>			
Cash and cash equivalents carried forward		541,477	545,983
<hr/>			

The notes on pages 14 to 23 form part of these accounts.

London South Bank University Students' Union
Notes to the accounts
For the year ended 31 July 2019

1 Accounting Policies

(a) Charity Information

The London South Bank University Students' Union is a charity registered in the UK (Charity number 1158441) with its registered office at the Student Centre, 103 Borough Road, London SE1 0AA.

The principal activities are campaigning, representation, provision of social activities and the organisation of sporting and recreational activities and opportunities.

(b) Basis of preparation

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and the 2015 Charities Statement of Recommended Practice based thereon – the Charities SORP. The charity meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention.

(c) Going Concern

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities in the Annual Report.

(d) Incoming resources

All income and capital resources are recognised in the accounts when the entitlement to the income or endowment arises, there is probable economic benefit to the Union and the amount can be reliably quantified. The University grant of free serviced accommodation on the campus is accounted for as income and expenditure of the year at an estimated value to London South Bank University Students' Union by reference to the alternatives available on the commercial market.

(e) Resources expended

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Expenditure includes irrecoverable VAT and comprises the direct and indirect costs of delivering public benefit. Governance costs are those incurred for compliance with constitutional and statutory requirements, such as the annual audit, annual elections and training for sabbatical officers. The value of free serviced campus accommodation is apportioned on estimated floor space occupied. Other central overhead costs, as well as governance costs, are apportioned to charitable and other projects/activities on a usage basis, pro rata to the total costs of each project or activity undertaken.

(f) Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. Equipment, fixtures and fittings are included at cost. Depreciation is provided at the following annual rates in order to write the cost of assets off over their estimated useful lives:

Buildings and Refurbishment	15 years
Motor vehicles	8 years
Fixtures, Fittings & sundry equipment	4 years

It is the Union's policy to capitalise any individual assets greater than £1,000.

London South Bank University Students' Union
Notes to the accounts
For the year ended 31 July 2019

1 Accounting Policies (continued)

(g) Pension costs

Retirement benefits to employees of the Union are provided through two pension schemes, one defined benefit (SUSS), the other defined contribution (NUSPS).

SUSS

The Union participates in the Students' Union Superannuation Scheme, which is a defined benefit scheme whose membership consists of employees of students' unions and related bodies throughout the country. Benefits in respect of service up to 30 September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1 October 2003 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the Scheme closed to future accrual. The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to LSBUSU. However, the Union has entered into an arrangement to clear the scheme deficit over a 20-year period.

NUSPS

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme, National Union of Students Pension Scheme (NUSPS). Contributions are at the rate of 6% for the employer and 3% for the employee pensions costs are charged in the period in which the salaries to which they relate are payable.

(h) Stock

Stock is valued at the lower of the cost (gift value for any donated items) and its net realisable value.

(i) Financial Instruments

The charity holds only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at fair value. Note 20 provides more information on financial instruments where future cash flows are anticipated.

(j) Fund accounting

London South Bank University Students' Union administers and accounts for a number of charitable funds, as follows: -

- (i) Unrestricted Funds** representing unspent income which may be used for any activity/purpose at the Trustees' own discretion;
- (ii) Restricted funds** raised and administered by London South Bank University Students' Union for specific purposes as determined by students, such as Club and Societies Accounts, as well as revenue received for purposes specified by the donor and also (if not material enough to require a separate column in the SoFA) any small capital grants received from the College.
- (iii) Custodian Funds** entrusted to London South Bank University Students' Union for safekeeping, but not under its management control, e.g., Clubs & Societies Funds and the annual RAG. Such custodian activities are disclosed in the Annual Report,

London South Bank University Students' Union
Notes to the accounts
For the year ended 31 July 2019

but as the funds are not managed by London South Bank University Students' Union they cannot be included in the accounts.

- (iv) **Designated Funds** relating to amounts set aside from existing reserves to cover restructuring costs, including depreciation associated with refurbishment work.
- (v) **Transfers** from Unrestricted Funds to Designated Funds represent planned costs associated with restructuring which have been financed from the Union's reserves. These include capital refurbishment costs.

2 Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

Preparation of the financial statements requires management to make judgements and estimates. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are that of the SUSS pension scheme deficit. A discount rate of 2.58% (2018: 2.58%) has been used in line with industry standards. Other assumptions used are salary inflation and staff changes that total 5.0% each year.

