

CONFIDENTIAL

Meeting of the Board of Governors

4pm* on Thursday, 19 May 2016

In the Boardroom, Technopark, London Road, London SE1

* Pre-meeting tour of the DARLab and Virtual Engineering Lab – please meet in the Borough Road building entrance at 2.45pm

Agenda

No.	Item	Paper No.	Presenter
1.	Welcome and apologies		Chair
2.	Declarations of Interest <i>Governors are required to declare any interest in any item of business at this meeting</i>		Chair
3.	Minutes of meeting of 17 March 2016 (for publication)	BG.11(16)	Chair
4.	Matters arising		Chair
5.	Chair's Business		
5.1	Succession planning update: <ul style="list-style-type: none"> • Independent governors; • Chancellor 		Chair
6.	Key Items to discuss		
7.	Vice Chancellor's report	BG.12(16)	VC
8.	Corporate strategy progress report	BG.13(16)	DVC
9.	Chief Financial Officer's report	BG.14(16)	CFO
10.	Items to note <i>the following papers will only be discussed at the meeting if there is a matter that any governor wishes to raise with the Secretary the day before the meeting</i>		
10.1	Reports on decisions of committees	BG.15(16)	Committee chairs
10.2	Health and Safety update	BG.16(16)	EDOD

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| 10.3 | Corporate risk register | BG.17(16) | CFO |
| 10.4 | Board strategy day report | BG.18(16) | Sec |
| 10.5 | SU elections and results report | BG.19(16) | Sec |
| 10.6 | Declarations of interest update (to authorise) | BG.20(16) | Sec |
| 11. | Any Other Business | | Chair |
| 12. | Date of next Board meeting: 4pm on Thursday 14 July 2016
(followed by drinks with members of the Operations group and portrait unveiling of the former Chair) | | |

Members: Jerry Cope (Chair), Andrew Owen (Vice Chair), David Phoenix (Vice Chancellor), Steve Balmont, Shachi Blakemore, Michael Cutbill, Douglas Denham St Pinnock, Neil Gorman, Carol Hui, Kevin McGrath, Mee Ling Ng, Hilary McCallion, Jenny Owen, Tony Roberts and Andrea Smith.

Observers: Temi Ahmadu (SU President elect), Calvin Usuanlele (Chair elect of Student Council)

With: Chief Financial Officer, Deputy Vice Chancellor, University Secretary and Deputy University Secretary.

	PAPER NO: BG.11(16)
Paper title:	Minutes of the meeting of 17 March 2016
Board/Committee	Board of Governors
Date of meeting:	19 May 2016
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	Jerry Cope, Chairman of the Board
Purpose:	To approve the minutes of the last meeting as a correct record and the redactions for publication.

Executive Summary

The Board is asked to approve the minutes of its meetings of 17 March 2016 and the suggested redactions (in grey) for publication on LSBU's website.

Minutes of a Meeting of the Board of Governors
held at 4pm on Thursday, 17 March 2016
in room 1B27, Technopark, London Road, London SE1

Present

Jerry Cope	Chair
Andrew Owen	Vice Chair
David Phoenix	Vice Chancellor and Chief Executive
Steve Balmont	(<i>from minute 8</i>)
Shachi Blakemore	
Michael Cutbill	
Douglas Denham St Pinnock	
Neil Gorman	
Hilary McCallion	
Mee Ling Ng	
Abdi Osman	SU President (<i>from minute 8</i>)
Jenny Owen	
Tony Roberts	
Andrea Smith	Chair of Student Council
James Smith	

Apologies

Carol Hui
Kevin McGrath

In attendance

Pat Bailey	Deputy Vice Chancellor
Mandy Eddolls	Executive Director of Organisational Development and HR (<i>for minutes 18 - 19</i>)
Richard Flatman	Chief Financial Officer
Paul Ivey	Pro Vice Chancellor (Research and External Engagement) (<i>for minutes 23 - 25</i>)
James Stevenson	University Secretary and Clerk to the Board of Governors
Michael Broadway	Governance Manager

Welcome

1. The Chair welcomed Michael Cutbill, independent governor, to his first Board meeting. Apologies had been received from Kevin McGrath and Carol Hui.

Declaration of Interests

2. James Smith declared that as Chair of the Board at the Conservatoire for Dance and Drama he had been making representations to government on the need for special funding for small and specialist institutions (of which the Conservatoire was one). The Board noted that they had previously authorised James Smith's situation as Chair of the Board at the Conservatoire and that any financial impact on LSBU was not material. The Board confirmed that their authorisation continued.
3. No other Board member declared an interest in any item on the agenda.

Minutes of the previous meeting

4. The Board approved the minutes of the meeting of 26 November 2015 (paper **BG.01(16)**) and their publication with the proposed redactions.

Matters Arising

5. The Board noted that Project Maple had not proceeded. A memorandum of understanding was being developed between LSBU and Morley College which set out areas for collaboration between the two institutions including progression pathways, extra mural education and transitions to higher and degree level apprenticeships.
6. The Board noted the recruitment process for two independent governor vacancies. Advertisements for the positions were in the Sunday Times online, Guardian online and LinkedIn. The Nominations Committee would meet to consider applications on 21 April 2016.
7. The Board noted an update on 'Women Count' a report into gender diversity in leadership positions in universities. The Board noted that at 38% female representation on the Board, LSBU was just above the sector mean of 36% but just below the sector target of having between 40% and 60% of either gender. The Chair would consider the recommendations in the report.

Steve Balmont and Abdi Osman joined the meeting

Vice Chancellor's Report

8. The Board discussed the Vice Chancellor's report (paper **BG.02(16)**), which reviewed progress against the three outcomes in the corporate strategy: student success; real world impact; and access to opportunity.

9. The Vice Chancellor reported on the implications of the Chancellor of the Exchequer's budget 2016 for higher education. It was noted that student loans would be made available for part time postgraduates and for doctoral students. The Board noted that if the University meets the requirements of the Teaching Excellence Framework (TEF) it would be allowed to increase undergraduate fees in line with inflation. The Board supported increasing fees in line with inflation in the future, where permitted by TEF and where this was sensible in market terms.
10. The Vice Chancellor reported on provisional results of the Destination of Leavers of Higher Education (DLHE) survey, 2015/16. LSBU had provisionally moved to 76% (69% in 2014 and 49% in 2013) of graduates in graduate level jobs or further study within 6 months of graduating (this was a league table measure). The Board commended the executive on the positive result.
11. The Vice Chancellor reported on recruitment for 2016/17. The focus was on conversion.
12. The Vice Chancellor reported on the Institute of Professional and Technical Education. LSBU was now registered with the Skills Funding Agency. London Borough of Southwark may give capital funding to convert the Thomas Passmore Edwards Library for the Institute. LSBU would be submitting a business case for funding in May 2016 for approval by the Borough.
13. The Board welcomed the constitution of the multi-academy trust which would run the two LSBU sponsored academy schools. The funding agreement for the two schools had now been agreed with the Department for Education.
14. The Board noted plans within the School of Health and Social Care for a "company in residence" and that these were at early stage of consideration, which should include an assessment of reputational risk. Any formal proposal will be considered by the Major Projects and Investment Committee prior to approval.

Chief Financial Officer's Report

15. The Board discussed in detail the Chief Financial Officer's report (paper **BG.03(16)**). Due to the shortfall in recruitment it was reported that income would be £4.8m off target for the year. As a result of cost management, the full year forecast surplus remained £1m. The Board emphasised the

importance of ensuring staff were aware of LSBU's financial position and the necessity of investing for the future.

16. The Chief Financial Officer reported that the Department for Business, Innovation and Skills had issued its funding letter for 2016/17 to HEFCE. LSBU expected its funding letter from HEFCE on 19 April 2016.
17. The Board noted the risk letter from HEFCE which rated LSBU as "not at higher risk", the better of two risk ratings. The Board noted the benchmarking data in the letter.

Health and safety update

Mandy Eddolls joined the meeting

18. The Board discussed an update on health and safety (paper **BG.04(16)**). It was reported that a new occupational healthcare provider had been appointed, stress surveys were being introduced and a well-being strategy developed. It was noted that completion of mandatory health and safety training by staff was 52%. More formal action would be taken against staff who had not completed by July 2016 without good cause.
19. The Executive Director of Organisational Development and Human Resources reported on industrial relations and the progress of negotiations on part B of the South Bank Agreement with UCU.

Mandy Eddolls left the meeting

Chancellor succession

20. The Board noted the proposals on Chancellor succession planning (paper **BG.05(16)**). The Board noted that Richard Farleigh's four year term as Chancellor ended on 31 March 2016. Mr Farleigh had agreed to continue as Chancellor until a successor was appointed. The Board thanked Mr Farleigh for the time and commitment in the role and the invaluable work he had done for students and LSBU so far.
21. The Board ratified the establishment of the Nomination Committee (Chancellor) and its terms of reference and membership, with the addition of Pat Bailey, Deputy Vice Chancellor as a member.
22. The Board noted that the Nomination Committee (Chancellor) had met and agreed the selection criteria and method for the new Chancellor. Nominations

for Chancellor would be sought from students, staff, alumni and governors. The Committee was next meeting on 21 April 2016 to consider the longlist from these nominations. The Board noted that the final decision to appoint a Chancellor was a matter reserved to the Board.

South Bank University Enterprises Ltd governance

Paul Ivey entered the meeting

23. The Board discussed proposed amendments to the governance of South Bank University Enterprises Ltd (SBUEL), LSBU's subsidiary company (paper **BG.06(16)**). The Pro Vice Chancellor (Research and External Engagement) would chair the Board of SBUEL, with an independent governor remaining on the Board of Directors. Deans and independent directors would be appointed to the Board of Directors.
24. The Board requested that it should have visibility of activities in the company and that matters of significant expenditure, risk or reputation should be referred to the Executive, the Major Projects and Investment Committee and the Board of Governors as appropriate.
25. The Board approved the amendments to the governance of SBUEL.

Paul Ivey left the meeting

Reports on decisions of committees

26. The Board noted the reports of decisions of committees (paper **BG.07(16)**).

Corporate risk register

27. The Board noted the corporate risk register (paper **BG.08(16)**).

Declarations of interest update

28. The Board authorised the declared interests of Michael Cutbill, Tony Roberts, David Phoenix, Richard Flatman and James Stevenson (paper **BG.09(16)**).

Any other business

29. The Chair reported that there were two vacancies for governors on the SBUEL Board and the South Bank Academies Board.

30. The Chair reported that this was the final Board meeting for James Smith, whose term of office ended on 30 April 2016. The Board thanked James for his dedication and wise counsel to LSBU and SBUEL.
31. The Chair reported that the annual Court event followed the meeting, this year at the Confucius Institute.

Date of next meeting

32. The Board strategy day will take place from 10am on Thursday 21 April 2016.
33. The next Board meeting will be at 4pm on Thursday 19 May 2016 preceded by a tour of DARlab and virtual engineering laboratory.

The Chair closed the meeting.

Confirmed as a true record:

..... (Chair)



Committee	Date	Minute	Action	Person Res	Status	
Board	17/03/2016	14	HSC "company in residence" plans to future MPIC meeting for approval, if plans become firmer.	DVC	On forward plan	<input checked="" type="checkbox"/> Completed
Board	17/03/2016	24	Revise SBUEL statement of governance	Secretary		<input checked="" type="checkbox"/> Completed

	PAPER NO: BG.12(16)
Paper title:	Vice Chancellor's Report
Board/Committee	Board of Governors
Date of meeting:	19 May 2016
Author:	David Phoenix, Vice Chancellor
Executive sponsor:	David Phoenix, Vice Chancellor
Purpose:	To update the Board on University matters
Recommendation:	To note the report.

Matter previously considered by:	Board of Governors	At each meeting
Further approval required?	No	N/A

Executive Summary

The paper provides an update on key areas of activity for information and assurance. The Boards attention is drawn specifically to the following:

- Outline of the proposals around the development of a college system in line with previous Board discussion. Detailed proposals, as and when they materialise, will be reviewed by MPIC.
- The CUG league table was published in April and LSBU placed in joint 115th position (tied with Southampton Solent), four places higher than in the 2016 iteration. We increased our total score by 3.3%; this represented the 15th highest increase in the table (out of 127 institutions) and we overtook five institutions (St Mary's Twickenham, Bishop Grosseteste, Bedfordshire, Cumbria and St Mark & St John), and one institution (Norwich University of the Arts) entered the table for the first time. This is the highest score LSBU has achieved since the CUG tables began.
- We have two important surveys now complete; National Student Survey (NSS) and Destination of Leavers from Higher Education (DLHE) both of which contribute to domestic league tables. In the DLHE we improved the number in graduate level work or study from 68.2% in 2013/14 to 76% in 2014/15. The results for NSS will be published in July.

Vice Chancellor's Report May 2016

This report has been formatted around the three key outcomes listed in the corporate strategy followed by a review of activity related to the enablers.

1.0 External Environment

The external environment remains interesting.

1. Lord Stern continues his review of the Research Excellence Framework (REF). While I remain supportive of ambition to simplify the system there is a danger it moves to support requests from research intensive universities that could further divide the sector – for example requirements to include all staff in the REF. This could lead to further concentration of funding in what is already a hyper concentrated arena.
2. The education White Paper has been published regarding teacher training (Educational Excellence Everywhere). On the positive side it notes the benefits of moving to multi-year training place allocations which would give more stability to providers. Of potential concern is the fact it states it wants to create centres of excellence and these are yet to be defined. A tendency may be to focus on research standing rather than local impact for example. We are looking to formally launch a centre in the coming weeks (section 3.3). The government also proposes to remove the need for Qualified Teacher Status from 2017 which would potentially undermine the postgraduate market for PGCE courses.
3. The Department of Health has launched its consultation (Reforming healthcare education funding: creating a sustainable future workforce). We have recently revalidated much of our health provision to ensure we are well placed for future changes in NHS requirements.
4. The expectation is that we will see a higher education bill included in the Queens speech on the 18th May. It is expected that this will be published some months later but that the White Paper will be released this month alongside a technical consultation around Teaching Excellence Framework (TEF) 2. Current thinking is that TEF1 decisions will be straight forward and made alongside the release of the technical consultation. As previously reported to the Board TEF1 should allow an inflationary increase in fees. LSBU would need to then determine if it wished to submit for TEF2 once the details were known. It is expected that the Department for Business, Innovation and Skills (BIS) will progress with the creation of the Office for Students and with the creation of Research UK, with the latter securing oversight of the quality related (QR) research funding and Innovate UK.
5. The FE review was due to report in May but this has now been put back to July. The government has identified funding to support college restructure.

With this in mind I have spoken to some college principals to assess their appetite for engaging with LSBU as part of a family of educational providers. Proposals will be reviewed by MPIC. A short draft paper outlining the concept as discussed at previous board meetings is attached as an appendix.

1.1 Finance

The HEFCE Recurrent Grant letter was received on April 19. This letter outlines the funding that the University will receive for its Teaching, Research and Enterprise activities. For academic year 2016-17, the total HEFCE grant from BIS for teaching, research, knowledge exchange, funding for national facilities and initiatives, and capital grants is £3,674 million. This compares to a total of £3,971 million for 2015-16. The total year on year reduction in HEFCE funding was therefore 7%, whereas LSBU's reduction of £1.6M as compared to 2015-16 was 11.6%

The reduction was driven by three changes:

1. The continuing transition from the old to the new fee and funding regime for institutions with longer courses. This had a minimal impact on LSBU.
2. Changes, relative to the sector as a whole, to institutions' postgraduate research student numbers and research income data which affects institutions' share of the QR allocations for research degree programme (RDP) supervision. LSBU QR was reduced by 3% as compared to a sector increase of 1%.
3. Changes to Student Opportunity funding including the introduction of streams of funding for a geographically focused national outreach programme that will target those places where students have the educational attainment or potential to succeed in higher education but where there is evidence that entry rates are below expectations. The targeted allocations were reduced by 16% for LSBU as compared to a sector reduction of 7%.

