

**London South Bank
University**

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3 July 2015

To: All members of the Board of Governors

Dear Governor,

We are pleased to invite you to a meeting of the Board of Governors to be held at 4pm on Thursday 9 July in Room 1B27, which is situated on the first floor of Technopark, London Road.

The agenda and papers for the meeting are enclosed.

Additionally, we are pleased to invite you to a pre-Board presentation from Prof. David Mba, Dean of the School of Engineering on LSBU's partnership with the TWI at 3.30pm in 1B27.

Following the Board meeting there will be a dinner at 6.30pm for 7pm at the Baltic Restaurant, Blackfriars Road, SE1, to mark the retirement of the Chairman of the Board.

Please let me know if you have any questions.

Yours sincerely,



James Stevenson
University Secretary

Meeting of the Board of Governors

4pm* on Thursday, 9 July 2015
in 1B27, Technopark, London Road, London SE1

* Pre Board presentation from 3.30pm on TWI partnership

Agenda

<i>No.</i>	<i>Item</i>	<i>Paper No.</i>	<i>Presenter</i>
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 meetings of 14 May 2015 (for publication) and matters arising	BG.25(15)	Chair
Chair's business			
4.	Appointment of Chair of the Board (to approve)	BG.26(15)	Chair
5.	Appointment of Vice Chair of the Board (to approve)	BG.27(15)	Vice Chair
Key Items for Discussion			
6.	Vice Chancellor's Report and Key Performance Indicators (to discuss)	BG.28(15)	VC
7.	Health and safety annual report (to discuss)	BG.29(15)	EDHR
8.	Strategic HR update (to discuss)	Presentation	EDHR
9.	Chief Financial Officer's Report (to discuss)	BG.30(15)	CFO
9.1	Budget, 2015-16 (to approve)		
10.	HEFCE annual accountability return - mid year return - 5 year forecasts (to approve)	BG.31(15)	CFO
11.	Further Education College options (to discuss)	BG.32(15)	VC

Items for noting *the following papers will only be discussed at the meeting if there is a matter that any governor wishes to raise*

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|-----|--|-----------|------------------|
| 12. | Governance effectiveness review follow up (to approve) | BG.33(14) | Sec |
| 13. | Report on decisions of committees (to note) | BG.34(15) | Committee chairs |
| 14. | Corporate risk register (to note) | BG.35(15) | CFO |
| 15. | Any other business | | Chair |
| 16. | Date of next Board strategy day: Thursday 1 October 2015
Date of next Board meeting: 4pm on Thursday 21 October 2015. | | |

Please note that the Board meeting will be followed by a dinner at 6.30pm for 7pm at the Baltic Restaurant, Blackfriars Road, SE1, to mark the retirement of the Chairman of the Board.

Members: David Longbottom (Chair), Jerry Cope (Vice Chair), Prof David Phoenix (Vice Chancellor), Steve Balmont, Shachi Blakemore, Douglas Denham St Pinnock, Carol Hui, Prof Neil Gorman, Prof Hilary McCallion, Mee Ling Ng, Abdi Osman, Andrew Owen, Prof Shushma Patel, James Smith and Prof Jon Warwick.

Apologies: Kevin McGrath

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

	PAPER NO: BG.25(15)
Paper title:	Minutes of the meeting of 14 May 2015
Board/Committee	Board of Governors
Date of meeting:	9 July 2015
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	David Longbottom, 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 14 May 2015 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, 14 May 2015
in room 1B27, Technopark, London Road, London SE1

Present

David Longbottom	Chairman
Jerry Cope	Vice Chair
Prof David Phoenix	Vice Chancellor and Chief Executive
Ilham Abdishakur	SU President (<i>for minutes 1 – 4 and 6 – 35</i>)
Steve Balmont	
Shachi Blakemore	(<i>for minutes 1 – 4 and 6 – 16</i>)
Douglas Denham St Pinnock	
Prof Neil Gorman	
Carol Hui	(<i>for minutes 1 – 10</i>)
Prof Hilary McCallion	
Kevin McGrath	
Mee Ling Ng	
Andrew Owen	
Prof Shushma Patel	(<i>for minutes 1 – 4 and 6 – 7</i>)
Prof Jon Warwick	(<i>for minutes 1 – 4 and 6 – 35</i>)

Apologies

James Smith

In attendance

Prof Pat Bailey	Deputy Vice Chancellor
Mandy Eddolls	Interim Executive Director of HR (<i>for minutes 3–5</i>)
Richard Flatman	Chief Financial Officer
James Stevenson	University Secretary and Clerk to the Board of Governors
Michael Broadway	Governance Manager

Welcome

1. The Chairman welcomed Shachi Blakemore, Carol Hui and Kevin McGrath to their first Board meeting. Apologies had been received from James Smith.
2. The Chairman reported that governors had just received an informative demonstration of the business analytics tool, which had been developed as part of the excellent student experience project (EDISON).

Strategic HR update

Mandy Eddolls joined the meeting

3. The Executive Director of HR updated the Board on workforce planning. It was noted that any changes to the current appraisal process may need to be negotiated with the trade unions and approved by the Board. The Board authorised Jerry Cope and Mee Ling Ng to approve changes on its behalf.
4. The Board noted the launch of a voluntary severance scheme to all staff. The Board requested an update on costs of the scheme at its meeting of 9 July 2015.

Ilham Abdishakur, Shushma Patel and Jon Warwick left the meeting

5. In the absence of staff and student governors the Executive Director of HR briefed the Board on negotiations with the trade unions on the scope of Part B of the South Bank collective agreement. It was noted that engagement with the unions had been constructive.

Ilham Abdishakur, Shushma Patel and Jon Warwick rejoined the meeting

Mandy Eddolls left the meeting

Declaration of Interests

6. No governor declared an interest in any item on the agenda.

Minutes of the previous meeting

7. The Board approved the minutes of the meeting of 12 February 2015 (paper **BG.14(15)**) and their publication with the proposed redactions.

Shushma Patel left the meeting

Matters Arising

8. The Board noted that Heads of Terms had been drafted for the acquisition of Hugh Astor Court from Peabody. The sub-committee to consider final legal completion would meet shortly. The Board agreed that Kevin McGrath should replace Ken Dytor on the sub-committee following Ken Dytor's retirement from the Board.

Vice Chancellor's Report

9. The Board discussed the Vice Chancellor's report (paper **BG.15(15)**), which reviewed progress against the three outcomes in the corporate strategy: student success; real world impact; and access to opportunity.
10. The Board noted the following key points:
 - a. although average entry tariffs are increasing LSBU was committed to widening participation and access to opportunity;
 - b. the visa refusal rate was 9% (10% limit). Steps were being taken to manage the risk;
 - c. income for research and enterprise activity was £0.3m behind target; and
 - d. the lease for the Havering campus expires in 2018. The Executive were looking at options and an update would be provided to the Board in the autumn.
11. The Board noted that the Executive was in discussions over an option to take a nominations agreement on 270 rooms in a new development in SE1. A proposal may be brought to a future Board meeting.

Carol Hui left the meeting

Chief Financial Officer's Report

12. The Board discussed in detail the Chief Financial Officer's report (paper **BG.16(15)**). The full year forecast was a surplus of £1m against a budget target of £1m.
13. The Board ratified the re-appointment of the PricewaterhouseCoopers as Internal Auditors following a competitive tender process led by the Chairman of the Audit Committee. The contract would be for three years with the possibility of a further two 12 month extensions.
14. The Board approved Shân Wareing as an authorised signatory (following minute 24) on all University bank accounts and contracts. The Board approved the removal of Phil Cardew as an authorised signatory on all University bank accounts.
15. The Board approved the proposal to amend the banking covenant with Barclays and delegated authority to the CFO to finalise negotiations and sign subject to a minimum multiple of 3.5 times rolling 3 year historic average EBITDA.

16. The Board approved the revised levels of authority for expenditure (set out in the appendix to these minutes).
17. The Board noted the HEFCE grant letter for 2015/16 and the HEFCE risk assessment letter, noting that LSBU “was not at higher risk”.

Shachi Blakemore left the meeting

Risk Appetite

18. The Board discussed the proposals for the University’s appetite for risk in the following areas: financial; academic delivery; legal and compliance; and reputational (paper **BG.17(15)**).
19. Based on the definitions in the risk appetite framework the Board agreed the following risk appetite for the University:
 - a. Legal and compliance – cautious;
 - b. Financial – open;
 - c. Reputational – open; and
 - d. Academic delivery – seek.
20. The matter would be reviewed annually.

Risk Register

21. The Board noted the corporate risk register (paper **BG.18(15)**).

Governance effectiveness review report

22. The Board noted the governance effectiveness review report (paper **BG.19(15)**). The recommendations had been discussed in detail at the board strategy day of 23 April 2015.
23. The Board approved:
 - a. the closure of the Educational Character, Policy & Resources, Human Resources and Property Committees;
 - b. the establishment and terms of reference of a Major Projects and Investment Committee and a Finance, Planning & Resources Committee, subject to minor changes as agreed by the Vice Chair;

- c. the related changes to the levels of authority in the Financial Regulations (set out as an appendix to these minutes);
 - d. the Standing Orders covering the Role of the Board, Primary Responsibilities of the Board and the Schedule of Matters Reserved to the Board; and
 - e. that a joint meeting between board and academic board would be held.
24. The Board itself would review the effectiveness of the new governance structure in Spring 2016.

Appointment of Pro Vice Chancellor (Education and Student Experience)

25. The Board ratified the appointment of Professor Shân Wareing as Pro Vice Chancellor (Education and Student Experience) (paper **BG.20(15)**).

Change Programme - transition

26. The Board noted an update on the change programme which had been closed (paper **BG.21(15)**). As major projects are closed the remaining projects would be monitored by the Operations Group with updates to the Board in the Vice Chancellor's report.
27. The Board noted the closure report of the EDISON project.