London South Bank University Students' Union
Notes to the accounts
For the year ended 31 July 2019

3 Charitable and other Activity costs

	Cost of Sales £	Staff £	Other £	Total £
Charitable Activities for students:				
Advice & Representation	-	335,753	254,461	590,214
Communications and Marketing	14,760	178,265	150,229	343,254
Student Activities	-	110,905	145,722	256,627
Other Fund Expenditure:				
Designated Funds	-	-	6,000	6,000
Restricted Funds	-	-	63,314	63,314
Total costs	14,760	624,923	619,726	1,259,409

Included above are governance costs for the annual audit fee of £6,500 (2018: £6,500).

4 Support Costs included in Note 3

	Usag e	Staff £	Rent & Rates £	Other £	Total £
Resources expended					
Charitable Activities for Students:					
Advice & Representation	42%	66,738	111,332	63,513	241,583
Communications and Marketing	33%	38,813	64,748	36,937	140,498
Student Activities	25%	29,696	49,539	28,261	107,496
Totals	100%	135,247	225,619	128,711	489,577

Other Costs comprised:-

	2019
	£
Finance costs (unwinding of pension discount)	31,106
Insurances	16,241
Irrecoverable VAT	10,036
Recruitment	6,273
Professional Fees	8,739
Depreciation	7,298
Audit Fees	6,500
Staff Welfare	6,408
Licenses and Subscriptions	6,245
Training	4,287
Sundry	25,578
Total	128,711

London South Bank University Students' Union
Notes to the accounts
For the year ended 31 July 2019

5 Net income/expenditure for the year

Net income for the year is stated after charging/ (crediting)	2019 £	2018 £
Depreciation	7,298	7,729
Auditors Remuneration	6,500	6,500

6 Staff Costs

	2019 £	2018 £
Wages and salaries	548,838	556,630
Social security	48,934	49,540
Pension costs	27,151	28,911
	624,923	635,081

The remuneration of higher paid employees was as follows:

	2019 Staff	2018 Staff
£60,000-70,000	1	1

The aggregate employee benefits of key management personnel were £180,691 (2018: £174,194).

The average number of staff employed during the year was 17 (2018: 22) permanent staff and 6 (2018: 3) student and temporary staff members.

7 Trustees' Remuneration and Expenses

The Trustees' four sabbatical officers each received an annual salary of £23,500 (2018: £21,956) for the year, as authorised in the Union's governing document, for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities. This work includes voicing student opinion with the institution and local community, defending and extending the rights of students through petitions, discussion with MPs and also organising and supporting student volunteers and service provision for them. The total salary, NI and pension costs for the sabbatical officers in post during the year amounted to £106,887 (2018: £97,740). There were no other trustee benefits for the year.

Trustees were reimbursed a total of £2,915 (2018: £3,109) for the year in respect of personal travel and subsistence expenses.

London South Bank University Students' Union
Notes to the accounts
For the year ended 31 July 2019

8 Tangible Fixed Assets

	Office Equipment including Computers £	Restructure Costs £	Total £
COST			
At 1 August 2018	28,793	116,604	145,397
Additions	-	-	-
At 31 July 2019	28,793	116,604	145,397
DEPRECIATION			
At 1 August 2018	25,293	27,105	52,398
Charge for the year	1,298	6,000	7,298
At 31 July 2019	26,591	33,105	59,696
NET BOOK VALUE			
At 31 July 2019	2,202	83,499	85,701
<i>At 31 July 2018</i>	3,500	89,499	92,999

9 Debtors

	2019 £	2018 £
Trade debtors	55,631	7,014
Prepayments & accrued income	45,599	26,152
Social security & other taxes	-	4,867
Other debtors	6,107	3,305
	107,337	41,338

10 Creditors: Amounts due within one year

	2019 £	2018 £
Trade creditors	87,391	59,133
Social security & other taxes	15,657	14,483
Accruals & Deferred income	28,686	29,942
Other creditors	6,074	11,210
	137,808	114,768

11 Deferred Income

	2019 £	2018 £
Balance as at 1 st August 2018	8,349	7,929
Amount released to income earned from charitable activities	-	(17,719)
Amount deferred in year	-	18,139
Balances as at 31 July 2019	8,349	8,349

London South Bank University Students' Union
Notes to the accounts
For the year ended 31 July 2019

12 Funds

	01-Aug 2018	Incoming Resources	Outgoing Resources	Transfers	31-Jul 2019
	£	£	£	£	£
General Funds	(743,292)	1,289,168	1,190,095	(7,309)	(651,528)
Designated Funds	89,499	-	6,000	-	83,499
Restricted Funds	14,663	41,342	63,314	7,309	-
Total Funds	(639,130)	1,330,510	1,259,409	-	(568,029)

Designated Funds relate to investment in Union facilities and refurbishment.