The net impact was a reduction in total teaching grant of 13% as compared to a sector wide reduction of 3%, a reduction in recurrent research grant of 3% as compared to an increase of 1% for the sector. In addition a review of knowledge exchange activity led to a reduction in Knowledge Exchange Funding of 10% whereas the sector remained flat. In this latter case the reduction would have been greater but for the progress made in the last few years around some of the key indicators. A report on knowledge exchange will be provided at year end.

1.1.1 HEFCE 2014-2015 Funding data reconciliation exercise

In order to improve data quality process, HEFCE is currently performing a reconciliation of the data returned to HESA at the end of the 14/15 Academic Year with the Higher Education Students Early Statistics (HESES 14) data submitted to HEFCE at the beginning of the Academic year. Any organisations with large discrepancies between the early forecast position and the actual out turn position have been contacted and have been asked for an action plan. HEFCE have confirmed that LSBU does not meet the selection criteria and so we are not required to submit a formal response to the exercise.

1.2 Complete University Guide (CUG) 2017

The CUG league table was published on April 25th 2016. LSBU placed in joint 115th position (tied with Southampton Solent), four places higher than in the 2016 iteration. LSBU overtook five institutions (St Mary's Twickenham, Bishop Grosseteste, Bedfordshire, Cumbria and St Mark & St John), and one institution (Norwich University of the Arts) entered the table for the first time.

LSBU increased its total score by 3.3%; this represented the 15th highest increase in the table (out of 127 institutions). This is the highest score LSBU has achieved in these tables to date.

Performance against individual measures can be seen below in Table 1.

Considerable work is being undertaken through Shan Wareing's work to improve performance against measures where LSBU ranks outside the top 100, especially degree completion (retention and progression), good honours (proportion of students gaining a first or 2:1) and student satisfaction (NSS). Progression from 2014/15 to 2015/16 and 2015/16 retention have shown a marked improvement, which should show a corresponding improvement in league table scores in 2017. Of full-time first-degree students enrolling in 2014/15, 71.9% re-enrolled for their year 2 in 2015/16, compared to 69.5% of the 2013/14 year 1 cohort. As of the end of March 2016, 103 fewer students had withdrawn or interrupted their studies compared to the same point in 2014/15.

Table 1 LSBU ranking against aspirational group

Measure	2016 Score	2017 Score	% Change in Score	2016 Rank	2017 Rank	2016 Ranking Amongst Aspirational Group	2017 Ranking Amongst Aspirational Group
Entry Standards	244	254	4.1%	123	122	8	8
Student Satisfaction	3.94	3.99	1.3%	112	106	6	5
Research Quality	2.52	2.52	0.0%	87	88	7	7
Graduate Prospects	48.6	67.4	38.7%	124	62	7	3
SSR	17.2	17.2	0.0%	65	82	2	3
Academic Services Spend	1120	1450	29.5%	66	44	4	3
Facilities Spend	356	437	22.8%	99	91	7	7
Good Honours	61.0	60.4	-1.0%	106	114	7	7
Degree Completion*	74.5	73.1	-1.9%	121	125	7	8
Total Score	429	443	3.3%	119	115	7	7

* HESA figures record a small increase in this figure, but the calculation method for league tables shows a reduction in score. This will not be replicated in 2018 iterations of league tables.

2.0 Corporate Strategy Outcome 1: Student Success

The focus of this outcome is developing the learning pathway to improve student engagement and the outcomes they achieve.

2.1 National Student Survey (NSS)

The 2016 NSS survey period closed on 30 April. Provisional results will be published in late July, with public results announced in August. LSBU increased its survey response rate from 70.5% in 2015 to 71.5% in 2016. Performance in the NSS plays an important role in league table performance.

2.2 Destination of Leavers from Higher Education (DLHE)

The DLHE survey is an annual survey that tracks the proportion of students that enter employment or further study within 6 months of graduation. The 2014/15 survey was undertaken in January to March 2016. In the metric that informs university league tables (proportion of EPI students in graduate level employment or further study) LSBU improved its performance from 68.2% in 2013/14 to 76% in 2014/15.

Table 2: EPI Measures (EPI = Full Time, First Degree, UK domiciled students)

Measure	2012/13	2013/14	2014/15
Eligible Population (different to population as excludes travel and refusals)	1670	1696	1648
Response Rate (%)	91.5%	82.0%	84.2%
In work or study (%) (KPI 1 and HESA PI)	85.7%	90.2%	90.8%
In graduate level work or study (%) (KPI 7 and League Tables)	48.9%	68.2%	76.0%

Table 3: All Leavers' Measures

Measure	2012/13	2013/14	2014/15
In work or study (%)	90.6%	92.6%	93.0%
In graduate level work or study (%)	69.6%	79.3%	82.5%

In the 2013/14 survey, a score of 76% would have placed LSBU 41st nationally against this measure but it is expected that most institutions will show some improvement.

3.0 Corporate Strategy Outcome 2: Real World Impact

This outcome focuses on the applied nature of our teaching research and enterprise and the way the three interact to ensure we have a real world focus and impact.

3.1 Research and Enterprise and Innovation

For research we have secured £1.25m of income YTD (31 March 16) and we have just over £900k left to achieve by year-end. Of this £900k there is contracted income totaling £550k, which leaves a shortfall of £350k.

For enterprise we have secured slightly over £5.6m of income with a further £4.5m to target. Of this £4.5m there is contracted income totaling £3.4m, which leaves £1.1m of a shortfall.

Secured income is in line with our expectations for this time of the year. The research income pipeline has potential bids identified totaling just under £4.5m. The enterprise income pipeline of potential activity has a value totaling nearly £9m. Both pipelines represent significant growth based on 2014-15 performance.

3.2 School of Health and Social Care Commissions

Recruitment to September 2016 commissions are on target and we are now closed in UCAS for most of our pre-registration courses (including at Havering). We are still awaiting our CPPD commissions for 2016/17, but anticipate a 25% reduction to

reflect reduced funding across London. This will be mitigated by additional income generation activity across the School, including direct-funded PG students and international students coming on-stream through our Malaysian partnership with I-Systems College in Kuching.

We have successfully revalidated our entire pre-registration portfolio of courses this Spring. This was an enormous exercise. In the past we have revalidated separately our nursing and midwifery curriculum from allied health courses. In order to maximise opportunities for inter-professional learning and to create an ethos of co-production with our NHS partners, students and service users/ carers, we chose to revalidate the whole portfolio simultaneously. This ensures we have pre-registration curricula that are fit for purpose, offer great opportunities for student success. We were commended on our inclusive approach to curriculum design at the validation events. The revalidated courses will commence in September 2016 and now include Masters pathways for students wishing to study pre-reg at level 7 and who can (from Sept 2017 for health students) access PG student loans.

We are working with our major NHS partners across London in preparing to deliver Higher Apprenticeship courses and the new Nursing Associate role. Ultimately these will provide significant numbers of new staff to the NHS workforce and offer potential alternative routes to pre-registration careers. LSBU is the preferred partner of several organisations in London for these courses including Guy's & St Thomas's Hospital and Great Ormond Street Hospital.

We have recently received our NHS Quality Reports for our 2014/15 outputs. We are analysing the reports in detail, but in general outcomes remain positive. CPPD with a score of 100% (Green rated) is highest ranked in London. Pre-registration provision is summarised below:

Course	2013/2014	2014/2015
Adult Nursing	92.6% (Green)	81.5% (High Amber)
Child Nursing	73.6% (High Amber)	88.2% (High Amber)
Mental Health Nursing	97.9% (Green)	90.9% (Green)
Learning Disability Nursing	100% (Green)	96.8% (Green)
Diagnostic Radiography	99.3% (Green)	92.5% (Green)
Occupational Therapy	95.3% (Green)	87.5% (High Amber)
Operating Department Practice	80.3% (High Amber)	80.6% (High Amber)
Practice Therapeutic Radiography	90% (Green)	97.4% (Green)

We are pleased with these outcomes overall and continue to work to achieve 'full green' status for these courses.

3.3 School of LSS and Teacher Education

We are launching a new Centre for Education and School Partnerships with an event in June. The purpose of the day is to provide networking opportunities to students and partnership schools, CPD for alumni as well as the opportunity to debate the 'Future of Teacher Education' with a panel of sector experts.

4.0 Corporate Strategy Outcome 3: Access to Opportunity

This outcome focuses on the need to work in partnership with key organisations to deliver our strategy and the civic engagement aspects of our vision. Its outcomes include measures such as recruitment of students that can succeed as well as international activity.

4.1. 2016/17 Undergraduate Recruitment (as at 4/05/16 - reported to the Finance, Planning and Resources Committee on 5 May 2016)

UCAS Tracker shows that LSBU is **-1.6%** (369 applications) behind compared to the same period last year. If you exclude HSC this figure rises to **-5%** (517 applications).

Our competitor group are down by **-6%** overall and the national market remains flat, up by less than half a percentage point.

Table 4: UCAS Undergraduate Applications

Summary	2014	2015	2016	%Δ 2014/16	%Δ 2015/16
LSBU Applications	22,584	22,482	22,113	-2.09%	-1.64%
National Applications	2,729,043	2,793,296	2,797,078	2.49%	0.14%
Competitor Applications	158,606	150,958	141,540	-10.76%	-6.24%

LSBU has received **1,095** firm acceptances so far this cycle (377 of which are unconditional) from Home / EU applicants for full-time undergraduate degrees.

As we approach the May deadline for early acceptances, LSBU is currently ahead of last cycle by **4%**, equal to 38 acceptances. Part-time recruitment is currently down by **-15%** but at this early point in the PT cycle this equates to only 28 acceptances.

Table 5: Full-time Undergraduate acceptances

UG FT School / Division	Main Cycle					
	Firm Accepts	LYTD	+/- %	Active Offers	LYTD	+/- %
Applied Science	186	228	-18.42%	472	525	-10%
Home/EU	181	207	-12.56%	446	483	-7.66%
OS	5	21	-76.19%	26	42	-38.10%
Arts and Creative Industries	262	225	16.44%	472	346	36%
Home/EU	251	219	14.61%	426	324	31.48%
OS	11	6	83.33%	46	22	109.09%
Built Environment and Architecture	99	96	3.13%	274	247	11%
Home/EU	87	73	19.18%	205	177	15.82%
OS	12	23	-47.83%	69	70	-1.43%
Business	179	152	17.76%	722	655	10%
Home/EU	156	139	12.23%	595	531	12.05%
OS	23	13	76.92%	127	124	2.42%
Engineering	206	232	-11.21%	534	593	-10%
Home/EU	190	192	-1.04%	434	452	-3.98%
OS	16	40	-60.00%	100	141	-29.08%
Health and Social Care	31	40	-22.50%	53	45	18%
Home/EU	31	38	-18.42%	53	41	29.27%
OS	0	2	-100.00%	0	4	-100.00%
Law and Social Science	209	196	6.63%	593	594	0%
Home/EU	199	189	5.29%	542	523	3.63%
OS	10	7	42.86%	51	71	-28.17%
LSBU Total	1,172	1,169	0.26%	3,120	3,005	4%
Home/EU	1,095	1,057	3.60%	2,701	2,531	6.72%
OS	77	112	-31.25%	419	474	-11.60%

To date we have seen good engagement in marketing activity with total attendance at LSBU Open Days increasing by around **7%** year on year (3,593 attendees Vs 3,354 attendees). Registrations for our upcoming offer holder days are strong and our June Open Day is **500** registrations ahead of the same time last year.

4.1.1 2016/17 Postgraduate Recruitment (UK / EU) (As at 04/05/2016)

Full-time postgraduate recruitment is currently up by **26%** (or 92 acceptances) with **446** firm acceptances received to date this cycle.

Part-time recruitment is flat (-1 accept) with **124** acceptances received to date.

Table 6: Full-time Postgraduate acceptances

PGT FT School / Division	Main Cycle					
	Firm Accepts	LYTD	+/- %	Active Offers	LYTD	+/- %
Applied Science	67	38	76.32%	56	27	107%
Home/EU	43	28	53.57%	32	15	113.33%
OS	24	10	140.00%	24	12	100.00%
Arts and Creative Industries	5	10	-50.00%	4	19	-79%
Home/EU	1	2	-50.00%	2	6	-66.67%
OS	4	8	-50.00%	2	13	-84.62%
Built Environment and Architecture	86	87	-1.15%	88	98	-10%
Home/EU	49	34	44.12%	33	35	-5.71%
OS	37	53	-30.19%	55	63	-12.70%
Business	155	183	-15.30%	169	240	-30%
Home/EU	62	42	47.62%	34	33	3.03%
OS	93	141	-34.04%	135	207	-34.78%
Engineering	109	127	-14.17%	113	148	-24%
Home/EU	27	20	35.00%	13	6	116.67%
OS	82	107	-23.36%	100	142	-29.58%
Health and Social Care	166	181	-8.29%	128	146	-12%
Home/EU	146	125	16.80%	114	119	-4.20%
OS	20	56	-64.29%	14	27	-48.15%
Law and Social Science	171	204	-16.18%	94	137	-31%
Home/EU	118	103	14.56%	30	68	-55.88%
OS	53	101	-47.52%	64	69	-7.25%
LSBU Total	759	830	-8.55%	652	815	-20%
Home/EU	446	354	25.99%	258	282	-8.51%
OS	313	476	-34.24%	394	533	-26.08%

The above data is encouraging given the stage we are at in the cycle as the postgraduate market, whilst more stable than the undergraduate market in terms of conversion, is traditionally a much later market, especially for LSBU.

4.2 2016/17 International Recruitment (as at 04/05/2016)

The immediate focus is student recruitment for September 2016 and January 2017 in a challenging market dominated by Home Office regulation, league table importance and student experience. Regulation continues to reduce recruitment levels due to the additional caution required and many academically good students who would have been accepted in previous years are being turned away. The difficulties in complying with additional visa restrictions are sometimes compounded by incorrect advice from the Home Office leading to both considerable student distress and financial and reputational loss to the University. However new payment arrangements are in place

to incentivise recruitment agents, loyalty payments to our current students who progress to further study with LSBU have been standardised and new market drives are underway in both Brazil and China together with a strengthened relationship with our major UK educational partner the Cambridge Education Group.

To date LSBU has received **77** firm acceptances so far this cycle from international applicants for full-time undergraduate degrees (see tables above). This is down on last cycle by **-31%**, equal to 35 acceptances. Full-time postgraduate recruitment is also down for international applicants, by **-34%** (or 200 acceptances) with **313** firm acceptances received to date this cycle.

The Executive have reviewed the teams responsible for the international activity, principally the collaborations and internationalisation directorates. The Executive have decided that merging these delivers sufficient critical size and economies of operation and, taken together with new leadership presents the best structure to support the Internationalisation goal set out in the University Strategic Plan.

A new Director for this professional function has been recruited from another institution and will join the University during September. Stuart Bannerman's focus will be direct recruitment of international students while maintaining sector leading visa refusal rates; expansion of partnership activity while meeting all quality assurance requirements; and leading on strengthening LSBU's internationalisation plans.

4.3 Update on the British University in Egypt (BUE) and the Applied Sciences University (ASU) in Bahrain

We are still in the process of validating three Bachelor degrees at BUE. The English Language and Literature BA will be validated in early June and Psychology and Law are likely to be towards the end of June or early July.

We have also agreed to validate at BUE an MSc/MTech in Sustainable Engineering Design & Construction. This is likely to be for a September 2017 start following approval by the Supreme Council of Universities in Egypt.

We are still to hear on the approval by the Bahraini Higher Education Council of our courses at ASU. This means our earliest start date for ASU would be September 2017.

4.4 Academies Update

South Bank Academies signed the Funding Agreement to establish and operate the South Bank Engineering UTC. Readiness to open meetings with the Department for

Education and the pre-opening Ofsted inspection will take place in June and July respectively. The Engineering Academy continues to make good progress and it is oversubscribed again for the September 2016 school year. We are now working to further establish links between LSBU and these two schools to enhance the learning opportunities for the students of the University and the schools.