Report on decisions of Committees

28. The Board noted a report on decisions of the Audit Committee and the South Bank University Enterprises Ltd board of directors from meetings held in February and March 2015 (paper **BG.22(15)**).

Students' Union election results

29. The Board noted the Students' Union election results for sabbatical and other officers of the Union (paper **BG.23(15)**). The Board noted that Abdi Osman had been elected Students' Union President and appointed him as a student governor from 1 July 2015.
30. The Board noted the returning officer's report that the elections had been conducted in a fair and democratic manner.

Board membership and declarations of interest update

31. The Board noted its current membership (paper **BG.24(15)**).

32. The Board authorised the declared interests of Jerry Cope, Carol Hui and Dave Phoenix, to be published on the register.

Board strategy day notes – 23 April 2015

33. The Board noted the report on the Board strategy day of 23 April 2015 (paper **BG.25(15)**).

Any other business

34. The Board noted that this was the last Board meeting for Ilham Abdishakur, whose term of office as Students' Union President ended on 30 June 2015. The Chair warmly thanked her for her contribution to the Board.

Date of next meeting

35. The next Board meeting will be on 9 July 2015.
36. The Chairman reported that a general meeting of LSBU followed the Board meeting.

The Chairman closed the meeting.

Confirmed as a true record:

..... (Chairman)

Appendix

Levels of authority approved in minute 22:

Total expenditure value (Inc. VAT)	Capital		Revenue	
	Planned	Unplanned*	Within Budget	Outside Budget
Over £5 million	Board of Governors	Board of Governors	Board of Governors	Board of Governors
from £2 million but less than £5 million	Major Projects and Investments Committee	Board of Governors	Major Projects and Investments Committee	Board of Governors
From £1 million but less than £2 million	Executive Meeting	Board of Governors	Delegated Levels of Authority	Board of Governors
From £500,000 but less than £1 million	Executive	Major Projects and Investments Committee	Delegated Levels of Authority	Major Projects and Investments Committee
Less than £500,000	VC & CFO	VC & CFO	Delegated Levels of Authority	VC & CFO

* Unplanned capital projects should be very rare. The Major Projects and Investment Committee will review masterplans and the majority of capital expenditure will be planned. Expenditure proposals should be submitted to the lowest level of authorisation first, being escalated up through the approval hierarchy on the table above following each approval stage.



Committee	Date	Minute	Action	Person Res	Status	
Board	14/05/2015	11	Proposal to future Board meeting on a nominations agreement on 270 rooms for student accommodation in a new development in SE1.	COO	On forward plan	<input type="checkbox"/> Completed

	PAPER NO: BG.26(15)	
Board/Committee:	Board of Governors	
Date:	9 July 2015	
Paper title:	Appointment of Chair	
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors	
Board sponsor:	David Longbottom, Chairman of the Board	
Recommendation:	That the Board approves the appointment of Jeremy Cope as Chairman of the Board with effect from 1 August 2015.	
Matter previously considered by:	N/A	N/A
Further approval required?	No	N/A
Communications – who should be made aware of the decision?	Staff, students, HEFCE and stakeholders	

Appointment of Chair

1. The current Chairman, David Longbottom, comes to the end of his second four year term on 31 July 2015.
2. Jeremy Cope was appointed as an independent governor and Vice Chair from 1 September 2014. This appointment was made in the expectation that Mr Cope succeeds as Chairman of the Board on 1 August 2015, subject to approval by the Board as a whole at its Board meeting of 9 July 2015.
3. The Board is requested to approve the appointment of Mr Cope as Chairman of the Board with effect from 1 August 2015 for a new term of four years.
4. In addition, the Board is requested to appoint Mr Cope as Pro Chancellor. The role of Pro Chancellor is to assist the Chancellor in presiding at degree ceremonies and to promote the good reputation of the University.

	PAPER NO: BG.27(15)	
Board/Committee:	Board of Governors	
Date:	9 July 2015	
Paper title:	Appointment of Vice Chair	
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors	
Board Sponsor:	Jerry Cope, Vice Chair and Chair designate	
Recommendation:	That the Board appoints Andrew Owen as Vice Chair of the Board	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A

Appointment of Vice Chair

1. If the Board appoints the current Vice Chair as Chair a vacancy for Vice Chair arises.
2. In this case, it is proposed that Andrew Owen, who is willing to serve, is appointed as Vice Chair, for the remainder of his term (to 31 July 2017).
3. The Board is requested to approve the appointment.
4. In addition, the Board is requested to appoint Mr Owen as Pro Chancellor. The role of Pro Chancellor is to assist the Chancellor in presiding at degree ceremonies and to promote the good reputation of the University.

	PAPER NO: BG.28(15)	
Paper title:	Vice Chancellor's Report	
Board/Committee	Board of Governors	
Date of meeting:	9 July 2015	
Author:	Prof. David Phoenix, Vice Chancellor	
Executive sponsor:	Prof David Phoenix, Vice Chancellor	
Purpose:	To update the Board on University matters	
Recommendation:	The Board is requested to note the report.	
Matter previously considered by:	Board of Governors	At each meeting
Further approval required?	No	N/A

Executive Summary

Activity continues to be delivered in a number of areas across the university.

Student Administration Service; The Student Administration Service restructure has entered the 45 day consultation phase (15th May – 29th June). The proposed structure has been well received by the Unions and staff and is on track to complete by August 2015.

UK and international recruitment; are both broadly on track to meet targets with firm acceptances up across the University as a whole.

Research and Enterprise: Whilst enterprise income this year falls short of target it is important to acknowledge that the projected £8.6m for 2014/15 compares favourably against previous years and is the highest reported enterprise income in the previous five years. Given the vast changes across the institution this is a good achievement.

Performance against KPI's; Our target was to improve two positions from the position of 110th in the 2015 Guardian University League Table and we were successful in meeting this ambition however Liverpool Hope entered the rankings for the first time ahead of LSBU, resulting in an overall net improvement of one place

from 111th to 112th. Compared to the 2015 ranking, LSBU's overall score improved by 16.7%.

With regard to finances, the majority of forecast figures from the May Management accounts are on target, with international student income more than a million pounds over target, but this increase being offset by an equivalent reduction in forecast enterprise income.

Notable successes include the Singapore Ministry of Health formally approving LSBU as a UK partner eligible to receive government-sponsored scholars in radiography and the Malaysian Government giving final approval for LSBU's four year nursing degree programme to be delivered in-country through our collaboration with I-Systems College in Sarawak.

Vice Chancellor's Report July 2015

Following on from the last VC's Board Report 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

1.1 2016 Guardian League Table

Our target was to improve two positions from the position of 110th in the 2015 Guardian University League Table. LSBU overtook four universities, whilst two others moved ahead of LSBU, meeting the ambition of improving two places, however Liverpool Hope entered the rankings for the first time ahead of LSBU, resulting in an overall net improvement of one place from 111th to 112th.

Compared to the 2015 ranking, LSBU's overall score improved by 16.7%. This represented the largest improvement amongst LSBU's aspirational group with only Middlesex and East London achieving an improvement of double digit percentage points. Only eight universities out of the 119 in the rankings achieved a greater rate of improvement in overall score, demonstrating the progress made in the last 12 months compared to universities across the UK.

Rank 2016	Rank 2015	Institution	Guardian score/100			Satisfied with course			Satisfied with feedback			Satisfied with teaching			Student to staff ratio			Spend per student/10			Average entry tariff			Value added score/10			Career after 6 months		
			2016	2015	% Change	2016	2015	% Change	2016	2015	% Change	2016	2015	% Change	2016	2015	% Change	2016	2015	% Change	2016	2015	% Change	2016	2015	% Change	2016	2015	% Change
37	-35	City	67.5	66.0	2.3%	83.1	87.4	-5.0%	68.9	71.7	-3.9%	84.3	87.4	-3.6%	16.2	17.5	-7.6%	7.5	6.8	10.4%	379.0	394.6	-3.9%	6.0	5.9	2.5%	74.4	71.1	4.6%
79	-66	Hertfordshire	56.9	55.2	3.1%	83.5	81.8	2.1%	65.7	66.5	-1.2%	84.0	81.8	2.7%	17.8	18.3	-3.0%	4.7	4.9	-4.4%	318.5	343.9	-7.4%	6.2	6.8	-9.3%	68.4	62.0	10.3%
81	-86	Middlesex	56.5	51.6	9.5%	84.9	79.6	6.7%	74.8	72.9	2.6%	83.8	79.6	5.3%	18.6	20.5	-9.5%	7.1	6.2	13.7%	269.9	287.1	-6.0%	5.6	5.3	6.5%	56.9	53.7	6.0%
92	-87	Greenwich	51.2	51.3	-0.2%	85.0	83.9	1.3%	72.8	71.9	1.2%	84.6	83.9	0.8%	19.6	21.5	-8.9%	3.6	3.8	-5.7%	314.4	312.1	0.7%	6.2	6.6	-5.9%	49.2	53.6	-8.2%
97	-98	Kingston	49.1	47.0	4.5%	78.5	80.3	-2.2%	67.2	66.5	1.0%	80.8	80.3	0.6%	19.4	19.4	0.1%	4.6	4.9	-6.3%	299.5	298.3	0.4%	5.0	4.0	24.7%	54.3	57.8	-6.1%
101	-95	Westminster	48.4	47.5	1.9%	85.7	80.2	6.8%	65.6	65.1	0.7%	79.3	80.2	-1.1%	19.9	20.3	-2.1%	4.1	4.6	-10.7%	311.2	317.1	-1.9%	6.8	6.5	4.7%	50.2	54.2	-7.3%
106	-109	East London	46.5	41.0	13.4%	81.9	77.8	5.3%	73.0	70.4	3.7%	84.3	77.8	8.4%	23.6	26.3	-10.2%	6.7	5.8	15.3%	280.3	278.2	0.8%	5.1	5.9	-13.9%	50.6	44.6	13.4%
111	-112	London South Bank	43.3	37.1	16.7%	79.3	80.3	-1.2%	67.5	65.8	2.6%	82.1	80.3	2.2%	17.2	24.2	-29.0%	4.2	3.8	10.8%	247.6	233.3	6.1%	4.8	5.5	-13.3%	49.1	56.5	-13.1%
Average			52.4	49.6	5.7%	82.7	81.4	1.6%	69.4	68.9	0.9%	82.9	81.4	1.8%	19.0	21.0	9.4%	5.3	5.1	4.0%	302.6	308.1	-1.8%	5.7	5.8	-1.7%	56.6	56.7	-0.1%

For individual measures, there were significant improvements in the student staff ratio, spend per student and average entry tariff, whilst NSS score measures remained relatively static compared to the 2015 Guardian Table. There was deterioration in the career after 6 months and the value added measures. It is known that there will be a significant improvement in the career after 6 month measure in the 2017 league table due to the improved DLHE survey results (See section 2.1) and the Business Intelligence Team continues to enhance the University's understanding of how other measures are derived to assist in improving performance across all measures.