13 Analysis of Net Assets between Funds

	General Funds	Designated Funds	Restricted Funds	Total
	£	£	£	£
Fixed Assets	2,202	83,499	-	85,701
Net current assets	511,722	-	-	511,722
Long Term Liabilities	(1,165,452)	-	-	(1,165,452)
	(651,528)	83,499	-	(568,029)

14 Leasing Commitments

At 31 July 2019 London South Bank University Students' Union had annual commitments under non-cancellable operating leases as detailed below:

	2019	2018
	£	£
Plant and machinery		
Operating leases expiring within one year	-	3,413
Operating leases expiring within two to five years	-	6,825

The amount paid during the year in respect of operating leases for plant and machinery was £408 (2018: £3,413).

15 Control Relationship

Ultimate control of the Union rests with its membership, represented by the Board of Trustees.

16 Related Party Transactions

The London South Bank University provides the Union with an annual grant as shown in the Statement of Financial Activities. The London South Bank University provides the Union with accommodation and a range of support services for which no actual charge is made, however the value of this support has been recognised in the accounts as a benefit in kind.

Net amounts due from/to the London South Bank University as at the year-end amounted to £4,225 due to the University (2018: £30,324 due to the University).

London South Bank University Students' Union
Notes to the accounts
For the year ended 31 July 2019

17 Pension Costs

Defined benefit scheme – SUSS

London South Bank University Students' Union participates in the Students' Union Superannuation Scheme, which is a defined benefit scheme whose membership consists of employees of students' unions and related bodies throughout the country. Benefits in respect of service up to 30 September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1 October 2003 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the Scheme closed to future accrual. The most recent Valuation of the Scheme was carried out as at 30 June 2016 and showed that the market value of the Scheme's assets was £101.3m with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £119.7m.

The assumptions which have the most significant effect upon the results of the Valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumptions applied at 30 June 2016:

- The investment return would be 4.3% per annum before retirement and 2.3% per annum after retirement.
- Pensions accruing on the CARE basis would revalue at 3.2% per annum.
- Present and future pensions would increase at rates specified by Scheme rules with appropriate assumptions where these are dependent on inflation.

The 2016 valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 15 years from 2018/19, increasing by 5% each year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates will be formally reviewed following completion of the next Valuation due with an effective date of 30 June 2019. Surpluses or deficits which arise at future valuations will also impact on London South Bank University Students' Union's future contribution commitment. In addition to the above contributions, London South Bank University Students' Union also pays its share of the Scheme's levy to the Pension Protection Fund.

In accordance with FRS102, the net present value of the future contributions required over 15 years to clear the funding deficit is £1,165,452 (2018: £1,205,398). In calculating this net present value annual increases of 5% have been made and a discount rate of 2.58% (2018: 2.58%) representing the typical yield of high quality corporate bonds has then been applied.

The contributions paid into the Scheme in respect of eligible employees for the year ended 31 July 2019 amounted to £71,052 (2018: £67,927).

Defined Contribution Pension Scheme

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme, the National Union of Students Pension Scheme (NUSPS). Contributions are at variable rates up to 6% for the employer and a minimum of 3% for the employee. The Union's cost of contribution for the year amounted to £27,151 (2018: £28,652).

London South Bank University Students' Union
Notes to the accounts
For the year ended 31 July 2019

18 Pension Scheme Liability

	2019 £	2018 £
Balance as at 1 st August 2018	1,205,398	1,247,493
Unwinding of discounted amount	31,106	31,447
Deficit funding contributions	(71,052)	(67,668)
Changes in assumption	-	(5,874)
Closing liability	1,165,452	1,205,398

19 Contingent Liability

The charitable company has been made aware of a possible increase in the liability for the pension deficit. The outcome of this contingent liability is not yet known and it cannot be quantified at this stage. As a result, the charitable company do not consider it necessary to provide for any additional liabilities in the accounts for the year ended 31 July 2019.