4.4.1 South Bank Engineering UTC

The UTC will open in temporary accommodation next to where the new building is being built. Curriculum design and development with support from our employer partners has been completed. The ICT and learning infrastructure are currently being procured. The Vice Principal joined the UTC in April and teaching staff have been recruited to start in September. The student recruitment at 144 accepts is ahead of targets agreed with the DfE and we expect this number to increase further, but, we also expect a number of students to drop out so will be closer to the agreed target of 120 students. We are working closely with companies such as Cisco and Fujitsu, both of whom have agreed to support the UTC through equipment and learning materials for professional qualifications.

4.4.2 University Academy of Engineering South Bank

The Academy is expecting to be inspected by Ofsted early 2017. In preparation for this we have undertaken a practice inspection by an experienced Ofsted inspector and are implementing the recommendations from the inspection. The Academy continues to be popular with students having attracted 418 applications for 150 places available. We are continuing to build on the infrastructure as the student numbers increase and as we prepare to open post 16 provision. We expect to open the post 16 with a small cohort of high achieving students as we do not currently have our own students progressing into 6th Form. This will help us ensure that we deliver a high quality programme and to establish ourselves as quality post 16 school. The post 16 student numbers when fully established will grow to 150. We are currently recruiting a Vice-Principal for the Academy to support the Principal as the student numbers will be over 400 in September 2016.

4.5 Public Affairs and Civic Engagement

Our public affairs focus continues to be on professional and technical education, health and LSBU's contribution to diverse educational provision in London.

Our report with the Higher Education Policy Institute entitled "Making a Success of Employer Sponsored Education" was launched on 19th April at the House of Commons. Speakers included Neil Carberry, Director for Skills and Employment at the CBI. There was coverage in THE, TES, the Financial Times and the Guardian

Higher Education Network (online). It was also mailed to 750 opinion formers in the higher education sector.

Since publication we have briefed MPs on the report including: Gordon Marsden (Shadow Minister for HE, FE and Skills) and Nic Daikin (Co-Chair of the All Party Parliamentary Group on Skills and Employment). Peter Kyle MP has submitted a written Parliamentary Question to the Skills Minister concerning the issues raised in the report. The Director of the CBI has now made a statement seeking flexibility in use of the Apprenticeship Levy which is in line with our recommendations.

We have continued to meet with representatives from BIS regarding higher and degree apprenticeship implementation and have had the opportunity to raise our concerns about the possible negative impact on Employer Sponsored Degrees. We have been working closely on this with the Open University. On 16 March we hosted the launch of UUK's report on the delivery of degree apprenticeships "The Future Growth of Degree Apprenticeships" which drew an audience of leading participants in the higher and degree apprenticeship field.

We have been promoting our concept of the Family of Educational Institutions (appendix) and had a positive response from several MPs including Gordon Marsden and Jess Phillips (PPS to the Shadow Education Minister). We will be circulating a short briefing paper to selected MPs and other opinion formers in the next few weeks.

We met with Shadow Health Minister Heidi Alexander to brief her in advance of an Opposition motion against the Government's policy of ending NHS bursaries. The School of Health and Social Care has continued its series of high profile public debates, with one on 10th May on the subject of Nursing Associates.

On 19th April we held a workshop, led by LSBU-based think-tank Collaborate, on universities as "anchor institutions" and partnership working between universities and their local communities. The key note speaker was Lord David Blunkett and we had a large audience featuring representatives of key sector organisations including UUK and HEFCE. We have continued to work closely with Southwark and Lambeth Councils and have developed a Memorandum of Understanding with Lambeth Council featuring a wide range of co-operative programmes, and have revisited Lewisham Council to try and progress further links.

5.0 Strategic Enablers

5.1 Academic Pathway - Promotions Round

The promotion round for 2015 has now concluded. The Stage 2 Academic Promotions panel met on 15 March to review the applications and external references for Associate Professors and Professors that were successful at Stage

1. The Stage 2 panel took final decisions on promotion applications for academic staff in the aforementioned categories. The outcome of that meeting is as follows:

- 3 members of staff were promoted from Lecturer to Senior Lecturer.
- 9 members of staff were promoted from Senior Lecturer to Associate Professor
- 6 members of staff were promoted to Professor Level A

89% of those promoted were female and there is a representative spread of promotions from across all the Schools and academic subject areas.

5.2 LSBU Local Agreement

Local negotiations with UCU on the Part B Agreement for academic staff had stalled, with UCU local officials indicating that they were not inclined to negotiate any changes. UCU regional officials have intervened and initial conversations with a much smaller working group, including the Regional Official, have started. The DVC will update at the meeting.

5.3 Strike Action.

UCU have confirmed that based on their ballot of members on the issue of pay there will be a national strike planned for the 25 and 26 May with staff working to contract from the 25th May.



Appendix

South Bank Technical Institute: developing a college system for the 21st century

London South Bank University

[DRAFT] May 2016

Confidential

1 Background

- 1.1 London South Bank University ("**LSBU**") has been developing the concept of a group structure to create a 'family of educational institutions' which could complement each other in the provision of educational opportunity for local people, business and the professions. It is expected that the group will work to a shared mission and that each entity within the group will utilise a highly applied approach to learning.
- 1.2 The concept provides a means to balance the need for central government oversight with the need for local flexibility. This will take on increasing prominence within the context of increasing focus on devolution. Accountability for meeting local needs would be managed via the group in collaboration with local stakeholders and the group itself would be held accountable for delivery.
- 1.3 The aims of the group would be to remove artificial divides between levels of learning and types of learning as well as providing the subject coverage and qualifications required to support individuals, business and the professions.
- 1.3.1 **Student Success:** Utilising the group's specialisms and capacity to support a more individualised approach to learning, as opposed to an institutionally focused approach, so helping people reach their true potential.
- 1.3.2 **Real World Impact:** Engaging with employers, community groups and local government to ensure that the educational offer supports the regional agenda(s).
- 1.3.3 **Access to opportunity:** Providing a ladder of qualifications and support from across the group to enable people to step on and off their educational journey as determined by their needs and life circumstance.

2 Progress to date

- 2.1 LSBU has recently created South Bank Academies, which has a single board with local governing bodies overseeing each of the two Schools that it runs. This trust is intended to help ensure the sharing of resources and alignment of mission and culture under an agreed strategy – it can also facilitate joint activities. The local governing bodies ensure effective local delivery aligned with community needs. Each School operates under a head teacher with responsibility for day to day running of the school in line with the agreed strategy.
- 2.2 The University has grown its sponsored education to c7000 student numbers making it the largest provider of employer based education in the UK. LSBU is also seeing some of the fastest growth in graduate employment in the UK. It has launched a number of degree level apprenticeship programmes in partnership with Trailblazer consortia and is seeking to further develop these employer partnerships.
- 2.3 The University has committed to opening an Institute of Professional and Technical Education (working title: "IPTE") to provide vocational progression routes based around the apprenticeship model. The University registered with

the SFA in 2015 and is already delivering degree apprenticeships over levels 4-6. The development of the IPTE as a University department in the first instance is intended to provide a level 3 gateway into these apprenticeships and will operate from Autumn 2016.

- 2.4 Whilst at different stages of development the University has engaged with Southwark, Lambeth and Lewisham councils via the development of MoUs to support the councils in meeting their strategic objectives and is seeking to further strengthen these links and the ability for the University to support its local communities.

Next steps

- 2.5 The group would benefit from some further education capacity to support progression into further study or work and to aid the development of the university's new vocational offer around apprenticeships. This would be delivered through a single legal entity based on a hub and spoke model. This legal entity would oversee local provision delivered through a system of 'centres' across the key local boroughs. The entity (SBTI) would have a single Board to ensure effective use of resource across the centres and to ensure central oversight of issues such as quality of provision and financial sustainability.
- 2.6 The name of the SBTI and the names of the local centres would be selected to recognise specialisms and the need for local brands. The centres would require local advisory boards to oversee delivery in line with the needs of the local communities. The public face of SBTI would be the 'centres'. These would ideally be developed in collaboration with the key local boroughs and employers.
- 2.7 It is anticipated that SBTI would deliver a range of activity but with specialisms in:
- 2.7.1 Construction and engineering
 - 2.7.2 Health science and social care
 - 2.7.3 Hospitality and business
 - 2.7.4 Digital and creative technologies

Each 'centre' may well deliver a range of provision across levels 1-4 but there would be the opportunity at levels 3-4 of providing some specialisms at the different locations.

- 2.8 The group would also ideally benefit from specialist adult community education provision to create an 'extramural arm' to the offer. Given the specialist nature of the work it is envisaged this would be maintained as a separate vehicle, for example with a separate local governing body.
- 2.9 LSBU's charitable Objects are to provide public benefit via the advancement of education, promotion of research and dissemination of knowledge. It is to provide full and part time courses of education at all levels and to provide facilities to promote these objects and provide associated support and welfare for students. LSBU's Articles contain an express power to co-operate with

other institutions and to enter into other engagements and accept other obligations.

- 2.10 Clear compatibility of the charitable objects of LSBU and other members of the group would need to underpin these collaborative agreements. This would enable the group to function as a whole across areas including:

2.10.1 Curriculum offering.

2.10.2 Provision to staff and students within the group.

2.10.3 Estate utilisation.

2.10.4 Shared services.

	CONFIDENTIAL
	PAPER NO: BG.13(16)
Paper title:	Corporate Strategy Progress Report
Board/Committee	Board of Governors
Date of meeting:	19 May 2016
Authors:	LSBU Executive
Executive/Operations sponsor:	Pat Bailey, Deputy Vice Chancellor
Purpose:	To present a mid-year progress report for each of the goals of the Corporate Strategy, with the latest set of results for the 14/15 Key Performance Indicators, and related commentary.
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	This report outlines progress made against each of the goals of the Corporate Strategy 2015-2020 as at the third quarter of 15/16.
Recommendation:	The Board is requested to consider and note the progress report.

Matter previously considered by:		
Further approval required?	n/a	

Executive Summary

An executive summary of progress in 2015-16 is provided at the start of the report, followed by data and commentary on the specific KPIs linked to each of the goals.

The Board is invited to comment on the data and progress.

Corporate Strategy Progress Report : May 2016

DVC Executive Summary:

Summary of overall progress on goals of Corporate Strategy – DVC (Pat Bailey)

This mid-year review provides us with a snap-shot of progress since November 2015, and allows us to identify some of the actions and achievements that should enable us to meet the corporate targets.

This is the first academic year of the fully restructured University (School executive teams, the new academic framework, and major changes to PSG support all came into effect from September 2015). All of these have been introduced with relatively few problems, although there have inevitably been some operational issues that have needed resolving in-year. The major successes have been:

- The DLHE results (both employment and graduate employment figures)
- The successful completion of the EDISON project phase 1, providing a step change in the ICT infrastructure for the University
- As part of EDISON, 'Learner Analytics' will be sector leading, and will take effect over the next few years as it informs the educational support
- New educational space provided for groups to be led by the Director of Research Informed Teaching and the Head of Digitally Enhanced Learning (both just appointed)
- A number of major research grants won, most notably the €5M CryoHub project (LSBU lead, with €1.3M to LSBU), £3.7M Innovate project (£575k to LSBU), and TWI grants
- Transnational Education (TNE) strong in BUE (Egypt), and developing in Bahrain
- Year 1-to-2 progression up 2.5% to 72%, although short of our 75% target
- Equality, Diversity and Inclusion (EDI) has made huge strides through the Stonewall ranking (top 100), Athena SWAN registration, and the diversity networks
- The opening of the Elephant Studios (digital media)

The average entry tariff has risen by about 10 points in each of the last two years, which is having an impact on retention and league table performance, but has meant that undergraduate student recruitment has been challenging – we were about 150 students below target for the 2015 intake. Applications this year have been slightly down (-1.5%), but a range of actions have led to a higher conversion rate, so we are hopeful of meeting the 2016 intake targets. Our league table position is steadily improving and we had one of the highest percentage increases in score, but we are still outside the top 100 UK universities – please see section 9.

Crucial developments for the remainder of 2016 are the installation of the new HR IT system, improving our international recruitment, and securing more funding through research and enterprise. In addition to this, a range of major Estates development plans need to be put in place before the end of 2016, to transform the campus by 2019.

Major changes are taking place in HE (e.g. governance/QA bodies, funding routes, TEF), and we need to remain nimble; in this regard, we are developing a range of Apprenticeship courses, and working closely with the local Borough Councils to determine the best way that we can support the FE-to-HE transition of students.

Goal:		1: Employability					
#	Key Performance Indicator	2012/13	2013/14	2014/15	Competitor Group 12/13 average	2015/16 Target	Forecast RAG rating
1	DHLE entry to employment or further study (EPI)	77.4%	85.50%	90.2%	88.5%	93.0%	90.4 %
2	Number of Student start ups	6	1	30	47.86	50	

Executive Commentary: *(PVC S&E - Shân Wareing)*

The DLHE result is yet to be formally returned and published, but looks set to be a small improvement on last year's result at 90.4%. Liaison with academic colleagues was very effective in generating the required responses.

The Higher Education Achievement Record (HEAR) is now underway. This new electronic document will supplement academic transcripts in supporting graduates in successfully seeking employment.

An IT project is currently underway to deliver a new tool for managing placements across the University. This tool will address quality concerns in the School of Health, and will enable more effective promotion and management of opportunities in other academic areas.

Additionally, a recruitment agency approach is in development which will also enable a more systematic approach to the generation and allocation of internships and temping opportunities for all LSBU student and graduates.

Related Risk Matters:

The risk remains that the LSBU curriculum changes might not be implemented effectively or consistently across the university.

The establishment of the CRIT will start to address this issue, and further mitigation will be through effective leadership and adequate support.

Placements involve risks around health & safety, quality. UKVI (attendance monitoring), and student experience (consumer law). Mitigations are currently being scoped.

Goal:		2: Student Experience						
#	Key Performance Indicator	2012/13	2013/14	2014/15	Competitor Group 12/13 average	2015/16 Target	Forecast result	Actual Result
3	NSS scores – overall satisfaction	82%	80%	82%	82%	84.0%		
4	International Student barometer (% recommending LSBU)	73.00%	72.40%	-	not available	75.0%		77.0%
5	PGT experience (% satisfaction)	75%	77%	74%	not available	77.0%		
6	Student Staff Ratio	24.2:1	17.2:1	16.4:1	21.2	17:5		

Executive Commentary: *(PVC S&E - Shân Wareing)*

After taking a break from the International Student Barometer survey in 1415, there were good results in this year's survey, with the % recommending result exceeding the target set.

The appointment of Kirsteen Coupar as the Director of Student Support & Employment provides a key leadership role for the areas of student support, administration and employability.

The key areas of focus for student progression are to ensure that induction, enrolment, re-enrolment & withdrawal processes give opportunity for intervention and support that may enable students to feel part of the community. The Learning Analytics project, in collaboration with IBM, will enable LSBU to focus our efforts on those groups of students or individual students most at risk of non-progression.

The NSS Survey is currently being undertaken, and the response rate is ahead of the same point last year. The survey closes at the end of April, and the results are announced in August.

Projects currently in delivery include: improvements to the appeals and complaints process, personal tutoring, peer assisted learning, student attendance and engagement, student voice, and feedback projects.

Related Risk Matters

Many of the projects and initiatives in this area involve information technology, and there is a risk that they may not be delivered within anticipated timescales or that some support requirements could be under-resourced once plans are realised. To mitigate, the Executive collaborate to prioritise high impact activity and the ICT pipeline is reviewed by the Operations Board.

Goal:		3: Teaching & Learning						
#	Key Performance Indicator	2012/13	2013/14	2014/15	Competitor Group 12/13 average	2015/16 Target	Forecast result	Actual Result
7	Graduate level employment	59%	54%	75%	n/a (local indicator)	77.0%	81.0%	

Executive Commentary: *(PVC S&E - Shân Wareing)*

Two key new posts are now filled in the area of Teaching & Curriculum Development with the appointment of Dr Saranne Weller as Director of Research Informed Teaching, & Marc Griffith as Head of Digitally Enhanced Learning. Both will work towards research informed teaching and learning at the University, which will provide students with the critical skills to impact their chosen industries. Dr Weller will establish and lead an innovative new Centre for Research Informed Teaching (CRIT) to enhance teaching practices and pedagogic research as part of staff's continuing professional development. The Centre will also develop students as researchers, equipping them with critical graduate-level skills to contribute to developments in their industries or disciplines.