2016 Guardian LSBU Analysis	LSBU			Aspirational Group Average		National Average					
	2015	2016 Ranking Relative to 2015 (based upon 2015 participants)	2016 Score	Score Change from 2015	2016 Score	Change from 2015	2016 Score	Change from 2015			
Metric											
Satisfied with course	104	↓	106	79.3	-1.2%	82.7	▽	1.6%	89.4	▲	-2.0%
Satisfied with feedback	111	↑	96	67.5	2.6%	69.4	▲	1.6%	71.2	▲	1.0%
Satisfied with teaching	104	↓	106	82.1	2.2%	82.9	▲	1.8%	86.6	▽	4.2%
Student to staff ratio	115	↑	61	17.2	29.0%	19.0	▲	9.4%	16.8	▲	1.7%
Spend per student/10	89	↑	79	4.2	10.8%	5.3	▲	4.0%	5.3	▲	4.5%
Average entry tariff	115	↑	114	247.6	6.1%	302.6	▲	-1.8%	357.0	▲	0.5%
Value added score/10	65	↓	91	4.8	-13.3%	5.7	▽	-1.7%	5.5	▽	1.9%
Career after 6 months	109	↓	115	49.1	-13.1%	56.6	▽	-0.1%	66.7	▽	4.8%
Guardian score/100	112	↑	110	43.3	16.7%	52.4	▲	5.7%	61.8	▲	7.0%

- ↑ LSBU Relative rank improved (favourable)
- ↓ LSBU Relative rank deteriorated (unfavourable)
- ▲ Comparator group average has shown less improvement than LSBU's (favourable)
- ▽ Comparator group average has shown more improvement than LSBU's (unfavourable)

It is expected that the improvement in overall score will be continued in subsequent years, with expected progress against retention, employability, entry tariff and NSS. These expected improvements, on the back of the improvement in overall score between 2015 and 2016 Guardian tables should result in a more tangible rise in the 2017 Guardian league table ranking (published May 2016).

1.2 Government Policy

The new government has made a number of announcements that will impact or have the potential to impact on LSBU. A summary has been previously circulated.

The Government is looking to develop a teaching excellence framework and there is also a quality review by HEFCE. There will be a green paper in Autumn but it is clear that the Minister wishes to include outcome based metrics which may include not only NSS and employability but retention. Our strategy is already addressing these points but we need to ensure we move at pace as there is consideration of publishing grades in a league table format – possibly similar to those used in other parts of the sector.

There is also an interest in reviewing the way degrees are classified with the idea of moving away from the current classification system to a grade point average system similar to that used in the USA. The PVC for student experience is currently looking at this area and we may run this in parallel to our current system during 2016/17.

The focus on vocational and technical education has potential advantages for us and we are currently leading two pilots in areas of construction and quantity surveying. If

this work goes well we should be able to bid for numbers in September and will then have evidence of activity with higher apprenticeships. In these models funding is provided to employer consortia hence developing employer relationships will remain key.

Restrictions around overseas recruitment continues to be tightened but our work to also develop transnational education pathways with partners such as BUE should help mitigate some of the risk and we are expanding our international team to both help manage the risks but also to help realise overseas opportunities.

The new Prevent legislation may well be revisited to once again focus some attention on universities. Already there is greater focus on monitoring and Ian Mehrstens has produced an action plan to enable us to respond to this agenda.

There is potential for student numbers to expand in some areas of healthcare such as nursing and we are looking to see how we can be positioned to respond. We continue to monitor changes around teacher education where there is now a realisation that there will be a shortfall of qualified teachers but as yet no indication universities will be given additional numbers. The current model still seeks to drive funding via schools.

You will be aware from recent announcements that we are expecting some in year funding cuts with further cuts next year. The student opportunity fund is at risk and there is a risk that student maintenance grants are converted to loans. We are currently discussing our scholarship scheme to see what would be the most attractive package of support moving forward.

2.0 Corporate Strategy Outcome 1: Student Success

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

2.1 Employability: DLHE Survey 2013 - 2014

Institution	2012/13 %	2013/14 %	Improvement %
University of Hertfordshire	93.2	95.2	2.1
The City University	90.5	91.7	1.3
Kingston University	89.0	91.3	2.6
Middlesex University	87.2	90.5	3.8
London South Bank University	85.5	90.2	5.5
The University of Westminster	88.4	89.9	1.7
The University of Greenwich	85.9	88.4	2.9
The University of East London	85.6	86.4	0.9

The Destination of Leaver from Higher Education (DLHE) Survey represents a KPI for the University and its results feed into each of the three domestic league tables. Students in work or study after 6 months of graduation in the 2013/14 survey represented 90.2% of the students, an improvement from 85.5% in 2012/13. This performance saw LSBU improve its position as the lowest ranked amongst the aspirational group in 2012/13 to fifth out of eight, moving ahead of UEL, Greenwich and Westminster. The KPI target by 2020 is a figure of 95%. If a further 2% improvement is achieved in the 2014/15 DLHE survey, this would see LSBU move in line with Goldsmiths and have a score which would be one of the top scores in London.

League table DLHE metrics use the measure of the % of students in graduate level jobs or study. Detailed comparative data is not currently available, but it is known that LSBU improved from a figure of 49% in 2012/13 to 67% in 2013/14 (improvement of 19%) against a national improvement of 2%. This improvement will be reflected in the Times league table published in September 2015, and the Guardian and CUG tables published in 2016.

2013/14 DLHE Results by School

School	Eligible Population	Total positive outcomes	% In Work or Study	Total graduate level outcomes	% graduate level outcomes of all eligible population
School of Applied Sciences	134	112	83.6%	61	45.5%
School of Arts and Creative Industries	154	133	86.4%	59	38.3%
School of Built Environment and Architecture	98	89	90.8%	69	70.4%
School of Business	269	221	82.2%	139	51.7%
School of Engineering	139	119	85.6%	71	51.1%
School of Health and Social Care	631	610	96.7%	599	94.9%
School of Law and Social Sciences	271	245	90.4%	141	52.0%
Total	1,696	1,529	90.2%	1,139	67.2%

The School of Health and Social Care achieve outstanding results in both metrics. In terms of results against % graduate level outcomes only the School of Built Environment and Architecture have a score above the University average due to School of health and Social Care's excellent performance.

2.2 Progression

The KPI of Year 1 Progression has continued to be a focus, resulting in work defining the population and calculation to be measured, identifying reporting mechanisms to enhance accountability and understanding, the use of business analytics as well as detailed analysis relating to student characteristics that contribute to progression metrics. Progress has been made in defining the cohort that qualifies for progression analysis and the data below demonstrates a first cut using this definition. The School of Health & care represent a stand out performer, but are still below the 85% KPI target for 2020. All other Schools have significant progress still to make in terms of this target.

The Business Analytics project 2nd phase will be implemented in the new academic year after completion of this year's pilot. This will enable academic staff to identify students that hold behaviours and characteristics of students that have low retention rates, resulting in interventions to help support the students and increase their chances of progressing.

Progression Rates by School of those Students that progressed from Y1 in 2013/14 to Y2 in 2014/15 (HESA population, First Degree, FT Students)

School Name	Progressed	Total Students	% Progressed
School of Applied Sciences	221	344	64.2%
School of Arts & Creative Industries	258	351	73.5%
School of Built Environment & Architecture	103	152	67.8%
School of Business	251	368	68.2%
School of Engineering	151	221	68.3%
School of Health & Social Care	637	782	81.5%
School of Law and Social Sciences	262	364	72.0%
Grand Total	1883	2582	72.9%

In year activity has included restructuring the study skills team to move away from an academic focus to building capacity to actually aid students struggling with basic maths and English. We have also restructured one academic area and are in the process of consulting on another where the quality of the student experience has continued to remain significantly below expectation. The CertHE programme piloted last year to provide cohort identity for students with weaker grade's has retained c87% of its student cohort and we are looking at what can be learnt from this pilot. Finally, work continues to take place on the Summer Reassessment programme which will be available to any of our first year students who would progress into year 2 carrying failed modules. The programme will run w/c 17th August and is being led by the schools to ensure weaker students progress after completing failed modules. The intervention should also help engage students during the time we see greatest attrition. A more detailed report will be provided by the DVC in Autumn once the impact of assessment boards and the summer school are known.

2.2 HAVAS Tracker Survey and Hepi/HEA Student Academic Experience Survey

Two sector wide surveys, the HAVAS Tracker Survey and Hepi/HEA Student Academic Experience Survey were conducted in May and targeted prospective and undergraduate students respectively. In both cases they found distinct 'employability'

decision making characteristics in cohorts of students studying at Million Plus and University Alliance HEIs versus Russell Group HEIs. These distinctions align with feedback from our own students.