20 Financial Instruments

	2019 £	2018 £
Financial assets measured at amortised cost	603,215	556,442
Financial liabilities measured at amortised cost	(105,454)	(90,188)

The Charity's income, expense, gains and losses in respect of financial instruments are summarised below:

	2019 £	2018 £
Income and expenses:		
Total interest income for financial assets held at amortised cost	1,824	3,059
Total interest expense for financial liabilities held at amortised cost	4,802	67,927

Financial assets held at amortised cost comprise trade debtors, other debtors and cash at bank.
 Financial liabilities held at amortised cost comprise trade creditors, other creditors and accruals.

21 Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net movement in funds	71,101	68,428
Interest Income	(1,824)	(3,059)
Add back depreciation charge	7,298	7,729
Decrease/ (increase) in debtors	(65,999)	5,503
Increase in stock	-	418
Increase in creditors	23,040	36,726
Decrease in pension scheme liability	(39,946)	(42,095)
	(6,330)	73,650

London South Bank University Students' Union
Notes to the accounts
For the year ended 31 July 2019

22 Comparative Statement of Financial Activities

	General Funds	Designated Funds	Restricted Funds	Total 2018 £
Income From:				
Donations and Legacies:				
University Grant	945,000	-	-	945,000
Space Grant (benefit in kind)	225,619	-	-	225,619
Other Trading Activities				
Marketing	90,339	-	-	90,339
Merchandising	6,001	-	-	6,001
Income From Investments	3,059	-	-	3,059
Charitable activities				
Student Activities	4,719	-	8,628	13,347
Other Income	5,220	-	-	5,220
Total income	1,279,957	-	8,628	1,288,585
Expenditure On:				
Charitable Activities for students:				
Advice & Representation	553,545	-	-	553,545
Communications and Marketing	322,333	-	-	322,333
Student Activities	335,246	8,065	6,842	350,153
Total expenditure	1,211,124	8,065	6,842	1,226,031
Net income/(expenditure)	68,833	(8,065)	1,786	62,554
Transfers between funds	(89,499)	89,499	-	-
Actuarial gains / (losses) on defined benefit pension schemes	5,874	-	-	5,874
Net movement in funds	(14,792)	81,434	1,786	68,428
Reconciliation of Funds:				
Fund balances brought forward	(728,500)	8,065	12,877	(707,558)
Fund balances carried forward	(743,292)	89,499	14,663	(639,130)

23 Post Balance Sheet Event

The recent COVID 19 virus pandemic forced the Students Union to change its operational base for the delivery of services to remote working. The Board of Trustees and Management have in the section above considered potential risks and impact of this change in the current financial year (2019-20). The Students Union is confident of its ability to operate as a going concern during this period of temporary interruption, in meeting its core objectives to students until business as usual is restored.



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 Chartered Accountants
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 Hemel Hempstead
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 HP3 9SQ

23 March 2020

Dear Sirs

Audit 2018-19 Management Letter Response

On behalf of London South Bank Students Union (LSBSU), I thank you for conducting a thorough audit for the financial year 2018-19 and for identifying areas within our accounting systems and controls that are in need of improvements.

Management, having taken on board your recommendations and investigated the areas highlighted in your report has put together the below response to mitigate further risks to LSBSU.

Audit finding and recommendation	Management response
<p>Petty cash The interim Finance Director explained that there was £1,553.00 less in the petty cash tin when compare to the amount recorded on the accounting system. The error is trivial to the accounts. The cash had not been counted for a number of months and postings had not been made on the accounting system since 10th June 2019.</p> <p>Recommendation Management should investigate the difference to identify the transactions that have taken place since the last entry recorded. Controls need to be re-established, such as, ensuring only authorised members of staff have access to the petty cash and that invoices and receipts are obtained for every transaction.</p>	<p>Management accepts that controls over cash management was weak and that processing of some petty cash transactions were not made by the end of financial year 2019.</p> <p>Actions:</p> <ol style="list-style-type: none"> 1. Management took a view to bank all petty cash money at the end of February 2020. 2. A proper system of petty cash accounting would be developed as soon as practical in consideration of the current lockdown of services.