The expected DLHE result for Graduate Level employment for all leavers is a further improvement on the 14/15 figure.

Related Risk Matters

The continued uncertainty around the mechanism that will be selected to operate the TEF means there is a real risk it could focus attentions and effort on metrics that have no real link with pedagogy or teaching excellence.

The launch of the HEFCE quality assessment framework in March and the associated tenders does mean there is now a real risk that Quality Assurance procedures could be operated by a range of uncoordinated agents in a way that could draw further focus and effort away from the classroom. LSBU continues to monitor developments and make representations wherever possible.

Lack of alignment between enabling processes and systems (e.g. staff development provision, the technology enhanced learning infrastructure, and reward and recognition, and budget constraints) could result in a loss of enthusiasm and forward momentum – investment in new posts, project management, and the development of an explicit roadmap are mitigating this risk.

Goal:		4: Research & Enterprise						
#	Key Performance Indicator	2012/13	2013/14	2014/15	Competitor Group 12/13 average	2015/16 Target	Forecast result	Actual Result
8	Research Income (non Hefce)	£2.2m	£1.8m	£2.0m	£6.1m	£2.2m	£2.0m	
9	Enterprise Income	£8.5m	£9.4m	£8.7m	not available	£10.2m	£9.6m	

Executive Commentary: *(PVC R&E - Paul Ivey)*

Considerable progress has been made with the reporting process for all research and enterprise pipelines, with a new Cognos report developed by ICT which draws live information from the Raiser's Edge stakeholder CRM system, and these reports are provided to each Operations Board.

During February contract signature was secured for a total value of £738k for three EU Horizon 2020 grants and a Cancer Research UK award.

A new approach to bid approval and contract management has been developed by the Compliance and Systems team, and looks set to ensure greater consistency in meeting funder requirements and audit obligations, as well as ensuring full consideration of strategic fit prior to the commitment of institutional resources.

Pump priming investments have started to grow the number of PHD students.

Despite this, forecast amounts are below targets set for this year as illustrated above.

TNE activity is more stable and has the potential for sustainable income growth year on year. The significant partnerships are with the British University in Egypt, the Applied Science University In Bahrain and Chongqing Jiao tong University in China: the first of these is the more developed and is the major current focus of activity.

Related Risk Matters

School staff capacity and capability needs further development, and staff incentive schemes are currently being considered.

Sustained review of Unit of Assessment performance over successive years is required to ensure the REF2020 submission achieves the intended outcome.

Goal:				5: Access				
#	Key Performance Indicator	2012/13	2013/14	2014/15	Competitor Group 12/13 average	2015/16 Target	Forecast result	Actual Result
10	% recruitment from low participation neighbourhoods	7.3%	7.4%	7.7%	6.4%	8.0%		8.4%
11	FT UG recruitment pre-clearing applicant %	68.0%	76.0%	79.2%	not available	80.0%	78.4%	
12	First Degree Completion (at or above benchmark)	-6.7%	-9.5%	-7 %	-3%	-4%		
13	Year 1 progression	70.1%	69.1%	69.5%	not available	75%	71.9%	
14	Good Honours		61%	61.2%	62.2%	60 - 65%		
15	PG completion	67%	54.8%	61.5%	not available	70.0%		

Executive Commentary: (C.O.O. - Ian Mehrtens)

- Following a slow start application numbers are rising and as at the 4th April 2016 LSBU is now just -1.63% (355 applications) behind the number of application received at the same point last year, which is
- The home / EU FT Postgraduate recruitment market is currently 51% up on last cycle in terms of firm acceptances (323 vs 214), with the part-time postgraduate market also up slightly, 3%, on last year (99 vs 96).
- According to recent analysis the progression and retention rate for LSBU is improving. The most recent figure is 71.9% in comparison with the previous year's figure of 69.5%.
- The LPN % statistic improved by 2 percentage points.
- LSBU is taking an active approach to the opportunities available through offering degree apprenticeships.

Related Risk Matters

- The continued effect of the SNC cap removal means that year on year cycles are continuing to fluctuate and impact on meaningful cycle trend analysis. As a result conflicting pressure regarding entry tariff and recruitment numbers require delicate judgments, despite the ambition for LSBU to have less need for recourse to clearing applicants.
- Demographic shifts mean the number of 18-20 year olds is anticipated to fall by 100,000 by the year 2020, which means competition for young UG entrants is likely to become even more intense.
- Building relationships with employers will be key to generating the potential students numbers that could be attracted to higher & degree apprenticeships

Goal:		6: Internationalisation						
#		2012/13	2013/14	2014/15	Competitor Group 12/13 average	2015/16 Target	Forecast result	Actual Result
16	QS Star Rating	n/a	2 (prov.)	3 stars	not available	3	3	
17	Overseas student income	£8.8m	£8.5m	£10.6m	£29.5m	10.9	£8.8m	

Executive Commentary: *(PVC R&E - Paul Ivey)*

Sustained activity by the International Office team and an audit by Penningtons which highlighted areas of focus meant that the UKVI Licence was successfully retained early this year, with no outstanding issues. CEG students have been taken out of the LSBU licence and this has had further positive impact..

However the overseas tuition fee income has fallen year on year.

A restructure of the Leadership of this area is underway, with interviews having taken place, and will see this Professional Function represented at Operations Board.

An LSBU Partnership model is in development to establish baseline of performance and quality criteria for all partnerships, and will provide solid foundations for future developments.

Related Risk Matters:

Government policy remains problematic, with overseas enrolments across UKHE only rising by 0.6% in 14/15.

This high competition coupled with the care needed to ensure the visa refusal rate remains below 10% means that the development of agent networks and exploitation of the South Bank location is key to meeting forward recruitment targets.

Goal:		7: People & Organisation						
#	Key Performance Indicator	2012/13	2013/14	2014/15	Competitor Group 12/13 average	2015/16 Target	Forecast result	Actual Result
18	Appraisal completion %	28%	37%		Not available	95%		
19	Average Engagement Score as as %	58%	-		70%	55%		

Executive Commentary (*EDHR - Mandy Eddolls*)

LSBU's new Diversity and Inclusion Strategy 'All People Matter', was presented to March Operations Board and sets out LSBU's vision, commitment, impact and approach towards diversity and inclusion over the next five years, and outlines how key business benefits can add to our competitive advantage.

Positive progress has already been achieved, evidenced by the result of the 2015 Stonewall Workplace Equality Index survey which placed LSBU in the top 100 employers in the survey with regard to LGBT matters.

Additionally, a new Gender Network was launched in January, and there was a great turn out for the events organised for National Women's Day on the 9th March.

The Staff Engagement survey was carried out in second half of March, and showed a 21% increase in participation rate and a staff engagement score of 58%.

We have been awarded a Bronze Award from the Royal Society for the Prevention of Accidents (ROSPA) to recognise our work on providing a safe workspace.

Related Risk Matters

There has been some delay to the commencement of the project to implement a new HR system, and this means that there will be a delay to the shift to the target operating model envisaged for the start of the next academic year, and further delay with achieving the shift in the increased data reporting capability.

Goal:		8: Resources & Infrastructure						
#	Key Performance Indicator	2012/13	2013/14	2014/15	Competitor Group 12/13 average	2015/16 Target	Forecast result	Actual Result
20	Surplus as % of income	4.0%	2.3%	0.9%	9.6%	0.7%	0.7%	
21	Income (£m)	£137.9m	£134.8m	£140.8m	£188.2m	£142.8m	£138.4	
22	EBITDA margin (EBITDA £ %)	12.6%	11.4%	9.2%	9.2%	11.50%	11.8%	
23	Satisfaction with facilities & environment	80%	83.0%	87.7%	82.7%	88.5%		
24	Teaching room utilisation rate	23%	22%	21%	not available	25.0%		

Executive LDP Commentary: (C.O.O. -Ian Mehrtens)

- Missing target income for overseas and new UG Home/EU students means that the total income forecast is a little behind target, but careful cost control means that the surplus % is on track. **(KPI 21, KPI 20, KPI 22)**
- The new “Elephant Studios” digital media facility opened in January, a new four million pound studio complex with cutting-edge production facilities for creative industries students. It is available for external hire from summer 2016, and will enable future enterprise opportunities for the School of Arts & Creative Industries, as well as stimulating inter disciplinary collaboration between technologists across LSBU. **(KPI 23)**
- There has been a focus for delivering social learning spaces around campus that have been well received by the student community. These should begin to have a real impact on student satisfaction ratings with facilities and environment **(KPI 23)**
- The development plan for the Southwark campus needs to be further developed to provide focus for deployment of resources in estate development in short term, staff engagement with future opportunities and to ensure that social learning spaces, classrooms and laboratories can continue to meet needs of digitally native students and incorporate current technologies. **(KPI 23)**
- The consolidation of the Academic Related Resources Professional Function, with ICT, the Library and Technicians now united under common leadership now means that the staff within the new CRIT centre have a more focused environment in which to drive forward technological change and pedagogic and service improvements in the digital campus experience. **(KPI 23)**
- Levels of Customer Service identified through the ICS self-assessment model show that whilst there are significant pockets of excellence (notably Academy of Sport, and Library services) standards are not consistent across the institution, and more needs to be done to ensure that the pockets of excellence are used to bring other areas up to a common standard. **(KPI 23)**
- The Estates CMIS centralised timetabling project began in Semester 2 and will develop fully for Semester 1 2016/17 with the web based service, CMIS-GO. This will deliver real improvements to the information provided to all service stakeholders **(KPI 23)** as well as increases in the efficiency of the allocation process and the utilisation rates in buildings across campus. **(KPI 24)**

Related Risk Matters

- Delivering income targets,
- Ensure the success of the final stages of the CMIS GO project.
- Continue to invest in ICT development

University Level:		9: League Tables						
#	Key Performance Indicator	2012/13	2013/14	2014/15	Competitor Group 12/13 average	2015/16 Target	Forecast result	Actual Result
25	TIMES - League table ranking	118/121	122/123	120 / 127	92.3	115		
26	GUARDIAN – League table ranking	113/119	112/116	111 / 119	87.1	100		
27	COMPLETE UNIVERSITY GUIDE – League table ranking	119/124	120/123	119 / 126	85	115		115 / 127

Executive Commentary (DVC – Pat Bailey, incorporating analysis from the Business Intelligence Unit)

The Complete University Guide result was published in April, and was a good result for LSBU, achieving the target result, and moving 4 places up the table.

LSBU placed in joint 115th position (tied with Southampton Solent), four places higher than in the 2016 iteration. LSBU overtook five institutions (St Mary's Twickenham, Bishop Grosseteste, Bedfordshire, Cumbria and St Mark & St John), and one institution (Norwich University of the Arts) entered the table for the first time.

The measures that hold LSBU back from placing in the top 100 institutions are:

- Entry standards – ranked 122nd
- Student satisfaction – ranked 106th
- Good Honours – ranked 114th
- Degree Completion – ranked 125th

The highest ranking measures for LSBU in the 2017 table were Graduate Prospects (62) and Academic Services Spend (44). As a result of these higher placed measures, it is not necessary for all measures to place in the top 100 to attain an overall top 100 ranking.

The universities behind LSBU are Southampton Solent (equal), Newman, St. Mary's Twickenham, Bishop Grosseteste, Bedfordshire, Cumbria, Bolton, Trinity St. David's, St. Mark & St. John, Glyndwr, East London, London Metropolitan.

LSBU increased its total score by 3.3%; this represented the 15th highest increase in the table. Universities of Greenwich and Middlesex (Aspirational Group members), also saw their scores increase, with resulting increase in rankings.

	CONFIDENTIAL
	PAPER NO:BG.14(16)
Paper title:	Report from the Chief Financial Officer
Board/Committee	Board of Governors
Date of meeting:	19 May 2016
Author:	Richard Flatman, Chief Financial Officer
Executive/Operations sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	To update the Board on financial matters.
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	Financial sustainability.
Recommendation:	The Board is requested to note the report. There are no matters requiring approval.

Matter previously considered by:	Board of Governors	At each meeting
Further approval required?	N/A	On:

Attachments:

Appendix 1: Management accounts summary

Report from the Chief Financial Officer: April 2016

1. Financial performance

As reported in the last Board update, in order to ensure that the University delivers on budget in terms of surplus for 15/16 the Executive Team took the decision to build in cost reductions of £3.2m into our 15/16 activity when compared with our original budget (equivalent to 2.25% of budgeted total expenditure of £141.7m). This followed a review of future spend. The savings agreed by the Executive included a reduction in Academic staff growth to deliver a £1.0m saving, a reduction in professional services staff growth to deliver a £0.75m saving and reducing Operating Expenses (across all areas within the University) to deliver savings of £1.5m.

As a result of that action, in the full year forecast as at March 2016 the University is trending towards a surplus of £1.0M. This would deliver the University on budget.

The key reason for the savings was the shortfall in Home/ EU Undergraduate and Overseas recruitment. There has however been a year on year increase in new Postgraduate students and in new part-time Undergraduate students and the total number of students enrolled on all courses currently stands at 19,947 which is the largest population since the 2011/12 academic year.

After the above adjustments, the University is still forecast to grow its normal operating income by £1.7M year on year, an increase of 1.2%, and will be investing an additional £1.9M in staff year on year. EBITDA at 11.8% is ahead of our target for the year of 11.5%. The balance of cash and investments at £47.2M is also ahead of our averaged target for the month of £43M. Our recurring staff cost expressed as a % of income, once we have adjusted for the £1.5M restructuring provision, is also in line with the 55% target.

It should be noted that the University also holds a contingency of £0.5M in our forecast to cover any provision required for bad debt and has funds set aside in the budget to cover in year re-structuring costs (£1.5m). These possible positive adjustments may be offset by a negative adjustment for higher pensions interest payable as a result of the implementation of new Financial Reporting Standard (FRS) 102 although our current best estimate is factored into the latest forecast.

2. Funding letter

The HEFCE Recurrent Grant letter was received on April 19 although it is embargoed until 6 May 2016. The letter outlines the funding that the University will receive for its Teaching, Research and Enterprise activities for 2016/17.

The amount the University has received from HEFCE has been reducing over the last few years as the funding for a University education has transferred from HEFCE to the student. The recurrent grant also includes funds to enable widening access and social mobility through the Student Opportunity fund. The government has been indicating that these funds will be retargeted and reduced and so the University in both its most recent 5 year forecast and initial 16/17 budget targets has been factoring in an assumed reduction of 40%.

The total funding of £12.2M as indicated in the letter is a reduction of £1.6M (11.5%) as compared to 15/16, analysed as follows.

- £0.6M is a reduction in Student Opportunity Funding
- £0.7M is a reduction in Other targeted Allocations linked to the reduction in 'Old Regime' students
- £0.2M is a reduction in High Cost Student Funding
- £0.1M is a reduction in QR and HEIF.

The reduction in Student Opportunity funding was not as large as had been anticipated and the net impact is an additional £0.8M of revenue available for 16/17. The Executive are currently determining the impact that this additional revenue could have on the University's investment priorities in 16/17.

The letter also confirms that there are no material adjustments in relation to previous year's grants or to scaling factors which could impact our overall funding. We have also had confirmation from HEFCE under separate cover (following discussion by HEFCE Board in early March) that there will be no adjustments to in-year funding for 2015/16.

So to summarise, there are no material adjustments to existing funding and the funding letter for 16/17 is £800k better than we anticipated. However there is still a risk to our funding in 16/17 as the funding letter from BIS to HEFCE only covers the period 1/4/16 to 31/3/17. Our funding for the period 1/4/17 to 31/7/17 is based at this stage on indicative funding available to HEFCE for the year 2017/18 and is therefore potentially subject to change. At this stage therefore, the intention is to not release the £800k for budgeting purposes.