When students are weighing up the employability credentials of a university the HAVAS Tracker survey found that all groups of students were particularly attracted by a 'university's reputation with employers' and 'staff who had worked in their field' with the latter point being especially important for Million Plus students. Similarly the Hapi/HEA Student Academic Experience Survey found demand for vocational knowledge among staff was most acute at post-92 universities. Million Plus and University Alliance students both placed a greater significance on being in an area where there were 'part-time work opportunities', 'job-shops to help find part-time work' and for Million Plus 'staff finding work placements'.

Employability services and a strong connection between academics and employers are areas which LSBU already has expertise and advantage in (e.g. high number of employer sponsored students, the Employability Office, numerous local part-time work opportunities). Over the last 18 months the Student Support & Employability Service has expanded its work with local and national employers, offering their vacancies to students but also bringing in their expertise to support students to develop employability skills.

2.3 LSBU Student Successes

- Three ASC second year students (Liam Hobbins, Michael Attawaters and Clare Scoot) in the sport science division also acquired vacation scholarships from the Wellcome Trust and the Physiological Society.
- Adam James, Final year student of the BSc (Hons) Architectural Technology, has been nominated and also awarded the prestigious Chartered Institute of Building (CIOB) QEII Jubilee Fund award. The award has been established to recognise and reward some of tomorrow's brightest construction minds.
- Panayiotis Vrizas, a final year Product Design student, is one of seven shortlisted finalists from 118 entries submitted by students from all around the UK in the annual Design Innovation in Plastics (DIP) competition. He has reached the finals of the longest established student plastics design award scheme in Europe, thanks to his ingenuity with high-tech polymers.

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

Our KPI for enterprise income 2014/15 was a target of £9.8m and as reported at the end of May 2015 we were forecasting income at £9.1m, £700k short of target. As of 18th June 2015, having reviewed enterprise activity, the projected income is expected to be £8.6m, some £1.2m short of the target. Reasons for the shortfall include projects that did not proceed or were unsuccessful. As a result of this the Research, Enterprise and Innovation team are developing a more robust and accurate methodology to forecasting so instances of projects not proceeding can be identified much earlier in the financial year and mitigating actions taken immediately.

Whilst enterprise income this year falls short of target it is important to acknowledge that the projected £8.6m for 2014/15 compares very favorably against previous years - £7.2m (13/14); £6.6m (12/13); £7.9m (11/12) and £7.1m (10/11). It is the highest reported enterprise income in the previous 5 years and given the vast changes across the institution is still a good achievement. Meeting this target though is currently the main area of concern with c£1M still to realise before the year end.

Business Development

To the end of May the enterprise team working with the Schools, have closed new sales totaling £1.34m against a team target of £1.5m for the financial year.

There are currently 4 active KTPs, 2 being submitted for final approval and 5 companies at Expression of Interest stage. The team continues to develop a wider portfolio of Knowledge Exchange (KE) activities to encourage earlier engagement in KE activity that can lead onto future KTPs. Where KTP proposals have been rejected we continue to work with clients to generate other value for the University. The growth in KTPs therefore remains positive – a key challenge is now securing support at final bid stage given the volume we are trying to obtain and the limited number available at each round.

Investment Escalator London European Regional Development Fund (ERDF) Project Update

The project continues to make good, strong progress against its targets: 194 SMEs (target 200) are actively participating. Success in this project is critical, as we have submitted Expressions of Interest (EOI) for a further £4.6m ERDF funded activity

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focused on SME Skills Development and Student/Graduate Entrepreneurship. If successful at EOI stage full bids will be invited to be submitted by October.

Tenants

The Clarence Centre is currently fully let but Technopark has seen a drop in occupancy to 81% following the departure of a large tenant and work is underway to fill the remaining vacant space in the Technopark.

We're pleased to announce that Million+ have agreed terms for a new lease from July 2015 and the Council for Assisting At-Risk Academics has also renewed their lease.

Tenant engagement, further strengthening the value of having SMEs based on campus, includes a new PhD opportunity in Engineering that will include a bid for funding from InnovateUK, employment opportunities at Cameron & Wilding and a summer boot camp for Social Enterprises to be run with MyKindaCrowd.

3.2 LSBU Success Stories

- The School of The Built Environment & Architecture has been funded by Macmillan Cancer Support for 6 to 8 months to carry out work on "Post Occupancy Evaluation"
- The Singapore Ministry of Health has formally approved LSBU as a UK partner eligible to receive government-sponsored scholars in radiography. This is a highly prestigious accolade awarded to very few International Universities. The Singapore government awards full cost scholarships annually for scholars to attend an International University from their approved list to study full-time degree programmes.
- The Malaysian Government has given final approval for LSBU's four year nursing degree programme to be delivered in-country through our collaboration with I-Systems College in Sarawak. Simultaneously the government announced that nursing in Malaysia is to become an all-degree profession. We are also hopeful of final approval for our 2-year top-up degree offering nursing diploma students opportunities to top their qualifications up to degree level.
- The School of Engineering, in collaboration with The Welding Institute (TWI), has created the 'London South Bank Innovation Centre (LSBIC)' on Robotics and Automated NDT. The centre will be based in Cambridge and over the next two years TWI will invest £620k, including 10 PhD studentships and 50% of a professorial post.

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 Recruitment

Analysis has been undertaken to understand the relationship between the tariff and the highest entry qualifications on entry. Results varied by School, but the overall analysis demonstrated the differing levels of progression between A/AS Level students and BTEC students. Overall, A/AS Level students with a tariff score on entry of over 200, have greater than an 80% chance of progression, whilst BTEC students require to have over 300 tariff points to even achieve a 70% chance of progression from Year 1 to Year 2. This analysis has supported discussions relating to recruitment decisions regarding the tariff score for each entry route for 2015/16 (and subsequent years) as well as support requirements. The aim for 2015 entry is to try and hold BTec level at 200 points and A level at 160points. Based on last year's profile this would require us to grow market share by c 13% to maintain 2750 which will be challenging and would mean that in two years c25-30% of the entrants had now more appropriate entry profiles

4.1.1 UK/EU applications

In terms of undergraduate applications LSBU is currently tracking at less than one percentage point behind the same time last year (see table 5 below). If you exclude HSC, the university is showing a 7% increase in applications. National UCAS application rates have seen an increase of just 2% across the sector. Amongst our competitor group UCAS applications have fallen by -5% overall.

Table 5 - LSBU Applications Information is correct as at 15th June 2015.

Summary	2013	2014	2015	%Δ 2013/15	%Δ 2014/15
LSBU Applications	22,114	23,762	23,585	6.65%	-0.74%
National Applications	2,676,769	2,784,003	2,849,931	6.47%	2.37%
Competitor Applications	162,674	167,683	158,493	-2.57%	-5.48%
University (exc. HSC)	10,309	10,992	6.63%	11780	7.17%

Table 6. - % Change Year on Year by School Information is correct as at 15th June 2015.

Schools	% Change Year on Year (2015 Vs 2014)			2015	2015 Enrolment Prediction		
	2015	Applications	Offers	Firm Acceptances	% of Target	95%	85%
ASC		15%	-15%	17%	59%	56%	50%
ACI		8%	-41%	-10%	76%	72%	65%
BEA		11%	20%	32%	59%	56%	50%
BUS		9%	-19%	0%	55%	52%	46%
ENG		17%	15%	23%	69%	65%	58%
HSC		-9%	61%	21%	94%	89%	80%
LSS		28%	14%	33%	66%	62%	56%

Despite application rates being up slightly in general, HSC has received lower levels of applications than at the same time last year (-9%), however the School is showing strong conversion with firm acceptances up by 21%, leaving HSC at 94% of target.

ACI is still down on offers (-41%) and on firm acceptances (10%), despite higher application levels (8%), leaving the School at 73% of target. We have enabled schools to introduce interviews with the option of unconditional offers for those showing strong ability. This has been activity pursued by ACI leading to what appears to be improved conversion of higher quality applicants (despite discouraging some applicants and slowing the offer making process).

Business (especially informatics) remains a concern and is currently showing a decrease in offers of - 19%. The School is also currently flat in terms of firm acceptances, again despite an increase of 9% in applications. With less than a month until clearing, the School is sitting at just 55% of target.

We are working with the School to look at ways of addressing this via additional marketing and recruitment activity (such as digital display, PPC, social media, targeted emails, conversion mailings and on campus events).

Despite the tariff increase, we will continue with our Cert HE offering for weaker students, enabling us to provide targeted support. Last year this recruited over 40 students (c£400, 000) and, as of semester one, we had retained all but one of them.

We are seeing strong growth in full-time postgraduate courses with firm acceptances up 61% on the same time last year, leaving us at 89% of target at a reasonable early stage of the cycle. This is due to increased targeting, in line with our strategy, and the use of the 'real world impact' proof points to emphasise research and enterprise.

LSBU is currently at 69% of target overall and enrolment predictions suggest a 66% best-case scenario (95% conversion) and 59% worst-case scenario (85% conversion). We are hoping to go into clearing at 80% of target (we are currently at 70%) and have increased our conversion activity to support this aim. Overall we believe we are on track to meet 2015/16 targets.

Table 7 - % Change Year on Year by Mode Information is correct as at 15th June 2015.

LSBU	% Change Year on Year (2015 Vs 2014)			2015	2015 Enrolment Prediction	
	Applications	Offers	Firm Acceptances	% of Target	95%	85%
UG FT	-1%	-4%	9%	70%	67%	60%
UG PT	8%	-14%	25%	51%	49%	44%
PG FT	26%	7%	61%	89%	85%	76%
PG PT	26%	56%	22%	49%	46%	41%
LSBU	2%	0%	17%	69%	66%	59%

4.1.2 International recruitment

Offers for September 2015 are up 3% on 2014 figures however conversion remains fairly flat with only a 6% increase in overall firm acceptances. The team are moving to concentrate on conversion activities to move applicants through the decision making process and convert to firm acceptance. It is predicted that recruitment for 15/16 will remain broadly in line with 2014/15. Overall the sector for Million + universities remains in decline, with post-92 London universities feeling a particular squeeze.