Audit finding and recommendation	Management response
	3. The unreconciled balance of £1,553 will be written off as bad debts in 2019-20 financial year.
<p>Controls over expenditure During our audit testing we found a duplicate invoice that had been posted on the accounting system. The invoice was entered twice on to the purchase ledger.</p> <p>Recommendation Controls over the entering of invoices need to be re-established now that there is a senior management team in place.</p>	<p>Management accepts the point, as the suppliers' full and abbreviated names were created in the purchase ledger.</p> <p>Actions:</p> <ol style="list-style-type: none"> 1. A credit note would be processed to reverse the expenditure of c£772. 2. The duplicate supplier's account would be closed during the current financial year -2019-20.
<p>Fixed asset register The fixed asset register has not been updated since 31st July 2018. This has led to a small over provision of depreciation on office equipment, which had been fully written down at the 31st July 2018.</p> <p>Recommendation The fixed asset register should be updated and maintained on a regular basis.</p>	<p>Management accepts the point.</p> <p>Actions:</p> <ol style="list-style-type: none"> 1. A robust fixed asset register with a catalogue of all assets owned by the Students' Union is being developed. 2. Periodic checks would be carried out on confirming the existence of fixed assets, as part of maintaining proper internal control procedures.
<p>Year end adjustments There was no formal handover of information from the previous Finance Manager to the Interim Finance Director. Therefore, the year end procedure and adjustments were made by Counterculture and the Interim Finance Director, retrospectively. As a result of this the deferred income had not been adjusted during the year due to the lack of information available.</p> <p>Recommendation The deferred income needs to be reviewed to ensure it only includes valid income that is required to be deferred.</p>	<p>Management accepts the point.</p> <p>Actions:</p> <ol style="list-style-type: none"> 1. Management is developing a succession planning strategy to prevent the re-occurrence of the situation that gave rise to a lack of formal handover of the incumbent post holder.

Audit finding and recommendation	Management response
<p>Stock The stock is not currently being monitored and there was no stock count at the year end. This could lead to goods being stolen or older stock becoming obsolete without the Union being aware of it.</p> <p>Recommendation Controls need to be re-established over stock, which includes a system of recording the movement of stock levels. Regular stock counts should also be undertaken, especially at the year end to ensure the levels recorded on the system agree to the amounts physically held. Furthermore, once the stock count has been agreed to the system, and a stock value calculated, gross margins should be reviewed as these also help to identify issues.</p>	<p>2. The deferred income would be reviewed and corrected by the next audit.</p> <p>Management accepts there was no stock count at the year end.</p> <p>Actions:</p> <ol style="list-style-type: none"> 1. The physical shop was closed at the end of December 2019 and online sales are suspended until further notice. 2. A stock taking process was developed and rolled out in January 2020. 3. The Marketing Manager is engaged with the process of submitting monthly stocktake updates withing 5 working days of the new month.

LSBSU hopes that our proposed actions are in compliance with audit regulatory standards. Please do not hesitate to contact Gloria Lewis, Interim Finance Director if you need to discuss the content of this letter.

Yours faithfully,



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Nelly Kibirige
President

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	CONFIDENTIAL
Paper title:	Review of FPR remit and terms of reference
Board/Committee:	Finance, Planning and Resources Committee
Date of meeting:	28 April 2020
Author(s):	Michael Broadway, Deputy University Secretary Kerry Johnson, Governance Officer
Sponsor(s):	James Stevenson, Group Secretary
Purpose:	For Approval
Recommendation:	The Committee is requested to: - review and recommend to the Board the revised terms of reference - note the remit and annual workplan.

Executive summary

Following discussion with Michael Cutbill, Chair of FPR, on the remit of FPR in autumn 2019, and discussion at the February 2020 meeting of FPR, the Governance team has further reviewed FPR's remit as follows.

The Committee's role is split into finance, performance monitoring and resources. The Chair wishes to divide the Committee's discussions into the categories of core areas and annual review areas, as outlined below.

The Finance, Planning and Resources Committee is requested to review and recommend to the Board the revised remit and terms of reference.

The Committee is also requested to note the accompanying workplan for 2020-21.

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Finance, Planning and Resources Committee

Review of FPR remit

Following discussion with Michael Cutbill, Chair of FPR, on the remit of FPR in autumn 2019, the Governance team has further reviewed FPR's remit as follows.

The Committee's role is split into finance, performance monitoring and resources. The Chair wishes to divide the Committee's discussions into the categories of core areas and annual review areas.

A commitment to equality, diversity and inclusion (EDI) will run through the oversight and monitoring activity in relation to both core and annual areas of review.

Core areas

These are the subject areas which will form the core of each meeting agenda, based on management information and comment provided by relevant members of the Executive. It is proposed that the core areas should be presented at the University rather than Group level, with the understanding that it may not always be possible to make such a distinction.