3. Annual Assessment of Institutional Risk

As verbally reported to the last Board meeting, the University has now received its annual risk letter from HEFCE, setting out their assessment of LSBU's institutional risk.

This letter is the outcome of HEFCE's annual accountability review process and their opinion is that LSBU is considered to be "not at higher risk at this time". There are no caveats or other qualifications around the "not at higher risk" assessment. This represents the highest assessment rating. In the past few years we have also been rated as "not at higher risk" but have received qualifying statements around on-going discussions with senior management regarding student numbers and recruitment levels.

4. Other matters

4.1 Procurement Maturity Assessment

LSBU's Procurement team have engaged in the sector-wide Procurement Maturity Assessment and have been rated as 'Superior'. We are only the second institution of our size in the sector to achieve this rating.

The Procurement Maturity Assessment is an independent detailed assessment of the Procurement function, providing benchmark scores against similar institutions, a baseline to measure improvements, and a bespoke action plan for improvement.

The purpose of the assessment is to help institutions to understand and improve the efficiency and effectiveness of their procurement functions, which can, in turn, lead to significant efficiency savings. Over 95 institutions have taken part in the assessments since they were introduced.

4.2 The TRAC(T) Return

The Transparent Approach to Costing for Teaching Return - TRAC(T) was submitted on time on the 22/04/2016 following a review by the Business Intelligence Unit. This is a mandatory return based on a subset of the TRAC dataset. The purpose of the return is to provide benchmarking data to HEFCE for the cost of delivering teaching activities at a HESA cost centre level.

More details will be provided for the June Audit Committee. The key outputs were as follows.

- (a) The mean cost for LSBU per Funding Council FTE student for 2014/15 was £8,598 (£8,400 for 2013/14) based on 6,627.11 FTE's and applicable costs of £56.981M.
- (b) The mean cost for our peer group was £8,307. (Peer Group E includes 42 Universities including London universities such as London Met and the University of West London as well as other large metropolitan universities.)

APPENDIX 1

March management accounts summary

1) This Executive Summary reports on the Financial position of London South Bank University as at 31 March 2016 and summarises the changes since the February forecast

2) RAG Status

Income Growth 1.2% <i>excluding EDISON</i>	Staff Cost Growth 2.5% <i>excluding EDISON & restructuring</i>	Staff Cost % 55.3% <i>excluding restructuring</i>	Opex Growth -2.1% <i>excluding EDISON</i>	FYF Surplus 0.7%	EBITDA 11.8%
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3) Summary

The full year forecast as at March 2016 is trending towards a surplus of £1.0M, this is a similar position to last month and would deliver the University on budget.

There have been no significant changes to the forecasts during March. The University is delivering to the adjusted budget which reduced Operating Expenses and reduced the rate of Staffing appointments as a consequence of lower than expected enrolment numbers.

Whilst there has been a year on year increase in new Postgraduate students and in new part-time Undergraduate students, the lower than expected enrolment numbers in full-time Undergraduates has made it challenging for the Schools portfolio to deliver to its budget and only the School of the Built Environment & Architecture and the School of Engineering are forecast to deliver over budget.

In terms of professional functions, Academic Related Resources is off budget due to increased ICT spend whilst Knowledge Transfer and Enterprise is off budget due to changes to funding of the Confucius Institute.

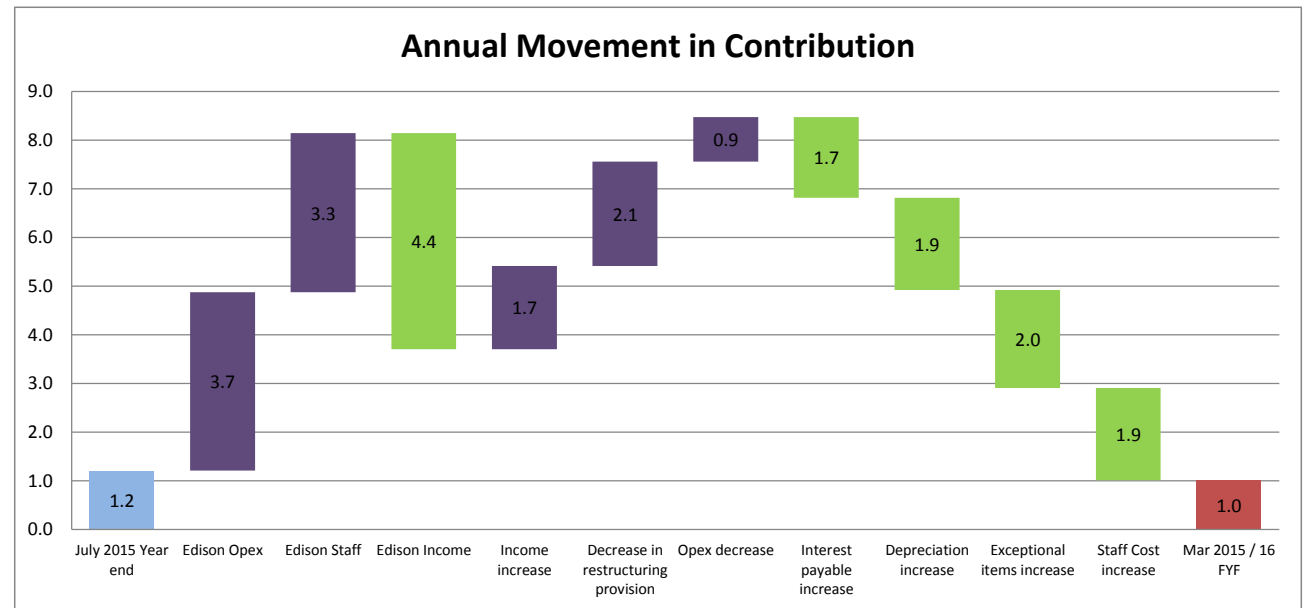
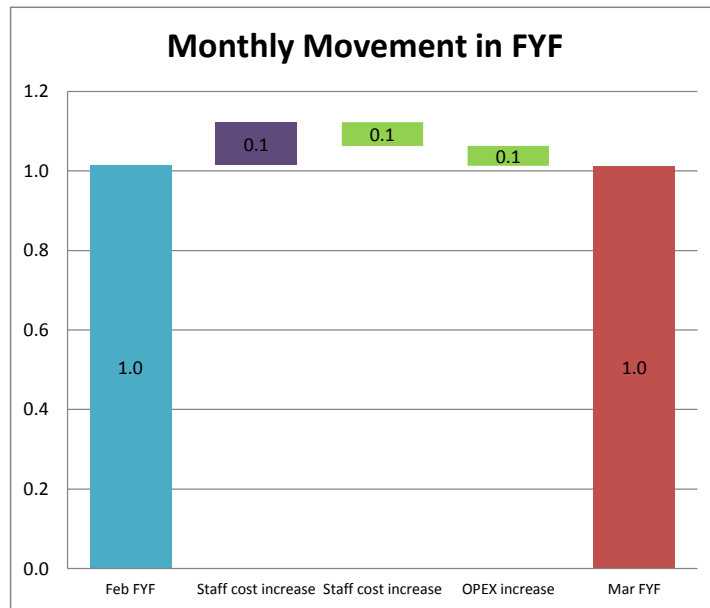
4) Table 1: Full Year Forecast vs. Budget

Financial Summary in £'m	14/15 Actuals	15/16 Budget	Change %	Feb 15/16	Monthly Move	Mar 15/16	Budget variance (%)	Budget variance (%)		Mar 14 / 15 YTD	Mar 15 / 16 YTD	variance to 14/15	variance to 14/15
Funding Grants	14.8	13.4	-10%	13.4	0.0	13.4	0.0	0%	-9%	10.4	9.3	-1.2	-11%
Health - Contract	24.8	24.9	1%	25.2	0.0	25.2	0.3	1%	2%	16.2	16.5	0.3	2%
Home / EU UG Fees	54.2	58.7	8%	57.4	0.0	57.4	-1.3	-2%	6%	54.9	57.9	3.0	5%
Home / EU PG Fees	6.4	7.7	20%	7.6	0.0	7.6	-0.0	-1%	19%	6.3	7.7	1.4	22%
Overseas Fees	10.6	10.9	3%	8.8	0.0	8.8	-2.1	-19%	-17%	10.7	8.8	-1.9	-18%
Research Activities	3.9	4.0	3%	3.9	0.0	3.9	-0.1	-3%	-1%	2.6	2.5	-0.2	-6%
Enterprise Activities	8.5	10.2	21%	9.6	0.1	9.6	-0.6	-6%	14%	4.9	5.7	0.8	15%
Student Related Income	10.7	11.2	4%	11.1	0.0	11.2	-0.0	-0%	4%	7.2	7.6	0.4	6%
Other Operating Income	7.0	1.5	-79%	1.1	-0.0	1.1	-0.4	-28%	-85%	1.4	0.7	-0.7	-51%
Endowments & Interest	0.3	0.2	-39%	0.2	0.0	0.2	0.0	0%	-39%	0.2	0.2	0.0	7%
Income	141.1	142.7	1%	138.3	0.1	138.4	-4.3	-3.0%	-2%	114.9	116.8	1.9	2%
in £'m													
Academic Staff Costs	42.1	41.8	-1%	39.4	0.0	39.5	-2.4	-6%	-6%	25.7	25.1	-0.7	-3%
Support & Technicians	32.2	36.9	15%	35.8	0.2	36.0	-0.9	-3%	12%	20.7	22.1	1.4	7%
Third Party Staff	7.2	2.1	-71%	2.5	0.0	2.5	0.4	20%	-65%	2.4	1.7	-0.7	-29%
Depreciation	8.8	10.7	22%	10.6	0.0	10.6	-0.0	0%	22%	5.8	6.5	0.7	12%
Operating Expenses	46.7	43.5	-7%	42.0	0.1	42.2	-1.3	-3%	-10%	24.1	24.2	0.1	0%
Interest Payable	3.0	4.7	58%	4.6	0.0	4.6	-0.1	-1%	56%	2.0	3.2	1.2	57%
Exceptional Items	0.0	2.0	0%	2.2	-0.2	2.0	-0.0	-1%	0%	0.0	0.0	0.0	0%
Expenditure	139.6	141.7	2%	137.3	0.1	137.4	-4.3	-3.0%	-2%	80.8	82.8	2.0	3%
Surplus for the year	1.2	1.0	-17%	1.0	-0.0	1.0	0.0	0.0%	-16%	34.1	34.0	-0.1	-0%
Surplus as % of income	0.9%	0.7%		0.7%		0.7%				60%	60%	YTD Staff Cost %	
Surplus per student FTE	£82.0	£71.5		£76.8		£76.8				52%	56%	YTD OPEX Cost %	
										58%	58%	Total YTD Cost %	

5) Forecast Summary

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The monthly movement in Full Year forecast is due to the transfer of funds from the Investment Pot to the areas that have the approved expenditure. These have included the Winter Intern Programme in Student Support and Research & Enterprise activity within the School of Arts & Creative Industries. There are no cases of budget holders trying to pull back from their required savings.



The University is forecast to grow its normal operating income by £1.7M year on year, will be investing an additional £1.9M in staff year on year and has £2.0M remaining in Exceptional items to support Research and Enterprise activity and committed investment funds. Following the Operating Expense reduction the University is expected to spend over £0.9M less on recurring expenses than last year.

The University is benefitting from a £2.1M reduction in the restructuring provision for the year which currently stands at a forecast £1.5M as compared to last years £3.6M. This however has been offset by a forecast £1.7M increase in interest payable relating to FRS17 Pension costs and a £1.9M increase in depreciation due to our investments in capital expenditure.

6) Risks and Contingencies

The Full Year Forecast contains a number of risks primarily now to do with retention. The final 50% of an Undergraduate's Tuition Fee is only payable if there is activity in in the final Semester and so student engagement this month has direct financial consequences. We returned £0.5M in March to students that had withdrawn or interrupted bringing our total for the year to £2.5M. We are holding £0.5M of further refunds in our income forecast, which is why our YTD Home / EU UG Fee income of £57.9M is higher than the Full Year Forecast of £57.4M. Whilst we have billed our entire PG and Overseas full year income forecast there is also a risk to our Research Grant income where we have billed £2.5M against a £3.9M forecast and our Enterprise activities where we have billed £5.7M against a £9.6M forecast.

To balance some of these risks, we still hold a contingency of £0.5M and a staff restructuring provision of £1.5M. There have been no charges to the restructuring provision in 15/16 and we may have slightly overprovided in 14/15. We continue to review this provision and will release any overprovision at year end. There are no funds remaining in the £1M general Investment Pot.

There are however a number of risks including additional pension charges related to FRS102 and potential bad debt provision. We do not expect any changes to the HEFCE grant for 15/16 following the recent BIS budget settlement.

7) Contribution Analysis

The current forecast contribution for the year is £0.2M behind the 2014/15 final outturn and £2.7M behind the directly comparable position once we strip out the costs of the EDISON programme and the extraordinary levels of voluntary redundancy. EBITDA at 11.8% is ahead our target for the year of 11.5%. The balance of cash and investments at £47.2M is also ahead of our averaged target for the month of £43M. Our recurring income is up by 1.2% for the year. Our recurring staff cost expressed as a % of income, once we have adjusted for the £1.5M restructuring provision, is also in line with the 55% target.

Contribution per Student and per Staffexcluding School admin
and Technicians

	Applied Sciences		Arts and Creative Industries		Built Environment & Architecture		Business		Engineering		Health & Social Care		Law & Social Sciences		Total All Schools	
	14 / 15 Actual	Mar 15/16 FYF	14 / 15 Actual	Mar 15/16 FYF	14 / 15 Actual	Mar 15/16 FYF	14 / 15 Actual	Mar 15/16 FYF	14 / 15 Actual	Mar 15/16 FYF	14 / 15 Actual	Mar 15/16 FYF	14 / 15 Actual	Mar 15/16 FYF	14 / 15 Actual	Mar 15/16 FYF
Income (M)	£10.7	£11.4	£9.4	£9.6	£15.0	£16.2	£17.9	£16.4	£18.2	£19.0	£32.8	£33.0	£14.6	£14.8	£118.6	£120.3
Expenditure (M)	£5.7	£5.6	£3.8	£4.4	£7.1	£6.7	£8.7	£7.8	£9.9	£9.1	£18.6	£18.5	£6.9	£6.9	£60.8	£59.0
Contribution (M)	£5.0	£5.8	£5.6	£5.2	£7.8	£9.4	£9.2	£8.6	£8.3	£9.9	£14.2	£14.5	£7.7	£7.9	£57.8	£61.4
Contribution %	46%	51%	60%	54%	52%	58%	51%	53%	45%	52%	43%	44%	53%	53%	49%	51%
Student FTE	1,128	1,166	1,040	1,026	1,596	1,722	2,622	2,161	1,437	1,686	3,592	3,779	1,694	1,678	13,109	13,218
Contribution per Stud FTE	£4,400	£5,000	£5,400	£5,100	£4,900	£5,500	£3,500	£4,000	£5,800	£5,800	£4,000	£3,800	£4,500	£4,700	£4,400	£4,600
Academic / HPL FTE	52	47	35	37	65	60	106	81	56	64	183	190	69	71	566	551
Student / Acad. Staff ratio	22	25	29	28	25	29	25	27	26	26	20	20	25	24	23	24
Contribution per Staff FTE	£95,300	£122,500	£158,900	£141,300	£120,300	£158,400	£86,900	£106,000	£148,100	£153,900	£77,500	£76,300	£111,400	£110,500	£102,000	£111,300

The Schools are £4.1M behind their income target and £1.6M behind their contribution target and every School is expected to miss budget apart from the School of Engineering and the School of the Built Environment and Architecture. The total contribution from the Schools at £61.4M is however £3.6m higher than in 14/15 and every School is improving its financial position except for the School of Arts & Creative Industries which is benefitting from extra investment in 15/16 and the School of Business which has transferred the Division of Informatics to the School of Engineering

8) Student Number Analysis

In 2013 / 14 we lost £3.0M in income from the 1,092 students who Withdrew or Interrupted. In 2014/15 we lost almost £3.7M in terms of the difference between the Fee that we will charge and the Fee that would have been charged if the student completed. In 15/16 we are forecasting to return £2.9M and have already returned £2.5M of this. In terms of % we are better than the comparable position in 14/15 and this has been particularly pronounced in the School of Engineering.