The Summer School for students from the US, China and Nigeria will begin in July, with students from the US able to undertake internships over the summer. The internship aspect has created a buzz in the US for 15/16 and will become a significant part of our offer to the market.

Compliance with UKVI guidance is an ever-increasing pressure for all universities with significant changes coming on-line during the coming recruitment cycle. This remains at the forefront of all activities undertaken by the International Office, and as

recruitment is set to grow over the next five years, this will be an essential part of the strategy. The team are in constant contact with UKVI to ensure that the university and its processes meet with UKVI standards and overcomes negative perception of post 92 institutions by the Home Office.

Sponsorship for students intending to join LSBU in September will begin from 18th June. The University has managed to secure its place as one of the trusted sponsors allowed to issue the visa vignettes to its new students. This will mean that LSBU new students will not have to attend a local Post Office to collect their visa. Students joining competitor universities may well still have to queue in a Post Office to collect their visa. This will ensure that LSBU new students have a significantly better first experience in the UK.

The current visa refusal rate is 8.9% and is being managed carefully to bring the university to 8% by the end of the licence cycle. UKVI allow a maximum of 10% refusal now (reduced from 20% last year). Part of our refusal rate is due to a high refusal rate from our Foundation partner CEG. It is now confirmed that CEG have been removed from the LSBU Tier 4 licence and CEG should have their own licence in place by the end of June for students entering in September.

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

Discussions are ongoing with both BUE and Loughborough University to progress relations. We are supporting a five-day workshop to be held at BUE focused on solar energy Photovoltaics (PV) under the British Council Researcher Links programme. The workshop will bring together early career researchers from the UK and Egypt to explore PV-related issues and opportunities and help develop the concept of the research enterprise centre.

To date both partners remain positive about hitting the 2015/16 target and course validations have been progressed. Actual numbers will only be clear in Autumn and the short lead time means Bahrain will find the recruitment for 2016 a challenge.

Projected Student Numbers and Franchise Income from BUE

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Project LSBU register students at BUE	350	1614	2728	3738	4348	4745
Projected franchise income from BUE	£175k	£600k	£1000k	£1400k	£1600k	£1800k

Projected Student Numbers and Franchise Income from ASU

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Project LSBU register students at ASU	0	50	160	300	460	550
Projected franchise income from ASU	£0	£60k	£180k	£330k	£450k	£550k

4.3 Academies Update

4.3.1 South Bank Engineering UTC

The detailed design of the UTC building has been completed and a complete tender submission was received by the Education Funding Authority from the contractors. We are supporting the process of selecting the contractor for the building programme. A planning application will be submitted in July and subject to planning approval, construction will begin in December. The construction of the UTC building is being prioritised so that we take possession of the majority of the building in July 2017. This means that the UTC will open in September 2016 in temporary accommodation on the same site, subject to the Secretary of State signing the Funding Agreement.

4.3.2 University Academy of Engineering South Bank

The Academy continues to attract strong interest from applicants for the 2015/16 school year. Admissions to the Academy are managed by Southwark Authority from this year. We are confident that 150 places available will be taken up by the first choice applicants. Student achievement overall has been at or above target progression levels and the student attendance has been above national average.

In view of the difficulty in attracting qualified teachers in STEM subjects, the Academy has recruited unqualified teachers and has entered into an agreement with George Abbot Teaching School for fast track route for Qualified Teacher Status.

4.3.3 FE Provision in South London

Further Education in South London, in particular in Southwark has been declining in recent years. Southwark College merged with Lewisham College in 2012, but the merged college has been performing poorly both financially and in quality and failed the Ofsted inspections. Colleges in Lambeth and Greenwich have been graded “requires improvement” (Grade 3) and “inadequate” (Grade 4).

South London boroughs are the main sources of our students including students progressing from FE colleges. In view of the poor quality and declining numbers in

Further Education in our catchment, we are working with Southwark Council to investigate options for re-vitalising the FE and pre-university provision and a full paper is on today's agenda. Southwark Council have been in discussions with the FE Commissioner and submitted a proposal to de-merge the Lewisham Southwark College (previously known as LeSoCo), so that Southwark Council can commission provision through LSBU and other education and training providers.

4.4 Public Affairs and Civic Engagement

We have continued to promote LSBU's role in professional technical education. We are working with the Higher Education Policy Institute on a pamphlet about employer sponsored education and are also in discussion with HEFCE about undertaking a more substantial investigation funded by HEFCE. We have held discussions with NIACE (the national voice for Lifelong Learning) and the University Vocational Awards Council both of which have key voices in this area. We hosted a visit from the Chairman of the APPG Engineering Lord Broers who was impressed by our programmes and has offered assistance in a number of areas. This work appears to be impacting and increasing our reputation for professional education

An initial meeting with Ruth Hannant, Director of Higher Education from BIS, around progression from FE to HE has resulted in a further discussion at BIS with Ruth and colleagues. I have now also been invited by Nick Boles, the Minister of State for Skills (and also responsible for University Technical Colleges) to join him for a discussion on how to address the issues that face technical and professional education in this country.

Following the general election, we have contacted new and returning local MPs to invite them to the University. We have already hosted a visit by the new MP for Bermondsey and Old Southwark, Neil Coyle with further meetings with South London MPs to follow. We also continue to work closely with Southwark, Lambeth and Lewisham Councils and have held positive initial meetings with senior representatives of Wandsworth Council.

We have begun to strengthen Chinese links based on the reputation of the University's Confucius Institute for Traditional Chinese Medicine. We hosted the Minister Counsellor (Economic and Commercial) Jin Xu from the Business Section of the Chinese Embassy. We are now preparing for a formal event to mark the opening of the re-developed Caxton House building which will house the Confucius Institute.

Parliamentary activity is building again with the re-constitution of the Select Committees and All Parliamentary Groups, and there will be more to report on at the next Board Meeting. Looking forward to the autumn, I am beginning to prepare to take up my role with MillionPlus, including making arrangements to attend the party

conferences and exploring how we contribute to UUK's campaign around higher education and Europe.

5.0 Strategic Enablers

5.1 Schools restructuring

Good progress continues to be made with the Schools re-structuring. The School Executive Teams (SETs) are now all in place. Of the 26 Heads of Division, 24 have been appointed and cover for the other two is in place. All School Executive Administrator posts have now been filled. We have launched a consultation around three areas of academic provision – two in Health and one in Applied Science (see section 5.3) where there are questions around the future viability of the provision. Progress with defining the roles for the Associate Professor and criteria for other grades is good. There remains a risk of compulsory redundancy across these exercises hence this is still a volatile and high risk period.

5.2 Schools Administration

The Student Administration Service restructure has entered the 45 day consultation phase (15th May – 29th June). The proposed new structure and job roles have been well received by the Unions and staff groups. It is anticipated that the overwhelming majority of the new roles within the restructured service will be filled by existing University staff (either through re-deployment or selection). The new structure provides clear line-management, accountability and responsibilities. This will result in enhanced services being offered to students and staff as well as staff within the structure having a clear picture of potential career progression, which they did not have previously.

A list of 35 distinct administrative tasks have been identified as moving from academics to the new Student Administration Service structure from August 2015, thus freeing up academic time. This list has been agreed as a collaborative effort between the Deans and the interim Head of Student Administration.

The project is on course for the new structure and roles to be in place by August 2015. A number of Professional Functions are currently completing redesign proposals this month thus completing the work around the administrative and technical support.

5.3 Workforce planning

VS will close for applications on 30 June 2015 and panels to be held on 13th and 16th July. Outcomes will be confirmed by 1st September. The scheme is being kept open until end July for two specific restructures that we are about to commence consultation on the 22nd June, closure of Public Health Course and Careers

Guidance in HSC and Bioscience in Applied Science. To date c 60-65 applications have been received for VS which will be affordable.

5.4 HE Academy Fellowship

I am pleased to say we now have 345 members of staff who have been awarded fellowship by the Higher Education Academy. We have 31 Associate Fellows, 212 Fellows, 97 senior fellows and 5 principal fellows. This is testament to the high quality teaching across LSBU. With the governments drive to develop a Teaching Excellence Framework indicators such as these are important. We also now have 7 National Teaching Fellows (up from 4) making us one of the leading UK universities by this measure. These may be key indicators in any future teaching excellence framework.

5.5 Quality Assessment Review: Consultation on future approaches to quality assessment in England, Wales and Northern Ireland

Following phase one of the review of quality assessment which began in January 2015 HEFCE are consulting on draft proposals for the future quality assessment system. Current proposals if accepted, will have significant impact and include; strengthening the existing external examining system to protect academic standards by introducing an external examiner system; an enhanced role for universities own assurance systems including oversight by University Board; and placing the focus on information and data about student outcomes rather than systems and processes. The consultation closes in September and I will update the Board on the outcome and implications for LSBU in future VC reports but all current activity we are undertaking will ensure we are well placed irrespective of the outcome. It should be noted that we were due for an audit in 2016/17 and I am still seeking assurance from HEFCE that we will remain compliant with Home Office requirements for our Tier 4 licence otherwise this would impact on overseas recruitment.