Annual review areas

These are the subject areas which FPR will look to review once a year. If the annual review raises issues that require short-term attention then the Committee may come back to them in successive meetings, but the Committee would not aim for these topic areas to feature regularly.

It is recommended that each Committee meeting covers a range of core items and one big annual item. The annual strategic plan will provide a framework for the year, taking into account external deadlines and regulatory requirements.

1. Finance

1.1 Core areas

- Budget proposals for the following year

1.2 Annual review areas

- Investment and treasury management policies and updates
- Five-year financial forecasts
- Students' Union finances (six monthly)
- Insurance policies/coverage
- Fundraising strategy and performance
- Gift acceptance policy

2. Performance

2.1 Core areas

- Group-wide and LSBU KPIs
- Management accounts
- Financial stability: balance sheet, debt financing, cashflow
- [Research and Enterprise income and deliverables, including REF and KEF – *tbc, to be reviewed by Enterprise Advisory Board*]
- University student recruitment against annual targets
- University student progression rates and their drivers

2.2 Annual review areas

- Consolidated annual report and accounts (performance)
- Reputation, including league tables
- Reviewing next year's Group-wide and LSBU KPI targets

3. Resources

3.1 Core areas

- Infrastructure (Estates, ICT) – assessment of fitness for purpose under the Corporate Strategy, including to support student experience
- Human resources:
 - Organisational design and shape of workforce
 - Strategic HR developments including pay, recruitment policies, staff progression
 - Staff engagement

3.2 Annual review areas

- IT strategy
- EDI annual report

4. LSBU Group

The Committee will have annual rather than continuous oversight of Group entities.

The Committee will build into its annual schedule a review of each of:

- South Bank Colleges
- South Bank Academies
- South Bank University Enterprises Ltd

The reports should be high-level and should answer the following questions:

- Is the overall performance in line with expectations, i.e. have they met their own KPIs which are monitored by their own Board?
- What stakeholder value has the company delivered to LSBU, e.g. educational benefits to LSBU, financial benefits (more for SBUDEL) to LSBU?

The reports should not duplicate the work of the SBA, SBC and SBUEL Boards; the purpose is to demonstrate the value to the Group of these subsidiaries.

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Finance, Planning and Resources Committee

Terms of Reference

The Finance, Planning and Resources Committee is a sub-committee of the LSBU Board of Governors. It provides for the Board in depth review of:

- LSBU's in-year financial performance;
- Performance against the corporate strategy;
- The proposed annual budget;
- Implications of the strategy for human and physical resources;
- Treasury management ;
- Student recruitment and retention; and
- Oversight of value added by Group entities.

A commitment to equality, diversity and inclusion (EDI) will run through the oversight and monitoring activity in relation to both core and annual areas of review.

1. Remit

The remit of the committee is to:

1.1 Finance

- 1.1.1 Review the annual budget and five-year forecasts and recommend to the Board
- 1.1.2 Approve investment and treasury management policies and note updates
- 1.1.3 Review an annual assurance report on adherence to the Gift Acceptance Policy and any regulatory guidance on charity fundraising
- 1.1.4 Review a six monthly report on the Students' Union income and expenditure
- 1.1.5 Review assurance from the Executive that the insurance programme is adequate from year to year
- 1.1.6 Approve investment policies for charitable funds and approve fundraising strategy and performance
- 1.1.7 Recommend opening of bank accounts to the Board

1.2 Performance

- 1.2.1 Monitor progress against Group-wide¹ and University-level KPIs as approved by the Board, and alert the Board of key potential variations against target;
- 1.2.2 Recommend Group-wide and LSBU KPI targets to the Board for the next financial year;
- 1.2.3 Review financial performance as set out in the management accounts and the Annual Report and Accounts
- 1.2.4 Review financial sustainability including balance sheet and cashflow, and recommending necessary debt financing to the Board
- 1.2.5 Review student recruitment, retention and progression rates
- 1.2.6 Review research and enterprise income and deliverables [until new Enterprise Advisory Board established]

1.3 Resources

- 1.3.1 Assess fitness for purpose of infrastructure (Estates and ICT) to deliver the Corporate Strategy through regular strategic reports
- 1.3.2 Review regular strategic reports on human resources, including staff engagement, EDI and organisational design

1.4 LSBU Group

- 1.4.1 Review annual high-level reports of the overall performance and value to LSBU of each of:
 - South Bank Colleges
 - South Bank Academies
 - South Bank University Enterprises Ltd

2. Membership

- 2.1 Membership shall consist of up to five independent governors including the Chair of the Board, plus the Vice Chancellor, one student governor and one staff governor.
- 2.2 A quorum shall consist of at least three independent governors.
- 2.3 The chair shall be an independent governor.
- 2.4 Members of the Group Audit and Risk Committee shall not be a member of the committee.