9) Student Withdrawal Analysis

Academic year	Total Students	Total Withdrawals	% of Total	Comparable at 31/3	
12/13	19,262	1,020	5.3%	791	4.1%
13/14	19,734	1,092	5.5%	794	4.0%
14/15	19,495	1,102	5.7%	771	4.0%
15/16	19,947			638	3.2%

'Lost Income'	Mar	15/16 YTD	Ma	15/16 YTD	
Applied Science	£111,000	£383,000	Engineering	£43,000	£290,000
Arts and Creative Industries	£86,000	£342,000	Health & Social Care	£20,000	£89,000
Built Environment & Architecture	£75,000	£420,000	Law & Social Sciences	£34,000	£427,000
Business	£130,000	£558,000	Total	£499,000	£2,509,000

10) Income Analysis

The slight increase in income this month is due to on-going negotiations with the team at the Confucius Institute and a VAT transfer within Graduations activity in Marketing. The University is growing its income by 1.2% once we have excluded last years Edison investment

11) Staff Cost Analysis

In terms of staffing we have recognised £2.9M savings against budget and are now expected to grow staff costs by just £1.9M year on year. This is a 2.5% increase so staff costs are growing faster than income. Excluding the provision for restructuring, we have invested £48.7M in staff in the first 8 months of the year, approximately £6.1M per month, and are forecasting a further £27.5M investment in staffing in the last 4 months of the year approximately £6.9M per month. This increase of £0.8M per month equates to an 13% increase in average staffing costs in the final 4 months of the year as compared to the first 8 months.

12) Operating Expense Analysis

In terms of Operating Expenses, every area has delivered the 3.5% reduction in operating expenses required by the Executive to move the University into a balanced position for the year. We are 67% of the way through the year but have spent only 57% of our total Expense forecast.

13) Budget Analysis

There are 33 distinct areas of the University that have separate budgets and each area is expected to deliver to their Budget. 5 of the 7 Schools are no longer expected to deliver to budget, 20 areas are forecast to deliver better than budget but ICT including Innovation and the Confucius Institute are in a deficit position.

Full Year Outturn Last Year (£)	YTD Actuals Last Year (£)	Description	FULL YEAR				YEAR TO DATE				Full year Forecast less Actual YTD (£)		
			2015 Forecast (£)	2015 Budget (£)	Variance - Forecast to Budget (£) %		Note	2015 Actuals (£)	2015 Budget (£)	Variance - Actuals to Budget (£) %		Note	
-141,122,532	-114,884,307	Total Income	-138,395,958	-142,690,999	(4,295,040)	(3%)		-116,794,055	-118,667,805	(1,873,751)	(2%)		-21,601,903
81,457,831	48,778,862	Total Staff Costs	77,944,247	80,825,814	2,881,566	4%		48,847,523	52,388,766	3,541,243	7%		29,096,725
8,758,726	5,786,132	Total Depreciation	10,649,741	10,668,491	18,750	%		6,491,064	7,156,331	665,266	9%		4,158,677
46,732,524	24,143,944	Total Other Operating Expenses	42,153,386	43,476,043	1,322,658	3%		24,233,262	27,608,535	3,375,273	12%		17,920,124
2,961,894	2,045,439	Total Interest Payable	4,623,104	4,692,374	69,270	1%		3,213,721	3,066,762	(146,959)	(5%)		1,409,383
		Total Exceptional Items	2,012,370	2,027,276	14,906	1%			576,184	576,184	100%		2,012,370
-1,211,558	-34,129,931	Contribution	-1,013,110	-1,000,000	13,110	1%		-34,008,485	-27,871,227	6,137,258	22%		32,995,375
57.7%		Staff costs as % of income	56.3%	56.6%				41.8%	44.1%				
0.9%		Contribution %	0.7%	0.7%				29.1%	23.5%				

	PAPER NO: BG.15(16)	
Paper title:	Report on decisions of Committees	
Board/Committee	Board of Governors	
Date of meeting:	19 May 2016	
Author:	Michael Broadway, Deputy University Secretary	
Board sponsors:	Relevant committee chairs.	
Purpose:	To update the Board on committee decisions.	
Recommendation:	To note the report.	
Matter previously considered by:	As indicated	N/A
Further approval required?	No	N/A

Executive Summary

A summary of Committee decisions is provided for information. Minutes and papers are available on the governors' sharepoint.

The Board is requested to note the reports.

Summary of Committee decisions

Nomination Committee (Chancellor) – 21 April 2016

The committee discussed:

- Initial long list of candidates following nominations from students, staff and alumni. Six potential candidates were identified from the longlist. The committee agreed that, subject to the outcome of further research, these candidates should be approached with the purpose of finding out whether they might be interested in assuming the role of Chancellor of LSBU. The Chair will provide an update at the Board meeting. One additional candidate has subsequently been added.

Nomination Committee – 21 April 2016

The committee discussed:

- Applications for the independent governor vacancies. Vacancies had been advertised in the Sunday Times online, Guardian online and LinkedIn. At the previous meeting it had been agreed that international experience and digital skills would be useful additions to the skills mix of the Board. The committee agreed to interview four candidates. The Chair will provide an update at the Board meeting.

Major Projects and Investment Committee – 26 April 2016

The Committee discussed:

- St George's Quarter brief
- Technopark redevelopment proposal and funding options
- Perry Library valuation update
- An update on potential capital funding for the Institute for Professional & Technical Education (IPTE) from London Borough of Southwark (LBS) to refurbish Thomas Passmore Edwards Library.
- EDISON project post-completion review
- An initial light-touch review of committee effectiveness

Finance Planning & Resources Committee – 5 May 2016

The Committee discussed:

- Management accounts to 31 January 2016
- Student recruitment update
- KPI report

- Treasury management report
- Strategic HR report
- HEFCE grant settlement
- An initial light-touch review of committee effectiveness

	CONFIDENTIAL
	PAPER NO: BG.16(16)
Paper title:	Health & Safety update
Board/Committee	Board of Governors
Date of meeting:	19 May 2016
Author:	Dr Markos Koumaditis and Ed Spacey (Health Safety and Resilience Team)
Executive/Operations sponsor:	Mandy Eddolls, Executive Director of People and Organisation
Purpose:	Discussion / Information
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	Goal 8 People and Organisation
Recommendation:	The committee are asked to note the report.

Matter previously considered by:		
Further approval required?		On:

Executive Summary

In October 2015, the forward plan of health and safety initiatives and campaigns was shared with the Board of Governors. An initial progress update was provided in March 2016. This paper seeks to highlight further progress from 17 March 2016 until 28 April 2016, and provide a summary of accident data for the last quarter, covering January to March 2016.

1. Safeguarding

- 1.1 A new safeguarding policy was formally launched on 23 March 2016. This includes how LSBU deals with the statutory “Prevent” Duty to stop people being radicalised and drawn into terrorism. The policy launch was accompanied by training in the form of an online video presentation, training package and a mandatory online test. Further enhanced training will also be rolled out in accordance with the policy. The Head of Health Safety and Resilience chairs the London Higher Education Prevent Training Group.
- 1.2 LSBU has successfully submitted the mandatory “Prevent” return to HEFCE on 1 April, and we are currently awaiting a response. The University has not been contacted by HEFCE for any additional policy clarification, unlike many other London Universities. LSBU was previously selected as a pilot university by HEFCE, and received very favourable feedback.
- 1.3 Internal audit has been commissioned to validate and review our approach to “Prevent”. A scoping meeting took place on 18 April.

2. Wellbeing

- 2.1 Our wellbeing strategy is driven by the best practice outlined in the Mayor of London Healthy Workplace Award.
- 2.2 A successful wellbeing conference took place on 6 April 2016, opened by the Deputy Vice Chancellor, and attended by 70 staff. The purpose was to promote and further develop the wellbeing agenda across London South Bank University (LSBU). A session on wellbeing has been scheduled for the staff conference on 18 May.
- 2.3 The Occupational Health Service for staff is being delivered by a new provider, based on site in London Road Building. Work is underway to develop a new health screening programme, and there are plans for influenza vaccinations for staff later this year.
- 2.4 A poster campaign has been launched to raise staff awareness of the importance of having regular eye tests.

3. Travel Safety

- 3.1 The Health Safety and Resilience Team continue to work in partnership with Procurement to enhance the arrangements for managing the safety of those

travelling abroad. Enhanced monitoring of travel in higher risk locations is now in place, including both in business hours and out of hours issues. This will include contact with affected travellers, and updates to key LSBU stakeholders.

4. Incident Management

- 4.1 Members of the Executive and Operations Group received incident management training on 28 April 2016. This included dealing with the risk of terrorism. Further training will be provided and emergency plans and arrangements will be subject to future testing and verification, as per the previous update to the Board of Governors.

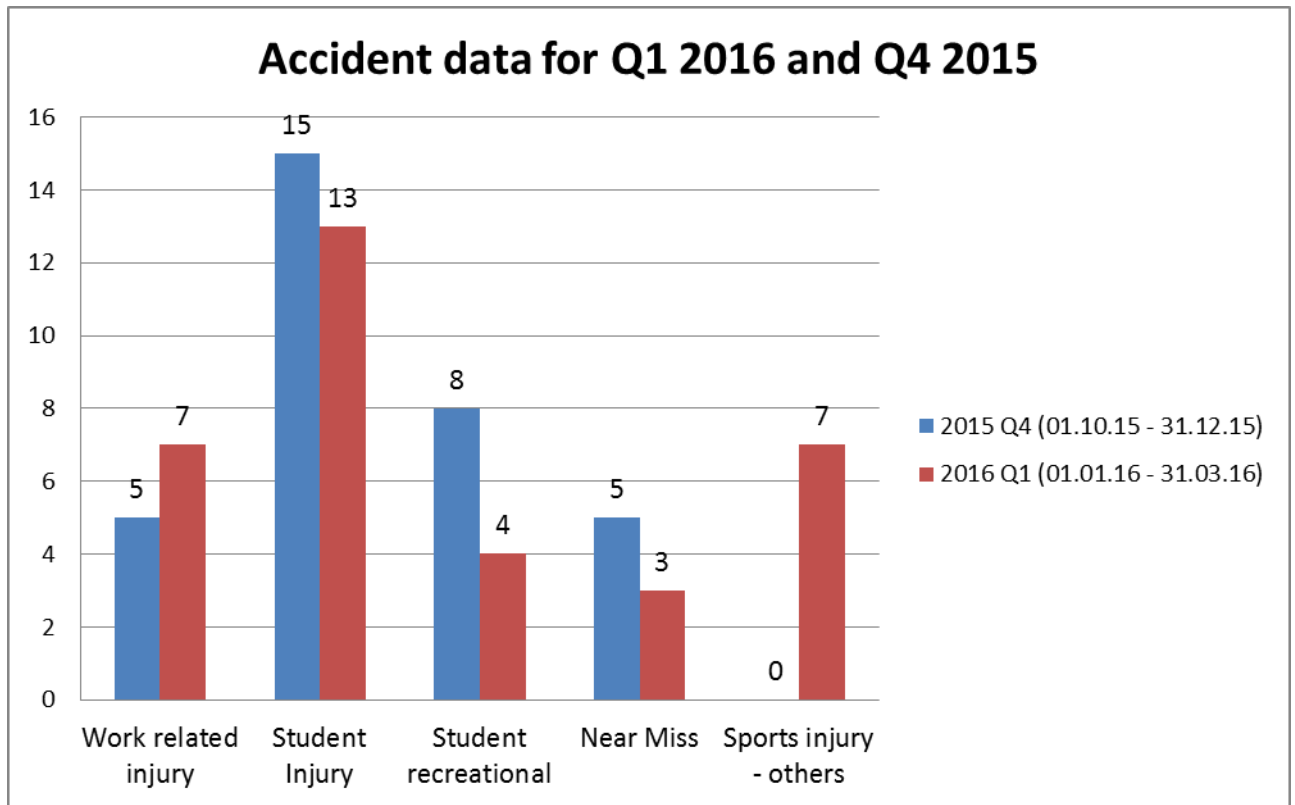
5. Fire Safety

- 5.1 On 8 April there was a fire alarm activation in London Road Building, which led to the building being evacuated for a period of just under one hour. This was caused by a technical fault which occurred whilst repair work on the system was being carried out. A full lessons learned report was produced.
- 5.2 Ongoing work to enhance fire safety issues across the university estate is continuing, and a new specialised fire safety advisor has commenced employment on an LSBU contract of 33 days per year.

6. Accidents and Incidents

- 6.1 Accident data for the last quarter 1/1/16 – 31/3/16 indicates:
- 31 Accidents reported, plus three near misses. The number of accidents is similar to the previous quarter, and significantly less than the equivalent period last year (46 accidents)
 - No serious accidents or incidents reportable under the Reporting of Injuries Diseases and Dangerous Occurrences Regulations (RIDDOR)
 - 7 work related injuries (as opposed to 5 last quarter) including one contractor injury (minor burn – kitchen environment)
 - Fewer student accidents (total of 17 as opposed to 23 last quarter)
 - 7 accidents from undertaking sporting activities by visitors/public.
- 6.2 If the rate of reported LSBU staff accidents this quarter continues across the year, LSBU will have a lower than average rate of staff accidents compared to the last published data from the Universities Safety and Health Association (USHA). 15.3 accidents per 1000 LSBU staff compared to the USHA average of 22.19 accidents per 1000 staff.

6.3 If the rate of reported student accidents continues across the year as per this quarter, LSBU will have a higher volume of student accidents than the last published USHA average (4.3 per 1000 LSBU students compared to the USHA average of 1.9). Student accident data will therefore continue to be closely monitored.



6.4 The highest level of accident reporting (11) came from Academic Related Resources, which includes the Academy of Sport. To put this into context the number of reported accidents equates to only 0.02% of the Academy of Sport service users for the quarter.

7. Health and Safety Accreditation

7.1 LSBU has recently been awarded an internationally recognised health and safety Bronze Achievement Award by the Royal Society for the Prevention of Accidents.

	CONFIDENTIAL
	PAPER NO: BG.17(16)
Paper title:	Corporate Risk Register
Board/Committee	Board of Governors
Date of meeting:	19 May 2016
Author:	John Baker, Corporate & Business Planning Manager
Executive/Operations sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	To provide the Board with the current corporate risk register.
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	The risk entries on the register are aligned to the goals of the Corporate Strategy.
Recommendation:	The Board is requested to note: <ul style="list-style-type: none"> • the risks and their ratings, • the allocation of risks to corporate objectives

Matter previously considered by:	Operations Board	On: 19 th April
Further approval required?		

Executive Summary

The latest version of the Corporate Risk Register is attached for review, and the format of the changes summary section has been revised following feedback from Audit Committee.

The report format has altered slightly following the upgrade of Insight4GRC, the University's risk management platform, which now enables seamless sign on for all university staff.

The University's new Strategic Review Group is meeting in May, and will review the register in response to the discussion at the April Governors Strategy Day, and an

updated version of the register incorporating any changes agreed at that meeting will be presented to the July Board meeting.