Out comes #	Corporate Strategy Goals	Report Date	13th April 2015		Past Performance			benchmark	14/15 Ratings		Targets		14/15 Rating Criteria				
		20/20 Success Measures	#	Key Performance Indicators	2011/12	2012/13	2013/14	Competitor Group 12/13 average	Forecast RAG rating	Actual Result Rating	2014/15	2020/21	Exec. Lead	Green	Amber	Red	
Student Success	1	Employ- ability	95% students in employment / further study (EPI)	1	DHLE entry to employment or further study (EPI)	78.10%	77.4%	85.5%	88.5%	90.2%		87%	95%	PVC (SE)	87 % +	80 - 86 %	<80 %
			Top 10 UK universities for student start ups	2	Number of Student start ups	6	1	27	47.86			50	150	PVC (R&E)	50 +	43 - 49	< 42
	2	Student Experience	Top quartile of all universities in NSS	3	NSS scores – overall satisfaction	80%	82%	80%	81.7%			82%	89%	DVC	82 % +	80 - 81 %	< 80 %
				4	International Student barometer (% recommending LSBU)	70.00%	73.00%	72.40%	not available			N/A (hiatus)	81%		n/a	n/a	n/a
				5	PGT experience (% satisfaction)	71%	75%	75%	not available			77%	82%		77 % +	72 - 76 %	< 72 %
				6	Student Staff Ratio	22.4:1	23.7:1	24.2:1	21.2	17.2:1	22:1	19:1	<=22		23 - 24	>25	
Real World Impact	3	Teaching and Learning	Top 50% of universities for graduate employment / starting salaries.	7	Graduate level employment	not available	59%	54%	n/a (local indicator)	75%		55%	60%	PVC (SE)	55 % +	52 - 54 %	<52 %
	4	Research and Enterprise	Top 50% UK for Research & Enterprise Income	8	Research Income (non Hefce)	£2.4m	£2.2m	£1.8	£6.1	£1.9m		£1.4 m	£6.0 m	PVC (R&E)	£1.4 m +	£1.2 - 1.3 m	<£1.2 m
				9	Enterprise Income	£10m	£8.5m	£9.5m	not available	£8.5m		£9.9 m	£15.0 m		£9.9 m +	£9.5 - 9.8 m	<£9.5 m
Access to Opportunity	5	Access	Top London Modern for LPN recruitment	10	% recruitment from low participation neighbourhoods	6.5%	7.4%	7.7%	6.4%			8.4%	12.4%		PVC (R&E)	8.4 % +	7 - 8.3 %
				11	Undergraduate recruitment before clearing (% of firm acceptances against target prior to clearing)	63%	68%	76%	not available	80%		80%	90%	80% +		76 - 79 %	<76 %
				12	Completion (at or above benchmark)	not available	-9.50%	not yet available	-3.13%			-6%	+3%	>=-6 %		-7 to -9 %	<-9 %
			Exceed expectations on completion	13	Year 1 progression	63%	65%	63%	not available	64%		69%	85%	DVC	69 % +	63 - 68%	<63%
				14	Good Honours	53.4%	59.8%	58.3%	62.2%			60 - 65%			60 % +	55 - 59 %	<55 %
			15	PG completion	not available	75%	not yet available	not available			76%	85%		76% +	73 - 75 %	< 73%	
6	International	4 QS Stars	16	QS Star Rating	n/a	n/a	2 (prov.)	not available		3 stars	2	4	VC	2	1	0	
			17	Overseas student income	£9.6m	£8.6m	£8.5m	£29.5m	£10.5m		£9.3m	20m	PVC (R&E)	£9.3 m +	£8.8 - 9.2 m	<£8.8 m	
Strategic Enablers	7	People and Organisation	Rated as a good employer	18	Appraisal completion %	21%	28%	37%	not available			50%	95%	EDHR	50 % +	45 - 49 %	< 45 %
				19	Average Engagement Score as as %		58%	-	70%			55%	75%	EDHR			
	8	Resources and Infrastructure	Grow our income by 25% to £170m annually, deliver an operating surplus of 5% and an EBITDA margin of 15%	20	Surplus as % of income	4.7%	4.0%	2.3%	9.6%	0.7%		0.7%	5.0%	CFO	0.7 % +	0.4 - 0.6 %	< 0.4%
				21	Income (£m)	£138.3m	£137.9m	£134.8m	£188.2m	£136.0m		£136.5m	£170.0m		£136.5 m +	£134.0 - 136.4 m	< £134 m
				22	EBITDA margin (EBITDA expressed as % of income)	14.3%	11.2%	9.9%	9.20%			10.7%	15.0%		10.7% +	9.7 - 10.6%	<9.7%
Student satisfaction with facilities & environment in top UK quartile	23	Student satisfaction ratings with facilities & environment	79%	80.0%	83.0%	82.7%			84%	87%	COO	84 % +	81 - 83 %	< 81%			
	24	Teaching room utilisation rate	42%	42%	not yet available	42.8%			43%	48%		43%	41 - 42%	<41%			
League Tables	Overall	Top London Modern university (excl UAL)	25	TIMES - League table ranking	111/121	118/121	122/123	92.3			118	80	VC	118 or higher	119 - 122	122 or lower	
			26	GUARDIAN – League table ranking	104/120	113/119	112/116	87.1		111	110	86		110 or higher	111 - 114	115 or lower	
			27	COMPLETE UNIVERSITY GUIDE – League table ranking	109/116	119/124	120/123	85		119	117	93		117 or higher	118 - 120	121 or lower	

KPI Number	Forecast Notes	Result Notes	
1	DHLE positive outcomes (EPI)	From data submitted to HESA at start of April	An improvement to 9/10 positive outcomes
2	Number of Student start ups		
3	NSS overall satisfaction		
4	ISB (% recommending LSBU)		
5	PGT experience (% satisfaction)		
6	Student Staff Ratio	HESA data downloaded from HEIDI database by BIU	
7	Graduate level employment	From data submitted to HESA at start of April	A significant improvement on the 13/14 result
8	Research Income (non Hefce)	Figure from May management accounts p15	No change to the previous figure
9	Enterprise Income	Figure from May management accounts p16	A reduction of £500K on the April figure
10	% LPN recruitment		
11	UG % of FAs against 2750 prior to clearing		
12	Completion (to benchmark)		
13	Year 1 progression	Progression figure from S1 entrants - 14/15	
14	Good Honours		
15	PG completion		
16	QS Star Rating	3 stars awarded to submission in March 2015	Further details via staff newsletter link
17	Overseas student income	Figure from May management accounts	An increase of £0.1m on the April figure
18	Appraisal completion %		
19	Average engagement score		
20	Surplus as % of income	Figure from May management accounts	No change
21	Income (£m)	Figure from May management accounts	A reduction of £0.4m
22	EBITDA margin %		
23	Student facilities & environment satisfaction		
24	Teaching room utilisation rate		
25	Times League table rank		
26	Guardian League table rank	From 2016 table release May 2015	
27	Complete University Guide	From 2016 table circulated April 2015	

	PAPER NO: BG.29(15)
Paper title:	Annual Health and Safety Report
Board/Committee	Board of Governors
Date of meeting:	9 July 2015
Author:	Dr. Markos Koumaditis, Ed Spacey and Andy Wright (Health, Safety and Resilience Team)
Executive sponsor:	Mandy Eddolls, Executive Director of People and Organisation
Purpose:	To provide an overview of the work carried out by the Health, Safety and Resilience team since the last annual report.
Recommendation:	That the Board of Governors approves the Annual Report and notes the significant progress which has been made in Health and Safety.

Matter previously considered by:	Operations Group	16 June, 2015
Further approval required?	N/A	

Executive Summary

This report provides data for the period from the 1st August 2013 to 31st July 2014 and allows direct comparison with benchmark data across 161 Universities, using statistics published by the Higher Education Statistics Agency (HESA) which were released in April 2015. The report also provides further information regarding more recent trends over the last two quarters (2014 / 15) for London South Bank University.

Data highlights include:

- Evidence of a successful campaign to encourage reporting of accidents, reflected in a 46% increase in accident reports in 2013 / 2014. This does not mean the university is becoming less safe, as the number of accidents remains lower than the HESA average.

- 1 RIDDOR Reportable accident this period, compared to 2 in 2012 / 2013.
- No enforcement notices served on the University for any health and safety issues.
- No fatalities, significant fires or major injuries.

Health and Safety has substantially developed through:

- Improvements to data recording systems. This has enabled data dashboard information to be regularly provided to the Operations Group.
- The introduction of a structured system of mandatory health and safety training for all staff.
- Display Screen Equipment Assessment becoming a mandatory requirement.
- Major works to improve fire safety across all buildings.
- New initiatives to introduce Heart Defibrillator Machines.
- Developing good working relationships with Schools and Professional Services staff.
- Developing awareness of external accreditation e.g. working on a project to gain accreditation for the Mayor of London Healthy Workplace Award.

Areas for future improvement include:

- Making the content of health and safety information on the staff gateway more user friendly and accessible.
- Improving student union engagement and developing a student health and safety ambassador role.
- Developing and embedding compliance monitoring arrangements.

Annual Health and Safety Report 2013 / 14

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1.0 Executive Summary

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2.0 Introduction

This report provides an overview of the work carried out by the Health, Safety and Resilience team since the last Annual Report. It includes information on projects undertaken and the health and safety issues and developments across the University. It provides summary accident and injury statistics, compared to those of the previous year, and external benchmarking with data from the Higher Education Statistics Agency. More recent accident and incident analysis is included in order to highlight the latest trends (2014 / 15).

The Health, Safety and Resilience Team has been developing a significant number of new initiatives, and continues to raise the profile of health and safety across the organisation, working in collaboration with staff, students, trade unions and the Health and Safety Joint Committee (HSJC).

3.0 Health and Safety Achievements

This section describes the major achievements made by the Health, Safety and Resilience team. It includes details of how areas for development highlighted in the last annual report have been progressed. The Health and Safety Joint Committee has been regularly consulted and updated on all progress, and the Head of Health, Safety and Resilience provides detailed reports to the group three times per year in March, June and November. Sections 3.1 – 3.9 outline how the progress has been made.

3.1 Fire Safety Management

Fire Safety Management across all buildings at London South Bank University has improved, as a direct result of a major project and safety review which has been undertaken.