¹ This refers to the highest level group-wide KPIs (not the totality of the KPIs in the group)

3. Reporting Procedures

3.1 The minutes (or a report) of meetings of the Committee will be circulated to all members of the Board.

Approved by the Board of Governors on 14 May 2015.

*Revision approved by the Board of Governors on **DATE 2020**.*

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Finance, Planning and Resources Committee - annual business cycle

Core areas	September	November	February	April	June
Management accounts (including cashflow) <i>CFO</i>	✓	✓	✓	✓	✓
Treasury management report <i>CFO</i>	✓	✓	✓	✓	✓
Student recruitment and retention update <i>CCO</i>	✓	✓	✓	✓	✓
Group-wide and LSBU Key Performance Indicators <i>CFO</i>	✓	✓	✓	✓	✓
REI update <i>CBO</i>					
Infrastructure strategic update (Estates/ICT) <i>CBO/CCO</i>			✓		
Strategic POD report <i>HR Exec Director</i>		✓		✓	

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Annual review areas	September	November	February	April	June
Draft budget <i>CFO</i>					✓
Draft 5 year forecasts <i>CFO</i>		✓			
Consolidated draft annual report and accounts <i>CFO</i>		✓			
Group-wide and LSBU KPI targets (setting for current year) <i>CFO</i>		✓			
SBA annual performance and value review <i>PVC Compulsory & Further Ed/Executive Principal SBA</i>	✓				
SBC annual performance and value review <i>PVC Compulsory & Further Ed</i>					✓

SBUEL annual performance and value review <i>CBO</i>		✓			
OfS Grant settlement <i>CFO</i>					✓
Student progression update			✓		
Students' Union finances <i>CCO</i>		✓			✓
Students' Union Code of Practice <i>CCO</i>		✓			
EDI annual report <i>CCO/HR Exec Director</i>					✓
Group insurance programme annual report <i>CFO</i>	✓				
Fundraising annual report (including gift acceptance) <i>CCO</i>	✓				

	CONFIDENTIAL
Paper title:	KPIs 2018/19 and 2019/20 RAG Ratings
Board/Committee:	Finance, Planning and Resources
Date of meeting:	28 April 2020
Author(s):	Richard Duke (Director of Strategy & Planning)
Sponsor(s):	Richard Flatman (CFO)
Purpose:	For Information
Recommendation:	The document is noted by the FP&R Committee

Executive Summary

The attached table, provides an insight into 2018/19 KPI performance. At this point in the year, almost all KPIs for the previous year are finalised. These results can be seen in the context of 2019/20 targets.

It can be seen that performance relating to league tables, overall income and surplus were rated as green. Performance against key academic indicators, including progression and continuation as well staff engagement and appraisal rates have room for improvement.

Targets for 2019/20 were approved at the November 2019 FPR meeting, but RAG rating indicators had not at that time been set. These are now enclosed.

The 2020-25 KPI indicators are currently in development, and are intended to be holistic and at group level, with both leading and lagging indicators.