The Board is requested to note:

- the risks and their ratings
- the allocation of risks to corporate objectives

LSBU Corporate Risk Register cover sheet: Risk overview matrix by impact & residual likelihood

Date: 6th May 2016 **Author:** John Baker – Corporate & Business Planning Manager **Executive Lead:** Richard Flatman – Chief Financial Officer


	2: Revenue reduction if marketing and PR activity does not achieve recruitment targets (PI)	1: Failure to position LSBU to improve reputation & effectively respond to policy changes & shifts in competitive landscape (DP)	4 Critical <i>fail to deliver corporate plan / removal of funding or degree awarding status, penalty / closure</i>	Impact
457: Anticipated international student revenue unrealised (PI)	6: Management Information is not meaningful, or reliable for decision making or reporting (RF) 14: Potential loss of NHS contract income (WT) 305: Data not used / maintained securely (IM) 362: Low staff engagement impacts performance negatively (DP) 3: Increasing pensions deficit (RF) 402: Income growth from R&E unrealised (PI) 467: Progression rates don't rise (PB)	37: Capital investment ambitions of forward estates strategy undermine financial sustainability (RF)	3 High <i>significant effect on the ability for the University to meet its objectives and may result in the failure to achieve one or more corporate objectives</i>	
	398: Academic programmes not engaged with technological and pedagogic developments (SW)	397: Effectiveness of delivery impaired as institution goes through restructuring processes (DP)	2 Medium <i>failure to meet operational objectives of the University</i>	
			1 Low <i>little effect on operational objectives</i>	
3 - High <i>The risk is likely to occur short term</i>	2 - Medium <i>This risk may occur in the medium term.</i>	1 - Low <i>This risk is only likely in the long term</i>		
Residual Likelihood				
Executive Risk Spread: VC – 3, DVC – 1, CFO – 3, PVC-S&E – 1, PVC-R&EE – 3, COO – 1, Dean Health – 1, ExD-HR – 0, US - 0				

Changes since presentation at March Operations Board meeting, and overdue action progress updates detailed below:

<i>Reference</i>	<i>Risk title</i>	<i>Completed Actions & Risk Changes</i>	<i>Overdue Actions</i>
Goal 1: Employability: Ensuring students develop skills, aspiration and confidence.			
494 (SW)	Inconsistent delivery of Placement activity across institution	New Risk record created.	
Goal 3: Teaching & Learning: Ensuring teaching is highly applied, professionally accredited & linked to research & enterprise			
398 (SW)	Low engagement with tech or pedagogic developments		
467 (PB)	UG Progression rate doesn't rise		
Goal 4: Research & Enterprise: Delivering outstanding economic, social and cultural benefits from our intellectual capital.			
402 (PI)	2020 income growth through Research & Enterprise	<p>Performance reporting action implemented: The first draft of PIs is complete including research pipeline performance data.</p> <p>Academic Engagement action implemented: Formal REI workshop programme delivered and included in strand 4 of the Leadership Academy.</p>	
Goal 5: Access: Work with local partners to recruit, engage and retain students with the potential to succeed.			
495 (PB)	Impact of Higher Apprenticeship degrees on existing recruitment markets	New Risk record created.	
Goal 6: Internationalisation: Developing a multicultural community of students & staff through alliances & partnerships.			
457 (PI)	International student £income unrealised		
Goal 7: People & Organisation: Attracting proud, responsible staff, & valuing & rewarding their achievements.			
1 (DP)	Response to environmental change & reputation		
362 (DP)	Poor Staff Engagement	<p>Engagement Survey action implemented: Results being presented Operations Board, for action planning.</p>	
397 (DP)	Restructuring impact	Controls updated to reflect current process	
Goal 8: Infrastructure: Investing in first class facilities and outcome focused services, responsive to academic needs.			
2 (PI)	Home & EU Recruitment income targets		
3 (RF)	Pensions deficit		
6 (RF)	Quality and availability of		

	Management Information		
14 (WT)	Loss of NHS income		
37 (RF)	Estates strategy £ impact		<p>Student Centre negotiations action progress update: Programming expert engaged to adjudicate on the decisions taken in respect of the refused extension of time claim. We await a meeting with the senior Director of Balfour Beatty early in 2016.</p>
305 (IM)	Data Security		<p>PWC Audit Findings action progress update: Internal Audit progress reports records one finding implemented and two still in progress, completion was expected by end March 16.</p> <p>Mandatory training action progress update: The Pilot programme completed in January, feedback from this was implemented in February and ICT are now in discussions with HR comms team to work out optimum distribution method and comms package.</p>

Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
494	Inconsistent delivery of Placement activity across institution	Shan Wareing	Cause: The In Place system may not be functional for a year. Lack of LSBU policy and process documents. Effect: Placement practice may not be consistent across schools. Students could complete placements not at the necessary level. Student experience could vary across discipline areas.	I = 2 L = 2 Medium (4) 			Valerie Tomlinson	Creation of placements policy and placement agreement pro-forma.	30 Sep 2016
							Kirsteen Coupar	Recruit to Head of Placements role	30 Jun 2016
							Valerie Tomlinson	Deliver InPlace solution for School of Health & Social Care.	31 May 2016
							Valerie Tomlinson	Develop procedure and systems for quality assurance of placement opportunities.	23 Dec 2016

Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
398	Academic programmes do not engage with technological and pedagogic developments which support students and promote achievement	Shan Wareing	<p>Cause: LSBU does not effectively exploit the learning potential of new technologies. Curriculum do not adapt sufficiently for students to develop the knowledge, behaviours and skills valued by employers Support mechanisms do not provide some students with the learning support they need to navigate and succeed in the learning environment.</p> <p>Effect: Retention does not meet the targets within the 5 year forecast. Employability of LSBU graduates does not improve. Market appeal of courses is impaired</p>	I = 2 L = 3 Medium (6)	Delivery of the Technologically Enhanced Learning Strategy (TEL) through the Learning Pathway Programme.	I = 2 L = 2 Medium (4)	Shan Wareing	Invest in pilots and subject-specific developments, consistent with local expertise, motivation and market intelligence, to ensure staff & students are able to experiment with appropriately controlled risks.	30 Jun 2016
							Lesley Roberts	Co-ordinate (with DESEs) School intervention projects using analytics data, and produce report on plans and outcomes.	31 May 2016
467	Progression rate across undergraduate programs does not rise in line with targets of Corporate Strategy	Pat Bailey	<p>Cause: Low tariff students admitted through clearing. ESE analytics dashboards not utilised. High risk students are not identified in a timely way and supported sufficiently. Students don't engage with new initiatives. Support provided fails to bridge support gap for students entering through non-traditional access routes.</p> <p>Effect: Progression rate fails to increase. Hefce could view institution as high risk. Data could have negative impact in any REF type teaching review processes. Considerable lost income to institution from Y2 & Y3 potential enrolments.</p>	I = 3 L = 2 High (6)	Study Support & Skills Sessions provided by the Library &LRC	I = 3 L = 2 High (6)	Shan Wareing	Work with Schools & Student Support to establish use of Personal Tutoring system to identify students at risk of non-progression and act as foundation for intervention.	31 May 2016
					Student Welfare advice and support provided by Student Life Centre		Lesley Roberts	Utilise Learner Analytics at Course Level to plan interventions for courses with low completion rates.	30 Apr 2016

Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
402	Income growth expected from greater research and enterprise activity does not materialise	Paul Ivey	<p>Cause:</p> <ol style="list-style-type: none"> 1) Challenging market environment with high competition for similar opportunities and funders. 2) Lack of proven forecasting systems & recent static performance 3) Aggressive and complex turnaround required carries intrinsic high risk. 4) Dependence on HSC CPPD income (circa 50% of enterprise£) 5) New structures fail to entice and encourage academic participation in activity. 6) Limitations of academic capacity and capability. 7) Internal competition for staff time over and above teaching. 8) TNE partnerships are not approved, or break down when contacts relocate. <p>Effect:</p> <ol style="list-style-type: none"> 1) Income growth expectations unrealised. 2) Undiversified enterprise portfolio. 3) Lower financial contribution, as an increased proportion of delivery is sourced outside core academic staff. 4) Increased dependency on generating enterprise opportunities via Knowledge Transfer outreach as opposed to an academic-led stream, results in higher opex costs. 5) The holistic benefits for teaching and the student experience are reduced. 6) Proportion of staff resource diverted to winning new funding is significantly increased. 7) Reduced research income adversely affects the research.. 	I = 3 L = 2 High (6)	<p>2-tier Raisers Edge Pipeline forecast reports reviewed regularly.</p> <hr/> <p>R&E activity Pipeline Reports (Financial & Narrative) will be provided to each Operations Board Meeting to aid constant scrutiny and review of progress against 5 year income targets.</p> <hr/> <p>Enterprise Business Plan & strategy submitted for approval annually to SBUEL Board (which has 2 Non-Executive Directors) for monitoring & quarterly updates provided at LSBU Board meetings.</p>	I = 3 L = 1 Medium (3)			

Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
495	Impact of Higher Apprenticeship degrees on existing recruitment markets	Pat Bailey	<p>Cause: Introduction of Higher Apprenticeship degrees.</p> <p>Opportunity: These degrees present may present an opportunity for LSBU to grow student numbers in a new market.</p> <p>Effect: These degrees could cannibalise existing employer sponsored students. This represents a risk to existing income and markets. LSBU currently has c.4,000 students on part-time courses, majority employer-sponsored & initial estimations are that income from 1,400 students (£3.3m of surplus) could be affected.</p>	I = 3 L = 2 High (6)					

Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
457	Anticipated international student revenue unrealised	Paul Ivey	<p>Cause: UK government process / policy changes. Restriction on current highly trusted sponsor status. Issues connected with english language test evidence. Anticipated TNE growth does not materialise.</p> <p>Effect: LSBU unable to organise visas for students who wish to study here. International students diverted to other markets. Expected income from overseas students unrealised. Conversion impact of LSBU TNE students doesn't materialise.</p>	I = 3 L = 3 High (9)	<p>Regular reporting of Visa refusal rates to Director of Internationalisation by Immigration Team.</p> <hr/> <p>Recruitment Reports presented to each meeting of Ops Board.</p>	I = 3 L = 2 High (6)			



Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
1	Failure to position LSBU to improve reputation & effectively respond to policy changes & shifts in competitive landscape	David Phoenix	<p>Causes:</p> <ul style="list-style-type: none"> - Changes to fees and funding models - Increased competition from Private Providers - Government policy changes and SNC cap removal - Failure to anticipate change - Failure to position (politically) - Failure to position (capacity/structure) - Failure to improve League Table position <p>Effects:</p> <ul style="list-style-type: none"> - Further loss of public funding - Loss of HEFCE contract numbers - Failure to recruit students - Business model becomes unsustainable 	I = 4 L = 3 Critical (12)	<p>Ketchum appointed to advise LSBU on the ongoing changes to the political environment for higher education & its external communications in response to these changes.</p> <hr/> <p>Financial controls (inc. forecasting & restructure) enable achievement of forward operating surplus target communicated to Hefce in July Forecast.</p> <hr/> <p>A horizon scanning report produced by the Director of Strategic Stakeholder Engagement is provided to each meeting of the Executive.</p> <hr/> <p>Maintain relationships with key politicians/influencers, boroughs and local FE</p> <hr/> <p>Annual review of corporate strategy by Executive and Board of Governors</p> <hr/> <p>Student Access & Success Strategy for 14/15 through OFFA</p>	I = 4 L = 1 High (4)			

Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
362	Low staff engagement impacts performance negatively	Mandy Eddolls	<p>Causes:</p> <ul style="list-style-type: none"> •Bureaucracy involved in decision making at the University •No teamwork amongst departments at the University •Staff feeling that they do not receive relevant information directly linked to them and their jobs •Poor pay and reward packages •Poor diversity and inclusion practises <p>Effects:</p> <ul style="list-style-type: none"> •Decreased customer (student) satisfaction •Overall University performance decreases •Low staff satisfaction results •Increased staff turnover •Quality of service delivered decreases 	I = 3 L = 3 High (9)	<p>Cascade messages from Ops Board circulated for Cascade Meetings within each School & Professional Function.</p> <hr/> <p>Departmental Business Planning process</p> <hr/> <p>Direct staff feedback is encouraged through the "asktheVC@" email address and through feedback forms on intranet and 'developing our structures' microsite.</p> <hr/> <p>Scheduled Team meetings</p> <hr/> <p>Regular Business review meetings</p>	I = 3 L = 2 High (6)	Cheryl King-McDowall	Deliver a planned programme of activities to ensure continued awareness raising and promotion of the Behavioural Framework, to embed the values in to HR documentation, and to develop baseline measures.	30 Sep 2016

Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
397	Effectiveness of delivery impaired as Institution goes through restructuring process	David Phoenix	<p>Cause: The structural re-organisation of academic groupings from 4 faculties to 7 schools. The re-focusing of support departments into professional service clusters. - undertaken to underpin academic and business effectiveness.</p> <p>Effect: Staff morale could be impacted negatively by process of change, and by perceived threats to job security, which impairs enthusiasm and contribution in role. High performing staff seek employment elsewhere, causing skills shortages & loss to institutional knowledge base. Reduced Service levels - to staff and students - by teams trying to deliver business as usual whilst also going through the change process. Potential strike action if union engagement breaks down. Data reliability might be impaired if the translation process encounters issues such as unforeseen time or money resource implications.</p>	I = 2 L = 2 Medium (4) 	<p>Central Programme Management Office (PMO) is in place to manage governance, oversight and reporting of 'monitored' and 'managed' changes, & management of related risks, issues, communications, benefits, and dependencies.</p> <hr/> <p>Executive Communications Strategy designed to ensure significant consultation with internal and external stakeholders.</p> <hr/> <p>Staff Gateway links to web micro-site with all the "Your Career Matters" forms and guidance documents, including FAQs, and monitored yourcareermatters@ email for all queries.</p>	I = 2 L = 1 Low (2) 			

Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
2	Revenue reduction if marketing and PR activity does not achieve Home/EU recruitment targets	Ian Mehrtens	<p>Causes:</p> <ul style="list-style-type: none"> - Changes to UGFT fees - Increased competition (removal of SNC cap in 15/16) - Failure to develop and communicate brand & lsbu graduate attributes - Lack of accurate real-time reporting mechanisms - Poor league table position - Portfolio or modes of delivery do not reflect market need - Tighter tariff policy during clearing <p>Effects:</p> <ul style="list-style-type: none"> - Under recruitment - loss of income - Loss of HEFCE contract numbers - to 14/15 - Failure to meet related income targets 	I = 4 L = 3 Critical (12)	<p>Report on student applications is presented to every monthly meeting of Operations Board & reviewed by Board of Governors</p> <hr/> <p>Advance predictions of student recruitment numbers informs the Annual five year forecast submitted to Hefce each July</p> <hr/> <p>Differentiated marketing campaigns are run for FTUG, PTUG and PG students on a semesterised basis.</p>	I = 4 L = 2 Critical (8)			

Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
3	Staff pension scheme deficit increases	Richard Flatman	<p>Causes:</p> <ul style="list-style-type: none"> - Increased life expectancies - Reductions to long term bond yields, which drive the discount rate - Poor stock market performance - Poor performance of the LPFA fund manager relative to the market - TPS/USS schemes may also become subject to FRS17 accounting <p>Effects:</p> <ul style="list-style-type: none"> - Increased I&E pension cost means other resources are restricted further if a surplus is to be maintained - Balance sheet is weakened and may move to a net liabilities position, though pension liability is disregarded by HEFCE - Significant cash injections into schemes may be required in the long term 	I = 3 L = 3 High (9)	<p>Regular monitoring of national/sector pension developments and attendance at relevant conferences and briefing seminars</p> <hr/> <p>Annual FRS 17 valuation of pension scheme</p> <hr/> <p>Regular participation in sector review activity through attendance at LPFA HE forum, & UCEA pensions group by CFO or deputy.</p> <hr/> <p>Regular Reporting to Board via CFO Report</p> <hr/> <p>DC pension scheme for SBUEL staff.</p> <hr/> <p>Tight Executive control of all staff costs through monthly scrutiny of management account and operation of recruitment freeze policy with defined exceptions.</p> <hr/> <p>New LPFA scheme terms, effective April 2014, with increased personal contributions</p> <hr/> <p>Strict control on early access to pension at redundancy/restructure</p>	I = 3 L = 2 High (6)			

Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
6	Management Information is not meaningful, unreliable, or does not triangulate for internal decision or external reporting	Richard Flatman	<p>Causes:</p> <ul style="list-style-type: none"> - Lack of strategic vision for ICT - Proliferation of technology solutions - Data in systems is inaccurate - Data in systems lacks interoperability - Resource constraints & insufficient staff capability delay system improvement - Lack of data quality control and assurance mechanisms <p>Effects:</p> <ul style="list-style-type: none"> - Insufficient evidence to support effective decision-making at all levels - Inability to track trends or benchmark performance - Internal management information insufficient to verify external reporting - unclear data during clearing & over-recruitment penalties - League table position impaired by wrong data - Failure to satisfy requirements of Professional, Statutory and Regulatory bodies (NHS, course accreditation etc) 	I = 3 L = 3 High (9)	<p>Internal Auditors Continuous Audit programme provides regular assurance on student and finance information, including UKVI compliance.</p> <hr/> <p>Engagement between International Office, Registry & School Admin teams to ensure UKVI requirement compliance, specifically regarding:</p> <ul style="list-style-type: none"> - Visa applications and issue of CAS - English language requirements - Reporting of absence or withdrawal <hr/> <p>Systematic data quality checks and review of key data returns prior to submission by B.I.U.</p> <hr/> <p>International Office runs annual cycle of training events with staff to ensure knowledge of & compliance with UKVI processes.</p> <hr/> <p>Sporadic internal audit reports on key systems through 3 year IA cycle to systematically check data and related processes:</p> <ul style="list-style-type: none"> - HR systems - Space management systems - TRAC - External returns 	I = 3 L = 2 High (6)			

Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
14	Loss of NHS contract income	Warren Turner	<p>Cause: NHS financial challenges/ structural change is resulting in a total review of educational commissioning by Health Education England with an expected overall reduction in available funding. In addition late decision making over community programmes. Plus London Educational Contracts (pre-registration) are running on an extension, all to be renewed by April 2016 with likely re-tendering. Recruitment to contracted programmes is buoyant. Risk is of reduction in NHS contracted pre-registration numbers as a result of re-tendering exercise coupled with reduction in overall funding across the NHS.</p> <p>Effect: Reduction in income Reduced staff numbers Negative impact on reputation</p>	I = 3 L = 3 High (9)	Named Customer Manager roles with NHS Trusts, CCGs and HEE.	I = 3 L = 2 High (6)	Susan Ann Mullaney	Improve NSS participation & scores Develop action plans for Departments and School from results of 2014 NSS	31 Aug 2016
					Monitor quality of courses (QCPM and NMC) annually in autumn (QCPM) and winter (NMC)		Warren Turner	Ensure a quality campus in each HEE/ LETB area. Plan for renewal of Havering lease in 2018 or alternative site. Continue discussions with NHS partners in NE London (BHR, NELFT and Barts) together with Queen Mary School of Medicine and Dentistry re potential for revitalising the Harold Wood site for the future.	31 Mar 2016
					Support with numeracy and literacy test preparation Develop BSc Health and Social Care by September 2015 for applicants not meeting course tariffs requirements and to support PGDip recruitment.		Mary J Lovegrove	Develop opportunities for further International 'in-country' activity in Malaysia, Singapore, Hong Kong, India and Saudi.	30 Jun 2016
					Regular contact with HEE DEQs, None Medical Deans and commissioning contract managers.		Warren Turner	Continue contract discussions with HEE/ LETB's. Attempt to extend contracts or revert to National Framework	31 Mar 2016
							Warren Turner	Grow into new markets for medical and private sector CPPD provision	30 Jun 2016
							Sheelagh Mary Mealing	Increase uptake in band 1-4 activity Support Trusts in seeking external (non NHS) funding	30 Jun 2016
37	Affordability of Capital Expenditure investment plans	Richard Flatman	<p>Causes:</p> <ul style="list-style-type: none"> - Poor project controls - Lack of capacity to manage/deliver projects - Reduction in agreed/assumed capital funding - Reduction in other government funding <p>Effects:</p> <ul style="list-style-type: none"> - Adverse financial impact - Reputational damage - Reduced surplus - Planned improvement to student experience not delivered - Inability to attract new students 	I = 3 L = 3 High (9)	Management Accounts, with a CAPEX report section, are provided to each meeting of the P&R Committee, and the Board receives business cases in relation to all planned capital expenditure > £1million.	I = 3 L = 1 Medium (3)	Ian Mehrtens	Complete report on the final Student Centre negotiations. Update: the 12 month defects liability period concluded & working through the final defect list. POE was due by Feb 14.	30 Apr 2013

Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by	
					<p>Full Business Cases prepared; using guidance and process approved by Executive - including clarity on cost and funding, for each element of Estates Strategy, and approved by Board of Governors where cost = >£1M. including all capital spend. Guidance developed as part of new process.</p> <hr/> <p>Clear requirement (including authority levels) for all major (>£1m) capital expenditure to have Board approval</p> <hr/> <p>Property Committee is a sub-committee of the Board of Governors and has a remit to review all property related capital decisions.</p> <hr/> <p>Capex reporting routines established and embedded into regular updated financial forecasts & management accounts and regular Board reports.</p> <hr/> <p>LSBU Project methodology & Estates & Facilities Dept project controls, including Governance arrangements applied to all Capex projects.</p>					

Standard Risk Register

Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
305	Student & corporate data not accessed and stored securely or appropriately	Ian Mehrtens	<p>Cause: Loss or inappropriate access to data, or breach of digital security; either en masse (e.g. address harvesting) or in specific cases (e.g. loss of sensitive files / data)</p> <p>Effect: Reputational damage, regulatory failure, undermining of academic credibility or compromise of competitive advantage.</p>	I = 3 L = 2 High (6)	Responsibility for control over data protection risks at an institutional level allocated to Director of ICT.	I = 3 L = 2 High (6)	Craig Girvan Rob McGeechan	Deliver project to ensure mandatory training is delivered to staff via ICT log on, to include data security awareness. Respond to findings of PWC 14/15 internal audit report into data security.	29 Jan 2016 30 May 2015

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	PAPER NO: BG.18(16)
Paper title:	Board Strategy Day draft report
Board/Committee	Board of Governors
Date of meeting:	19 May 2016
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	Jerry Cope, Chairman of the Board
Purpose:	To update the Board on key outcomes of the Board strategy day of 21 April 2016
Recommendation:	The Board is requested to note the report

Introduction

As part of its annual plan the Board holds a strategy day twice a year. The following notes are a record of the strategy day held on 21 April 2016.

Board strategy day notes – 21 April 2016
Avonmouth House

Joint Meeting of the Board of Governors and the Academic Board

1. The Chairman welcomed governors, Academic Board members and Executive members to the meeting. This was the second joint meeting of the Board of Governors and the Academic Board. It is intended to provide both groups with a clearer understanding of the function of the other and to help each make better informed decisions.

Students as partners (session 1)

2. The Pro Vice Chancellor (Education and Student Experience) gave a presentation on the concept of 'Students as Partners'. This ensures students are involved at an early stage in developing the issues relevant to their university education and employability. A key skill is the ability to adapt to the changing workplace.
3. LSBU has implemented a number of initiatives in order to develop this partnership. These include: student representation on the Student Experience Committee (a sub-committee of the Academic Board); Students' Union representation on academic staff promotions panels; final year student projects for some courses which involve collaboration between students and lecturers, and quarterly meetings between the Operations Board and the Students' Union.
4. The challenges to such a partnership were also discussed. These included:
 - a) Setting realistic expectations;
 - b) Changing perceptions through developing a culture of collaboration between students themselves as well as with staff.

Students as customers (session 2)

5. The Chief Operating Officer gave a presentation on the concept of 'Students as Customers'. This involves developing an environment which is focused on improving customer service across all student-facing services. LSBU's membership of the Institute of Customer Service will help to achieve this by accreditation.
6. Developing the LSBU brand is key to achieving a recognised LSBU customer service style (discussed later in session 3).

7. Other measures were discussed which could improve the customer experience for students. These included:
 - a) Involving students in university decision-making, where appropriate;
 - b) Ensuring staff are appropriately trained about quality in the service they provide;
 - c) Using student feedback, including that of alumni, to positively impact the future direction of the university;
 - d) Responding to a diverse range of needs of students, rather than a single approach.
8. The meeting noted the positive discussion around both students as partners and as customers. It was agreed that 'Attitude of Staff' would be a key theme at the next Joint Strategy Day.

Meeting of the Board of Governors

LSBU brand (session 3)

9. The Board welcomed the work on developing LSBU's brand. The Board supported the strapline of "become what you want to be" and the mission statement of "we transform lives, businesses and communities".
10. The Board noted that the plan is for LSBU to have "one look" and "one tone of voice", so the external and internal perception is of a coherent organisation.

Income growth assumptions (session 4)

11. The Board noted the presentation on income growth assumptions. The Board discussed in detail:
 - a) Assumptions for the School of Health and Social Care;
 - b) Whether a conservative approach to student number assumptions was appropriate;
 - c) Whether the other income targets were realistic; and
 - d) Whether £1m was an appropriate budget surplus for 2016/17.
12. The Board noted that NHS contract income remains static. It was reported that there were a number of opportunities to increase income in the School of Health and Social Care, including through international partnerships.
13. The Board noted the Executive is developing the strategy of diversification of income streams, including transnational education income, research, enterprise and innovation income streams.

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14. The Board noted that the 2016/17 budget is being developed by the Executive with a £1m surplus, which is in line with the five year forecasts. Investment opportunities are factored into the budget to allow investment for the future.

Reflections on risk (session 5)

15. Following the discussions of the day, the Board requested the Executive to consider whether to include the following risks to the risk register:
- Customer service;
 - The impact of the Teaching Excellence Framework (TEF) and teaching quality;
 - Student experience and the impact on the National Student Survey; and
 - Reputation management.
- In addition, the Executive was asked to review accountability for the management of safety.
16. The risk register and appetite would be reviewed by the Audit Committee, following its normal business plan.

Conclusions

17. The Board agreed that the environment was challenging and that difficult issues were being addressed by the Executive.
18. The Chair thanked governors for their time and closed the meeting.

Present

Board of Governors (all day):

Jerry Cope (Chairman), Andrew Owen (Vice Chair), David Phoenix (Vice Chancellor), Steve Balmont, Shachi Blakemore, Michael Cutbill, Douglas Denham St Pinnock, Carol Hui, Neil Gorman, Hilary McCallion, Mee Ling Ng, Jenny Owen, Tony Roberts, Andrea Smith (Student Governor) and James Smith (for sessions 3 to 5).

Additional members of the Academic Board (for sessions 1 and 2):

Stephen Barber, Reader and Programme Manager, Business
Craig Barker, Dean of Law & Social Science
Janet Bohrer, Director of Academic Quality Development Office
Kirsteen Coupar, Director of Student Services
Charles Egbu, Dean of Built Environment & Architecture
Raymond Lee, Dean of Applied Sciences
David Mba, Dean of Engineering
Mike Molan, Pro Vice Chancellor (Enhancement), Dean of Business

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Shushma Patel, Director of Education and Student Experience, Engineering
Lesley Roberts, Head of Skills for Learning
Warren Turner, Dean PVC Health & Social Care

Members of the Executive (all day):

Pat Bailey, Deputy Vice Chancellor
Mandy Eddolls, Executive Director of Organisational Development and Human Resources
Richard Flatman, Chief Finance Officer
Ian Mehrtens, Chief Operating Officer
James Stevenson, University Secretary & Clerk to the Board of Governors
Shân Wareing, Pro Vice Chancellor (Education and Student Experience)

With: John Baker, Corporate and Business Planning Manager
Michael Broadway, Governance Manager (*for sessions 3 to 5*)
Lynn Grimes, Director of Marketing, Recruitment and Admissions (*for session 3*)
Christine Losecaat, external marketing consultant (*for session 3*)
Joanne Vas, Governance Assistant (*for sessions 1 and 2*)

Apologies:

Temí Ahmadu, Students' Union Vice President Academic
Paul Ivey, Pro Vice Chancellor (Research and External Engagement)
Gurpreet Jagpal, Director of Enterprise
Janet Jones, Dean of Arts & Creative Industries
Kevin McGrath, Independent Governor
Abdi Osman, Students' Union President

	PAPER NO: BG.19(16)	
Board/Committee:	Board of Governors	
Date:	9 May 2016	
Paper title:	SU Elections Results and report	
Author:	Steve Baker, LSBSU Chief Executive	
Executive sponsor:	James Stevenson, University Secretary and Clerk to the Board of Governors	
Recommendation:	That the Board notes the SU election results and that the election was carried out in a fair and democratic manner	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	Election results published on SU website	

Executive summary

Student Union elections for sabbatical officers for 2016/17 took place in March 2016. The new sabbatical officers for 2016/17 are as follows:

- President: Temi Ahmadu
- Vice President: Welfare: Farzana Begum
- Vice President Education: Sodiq Akinbade
- Vice President: Activities & Employability: Michael Jones

Under the Education Act 1994 the Board has a duty to take such steps as are reasonably practicable to ensure that appointment to the four sabbatical offices should be by fairly and properly conducted election in a secret ballot in which all members are entitled to vote. The Returning Officer's report is attached which confirms that the election was run in a fair and democratic manner.

Attached: Returning Officer's Report

Returning Officer Report



Students' Union Elections Spring 2016



Returning Officer	Lorna Reavley - CEO, Solent Students' Union
Deputy Returning Officer	James-J Walsh - Head of Representation & Advice, LSBSU
Independent Staff Member	Steve Baker - Chief Executive - LSBSU

Election details

Election Dates	23 rd - 27 th February
Method of Election	24hr online election
Number of Members of Students' Union	14,990
Number of candidates in total this year	56
Number of students that voted this year	4245
Election turnout of membership this year (%)	28.3%
Number of candidates in total last year	50
Number of Students that voted last year	1665
Election turnout of membership last year (%)	11.33%
Election turnout difference between this year and last year (%)	0.53%

Complaints

Number of complaints submitted during election	0
Number of complaints submitted before election	0
Number of complaints upheld	0
Number of official warnings issued	0
Number of candidates disqualified from election	0

Returning Officer Report



Returning Officer Recommendations

The election was run well with no official complaints being submitted and excellent voter turnout figures.

The staff team should be very proud of their achievements.

One of the elections resulted in a tie between two candidates which required the RO to conduct a coin toss to decide the outcome. It may be useful for LSBSU to clarify the means that they will resolve this situation in the future and make that explicit and transparent to candidates in the election rules.

Confirmation of fair election

I hereby declare that this election was run in a fair and democratic manner which satisfies the stipulations as laid out within the 1994 Education Act.

Returning Officer Signature & Date

Signature:

Lorna Reavley

Date:

09/05/16

	CONFIDENTIAL
	PAPER NO: BG.20(16)
Paper title:	Declarations of interest update
Board/Committee	Board of Governors
Date of meeting:	19 May 2016
Author:	Michael Broadway, Deputy University Secretary
Board sponsor:	Jerry Cope, Chairman of the Board
Purpose:	To authorise updates to declared interests of governors and Executive members.
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	Companies Act compliance
Recommendation:	To authorise updates to declared interests.

Matter previously considered by:	No	On: N/A
Further approval required?	No	N/A

Declarations of Interest – Independent Governors

Under the Companies Act 2006, the Board is required to authorise potential situational conflicts for governors. The following declarations have been made to the Secretary since the last Board meeting (a full review takes place annually in November).

The following interests have been declared:

- a) Jerry Cope has been appointed as a director of the Universities and Colleges Employers Association (UCEA). His term of office starts on 1 June 2016, initially for four years.
- b) Hilary McCallion has been appointed as a director of South Bank University Enterprises Ltd
- c) Douglas Denham St Pinnock has been appointed as a director of South Bank Academies

- d) Michael Cutbill has been appointed as Marketing and Strategy director for Age UK

Declarations of Interest – Executive Members

The following interests have been declared:

- a) Richard Flatman has been appointed as a Non-Executive Director and Chair of the Audit Committee at South West London & St. George’s Mental Health NHS Trust.
- b) The following executive members hold positions on South Bank Academies and South Bank Engineering UTC Trust (company is to be wound up):

	South Bank Academies	South Bank Engineering UTC Trust
David Phoenix	Member and director	
Richard Flatman	Member and director	Director
James Stevenson	Director	Director

These interests will be added to the register of interests.

The Board is requested to authorise these declarations.