All buildings have had a full new Fire Risk Assessment undertaken and completed. There were no major issues likely to cause a significant threat to life. A process is in place for resolving any identified remedial fire related maintenance issues, with time clear timescales and an electronic monitoring system to ensure completion. Fire signage is also being reviewed building by building, on an ongoing scheduled basis. A strategic Fire Safety Group has been formed, comprising representatives from Maintenance, Security, and Health, Safety and Resilience. The group is chaired by the Head of Estates Operations and meets every two weeks.

Fire safety training for staff has been reviewed. The content has been made directly relevant to the University and the course duration substantially shortened from one

day to two hours. Fire Warden briefing meetings by building have also been introduced so that Fire Wardens have a forum for raising questions, get to know their fellow Fire Wardens and feel valued by the organisation. The number, locations and role of Fire Wardens is being continually reviewed.

A new online fire safety training module for Students has been designed, which is particularly helpful to those coming into Halls of Residence. Students are also briefed on fire safety as part of induction during Freshers Week. A new online fire safety module has been introduced, which all new staff joining LSBU completes on the first day of their employment.

The Health, Safety and Resilience team continues to work in partnership with the London Fire Brigade. Fire Brigade familiarisation visits to the University have been introduced, to help develop emergency services site awareness, should there ever be a major incident. Detailed hazard maps showing the locations and quantities of chemicals, gas cylinders etc. across the campus have been created and supplied to the London Fire Brigade.

Fire evacuation procedures and instructions are currently being reviewed and simplified.

3.2 Health and Safety Training

The previous annual report highlighted the importance of ensuring that staff receive health and safety training, as attendance and take up had historically been very low.

The Health, Safety and Resilience team has undertaken a very large project to introduce a system of mandatory health and safety training. The training initially comprises face to face sessions which all staff need to attend once per year, and there are different modules for those staff who have line management responsibilities as opposed to those who do not. Systems have been created in order to enable detailed compliance and completion reports to be produced, and the intention is for regular mandatory training dashboards to be supplied to the Operations Board. This will positively change the health and safety culture of the organisation.

Emerging Data regarding Mandatory Training

Mandatory face to face health and safety training commenced on 1st June 2015. 43 staff attended on the first day, which represents 2.1% of the total staff headcount of 2080.

As of 1st June 2015, a further 480 staff had booked their place on one of the future advertised training dates. This represents a further 23.1% of the total staff headcount.

3.3 Online Display Screen Equipment Assessment (DSE)

Staff completion rates for DSE completion have historically been low and less than 5%. The previous annual report identified the need to improve take up and completion. The Health, Safety and Resilience Team provides a programme of support and advice for staff on all DSE issues, including promoting, commissioning and co-ordinating courses for more staff to become DSE Assessors. This is to help managers fulfil their responsibility of ensuring all staff who use DSE equipment receive an assessment. The Executive agreed that the completion of DSE Assessment should be a mandatory requirement, and this was publicised to staff on 15 May 2015. All staff who use DSE equipment and have not had an assessment since March 2015 will need to complete one by October 2015.

3.4 First Aid

During 2014 a review was carried out on the number and location of First Aiders and all lists of qualified staff were updated. A new initiative was introduced to provide regular forum meetings for first aiders to meet and share information, and discuss best practice. The method of contacting a First Aider has also been simplified and improved, by affixing a sticker showing key numbers on every telephone handset in the University.

LSBU currently has 75 Qualified First Aiders, which is appropriate for the size of the organisation and is in line with Health and Safety good practice.

In 2014 the Health, Safety and Resilience team identified that the University did not have access to any Automatic External Defibrillator Heart Machines. A successful business case was produced and LSBU now has two such devices on site, including one held by the Security Team for use across the campus. The number of Defibrillators is planned to increase. The method of procuring first aid training is currently under further review.

3.5 Risk Assessment

Raising the profile of effective Risk Assessment is fundamental to help prevent accidents and incidents, as well as minimising the likelihood of success of legal claims against the University.

The Health, Safety and Resilience team regularly works with staff at all levels across the University to offer professional advice and support in this area. The Team undertakes work to review risk assessment standards, and provides recommendations and clear

guidance on any areas of risk as required. Recent developments include working in partnership with staff across the School of Arts and Creative Industries to develop a risk management framework for core areas of activity. This will also be accompanied by the roll out of structured training.

In addition the team works closely with the Principal Solicitor at the University, in any situation where the organisation may be subject to any insurance claim, resulting from an accident.

3.6 Personal Emergency Evacuation Plans (PEEP's)

The previous annual report highlighted the need for a standard form to be reviewed, shortened and made easier to complete.

In June 2014 the Health, Safety and Resilience Team worked with the Disability and Dyslexia Service to review the arrangements in place and produced Personal Emergency Evacuation Plans (PEEP's). These are plans drawn up to support any person with any mobility issues, or other disability which may impede their ability to safely evacuate the premises.

The Health, Safety and Resilience team have:

- Designed a new shorter, more user friendly PEEP form.
- Improved the efficiency of the process and thus the time staff or students had to wait for the assessment.
- Ensured that any person requiring a PEEP is personally seen by a member of the team and their needs discussed at the outset in person.

The above measures were fully implemented from September 2014.

3.7 Compliance

Over the last year, the Health, Safety and Resilience team has developed a model of working which places compliance monitoring at the heart of its operating ethos. In order to effectively monitor compliance, initial work had to focus on improving data quality and systems in order to facilitate effective analysis. The Compliance Officer has also been instrumental in leading, delivering and promoting training for staff to record and review core information on appropriate systems. Success in these areas has enabled the focus to shift to developing appropriate compliance toolkits, which will be used to identify areas for development and provide assurance standards.

Areas of major work have included:

- Contractor Compliance and associated procedures.
- Piloting of management health and safety checklists.
- Reviewing the investigation process for accidents and incidents.
- Providing a verification audit to Universities UK, regarding the quality management arrangements for LSBU Halls of Residence.

3.8 Health and Safety Audit Results

In January 2015 the Academy of Sport underwent an external health and safety audit required for their external Quest Accreditation Scheme. This was supported by the Health, Safety and Resilience team. The result was a 25% improvement in the score from the previous audit of January 2014 (from 52% to 77%).

3.9 External Awards

The Health, Safety and Resilience team is working with a cross section of University staff to make a successful bid to achieve accreditation for the Mayor of London Healthy Workplace Award. A working group has been formed to take this forward, and is sponsored by the Deputy Vice Chancellor and Executive Director of Human Resources.

4.0 Health and Safety Management Structure

4.1 University Health and Safety Joint Committee

The Health and Safety Joint Committee has been constituted under the terms of the Health and Safety at Work Act 1974, section 2(7), as well as the Safety Representatives and Safety Committees Regulations 1977.

The committee meets once per term - normally in March, June and November. Its primary function is to review the measures taken to ensure the health and safety of staff, students and visitors. It is a consultative body.

The chair of the committee shall be rotated between the Vice Chancellor (or his nominee) and the vice chair on annual basis. Each rotation shall be for one academic year.

The vice chair is nominated by the trade unions from amongst its representatives.

4.2 Membership

University representatives are:

- The Vice Chancellor (or his designated nominee who may or may not already be a member).
- The Chief Operating Officer.
- One Dean.
- The Executive Director of HR.
- The Director of Estates.
- The Director of Student Services and Employment.

Student Representative:

- The Students Union President.

Trade Union Representatives: Up to three trade union representatives are nominated from each of the following recognised trade unions – GMB, UCU and Unison.

The committee may co-opt additional members as necessary.

The Deputy Director of HR (Business Services), the Head of Health, Safety and Resilience and the Safety Officer attended every meeting of the Committee throughout this period. The Head of Health Safety and Resilience provided detailed reports to each meeting, summarising health and safety progress and developments.

4.3 New safety committee structure

The Vice Chancellor requested that the Health, Safety and Resilience team recommend a new safety committee structure to support the new organisational structure (from Faculties to Schools). Benchmarking took place with other Universities, and there was wide consultation across the University, including discussions with each of the Deans. A system was devised accordingly.