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Corporate Strategy Goals	20/20 Success Measures	#	Key Performance Indicators	End of Corporate Strategy Ambition	Past Performance					2019/20			
					14/15	15/16	16/17	17/18	18/19	Green	Amber	Red	Target
Teaching and Learning	Top 50% of universities for graduate employment / starting salaries.	1	Graduate level employment &/or Further study (EPI population)	80%	68.0%	76.0%	81.8%	87.7%	No data available in 2018/19				N/A First Graduate Outcomes data release Apr-20
Student Experience	Top quartile of all universities in NSS	2	NSS scores – overall satisfaction (First Degree respondents)	89%	82%	82.0%	82.2%	78.8%	81.8%	84% +	81 - 83 %	< 81 %	84%
		3	International Student barometer (% recommending LSBU)	81%		77%	77%	80%	78%	81% +	77 - 80%	< 77%	81%
		4	PGT experience (% satisfaction)	82%	74%	74%	71%	71%	71%	76% +	72 - 75%	< 72%	76%
		5	Student Staff Ratio	18:1	19.7:1	20.5:1	19.8:1	16:1	16.5:1	16 - 18:1	15.5 - 15.9 18.1 - 18.5	< 15.5 > 18.5	16 - 18:1
Employability	95% students in employment / further study (EPI)	6	DLHE Positive Outcomes; employment or further study (EPI)	95%	90.2%	90.8%	94.6%	95.3%	No data available in 2018/19				N/A First Graduate Outcomes data release Apr-20
	Top 10 UK universities for student start ups	7	Number of Student start ups (Active Firms in HE-BCI 4aiv)	150	30	50	45	48	24	65 +	50 - 64	< 50	65
Research & Enterprise	Top 50% UK for Research & Enterprise Income	8	Research Income (non QR)	£6m	£2.0m	£1.9m	£2.8m	£3.5m	£4.1m	£5.2m +	£4.5 - 5.1m	< £4.5m	£5.2m
		9	Enterprise Income	£19m	£8.1m	£7.8m	£9.2m	£10.9m	£10.5m	£11m +	£10 - 10.9m	< £10m	£11.0m
Access	Top London Modern for LPN recruitment	10	% recruits from low participation neighbourhoods (Young FT FD)	9.0%	7.7%	8.4%	9.2%	8.9%	7.6%	8.0% +	7.7 - 7.9 %	< 7.7 %	8 - 10%
		11	FTUG % (w/o HSC contract) recruited before Clearing	90%	75.0%	76.4%	77.2%	78.0%	75.3%	77% +	73 - 76%	< 73%	+77%
	Exceed expectations on completion	12	First Degree Completion projection (at or above benchmark)	+3%	-7 %	-5.8%	-5.5%	-1.8%	-4.0%	> 0%	-3 to 0%	< -3%	0%
		13	Year 1 progression (can change due to Jan 2019 2nd Semester Enrolment)	85%	73.1%	77.3%	74.7%	72.4%	73.9%^	80% +	75 - 79%	< 75%	80%
		14	Good Honours	63 - 67%	61.2%	66.4%	69.1%	70.0%	70.7%	65 - 70%	71 - 72% 63 - 64%	> 72% < 63%	65 - 70%
		15	PGT completion	85%	61.5%	58.7%	69%	61.0%	66.7%	72% +	68 - 71%	< 68%	72%
International	4 QS Stars	16	QS Star Rating	4	3 stars	3 stars	4 stars	4 stars	4	4	3	2	4
		17	Overseas student income (millions). Includes TNE	£20m	£11.2	£9.8	£11.2	£10.8	£12.1m	£11.6m +	£10.5 - £11.5m	< £10.5m	£11.6m
People and Organisation	Rated as a good employer	18	Appraisal completion % (Amongst all eligible staff)	100%	90%	91%	95.6%	85.3%	84.0%*	100%	95 - 99 %	< 95%	100%
		19	Average Engagement Score as a %	75%		58%	62%	61%	66%	70% +	66 - 69%	< 66 %	70%
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	5.0%	0.9%	2.4%	1.3%	1.1%	2%	1.3% +	1.0 - 1.2%	< 1.0%	1.3%
		21	Income (£m)	£170m	£140.8m	£138.2	£144.5	£146.3	£149m	£152m +	£148 - 151 m	< £148m	£152m
		22	EBITDA margin (EBITDA expressed as % of income)	15.0%	9.2%	11.8%	12.0%	10.7%	11.2%	11.4% +	10.3 - 11.3%	< 10.3%	11.4%
	Student satisfaction with facilities & environment in top UK quartile	23	Student satisfaction ratings with facilities & environment (FD)	90%	87.7%	90.0%	87.2%	83.9%	84.9%	90% +	84 - 89%	< 84%	90%
		24	ICS Service Index %	80%	68%	76%	66%		No data available in 2018/19				80%
Overall	Top London Modern university (excl UAL)	25	Times - League table ranking	85	120 / 127	120 / 128	106 / 128	107/132	86/131	90 or higher	91 - 95	96 or lower	90
		26	Guardian – League table ranking	70	111 / 119	107 / 119	92 / 121	78 / 121	68/121	65 or higher	66 - 75	76 or lower	65
		27	Complete University Guide – League table ranking	87	119 / 126	115 / 127	108 / 129	93 / 131	87/131	85 or higher	86 - 95	96 or lower	85

^ progression figure as at 15 January 2020.

* appraisal completion rates as at 4 February 2020.

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