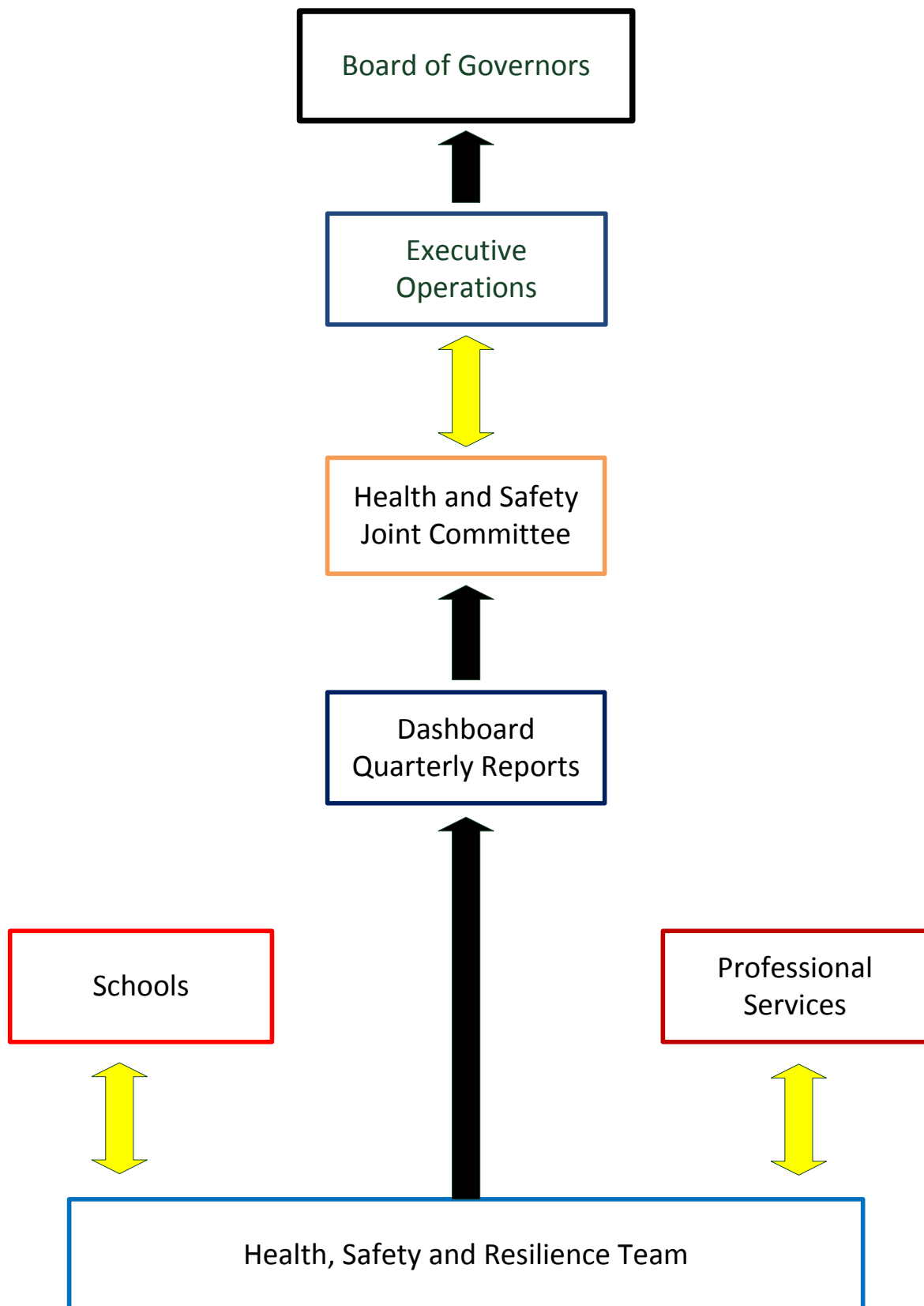
The senior management team structure within schools manages health and safety locally. Health, Safety and Resilience representatives attend the individual schools meetings when the Health and Safety agenda item is discussed. Professional Services will similarly have their own suitable local forums, attended by Health, Safety and Resilience representatives.

The Health, Safety and Resilience team provide each local Health and Safety meeting with any related data, updates and developments, and an overarching dashboard report will go to the Health and Safety Joint Committee.

Deans and the Executive Members remain responsible and accountable for Health and Safety. There will be one selected Dean to represent all schools at the Health and Safety Joint Committee.

The Health, Safety and Resilience team will oversee H&S Audits, monitoring, inspections and data at local levels and provide the appropriate support to ensure best practice and continuous improvement.

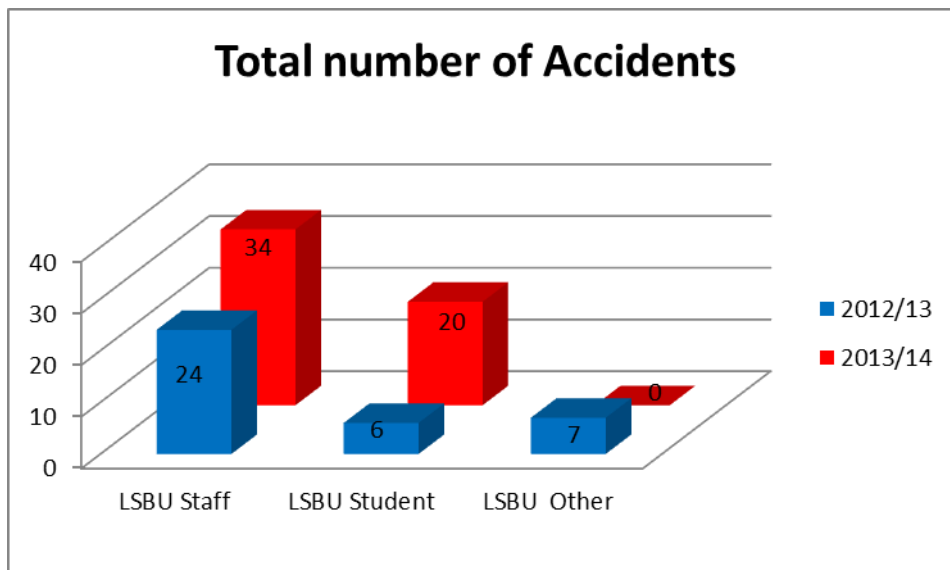
LSBU Safety Committee Structure



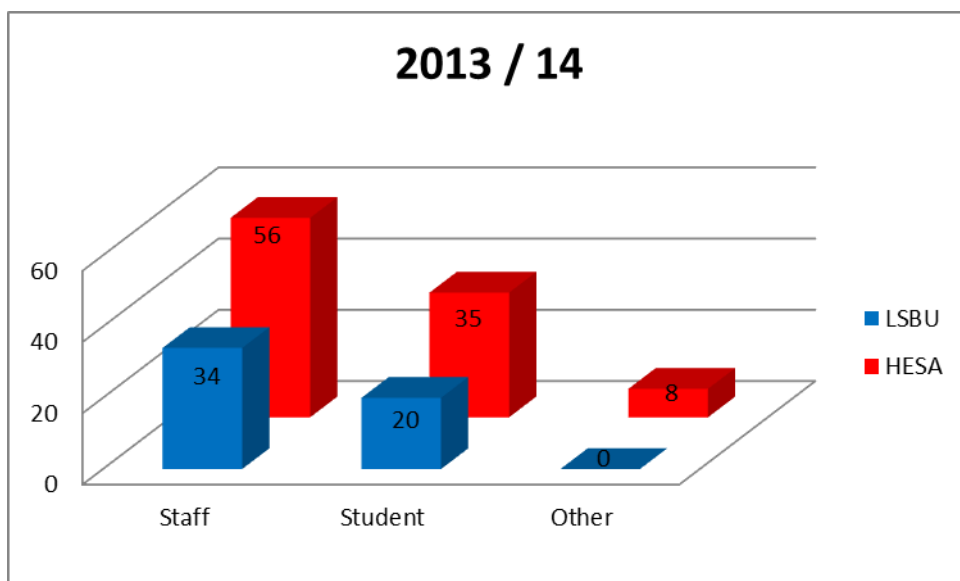
5.0 Accident and Incident Statistics

54 total accidents were reported for the period 2013 / 14, compared to 37 in 2012 / 13. However, whilst this is a 46% increase, LSBU is still below the average trend compared to data from HESA. Total injuries per 1000 at risk X1000 is 21.9 for LSBU staff compared to 23.8 for the HESA average and 1.19 for students compared to 2.15 for the HESA average.

5.1 Total number of Accidents reported by period 2012 / 2014

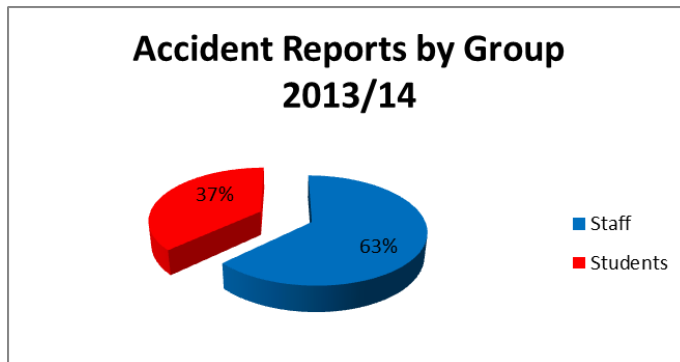


5.2 2013 / 14 LSBU Accident reporting compared to HESA average



Research across the London Branch of the Universities Safety and Health Association (USHA) in May 2015 indicated that London South Bank University (LSBU) is one of the only universities to include direct benchmarking in its annual report. This is important in establishing our position in the sector.

5.3 2013 / 14 Accident reports by Groups

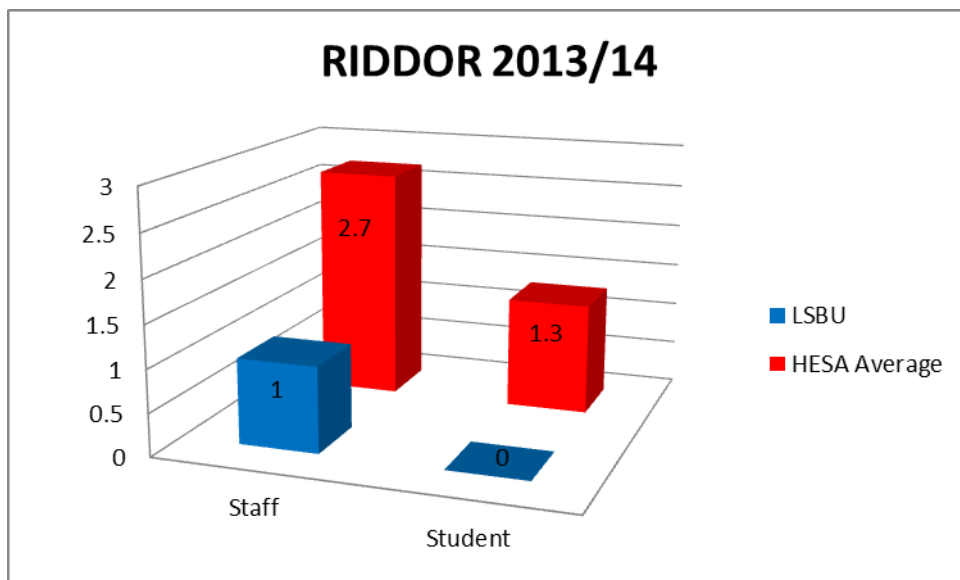


5.4 Reporting of Injuries, Disease and Dangerous Occurrence Regulations (RIDDOR)

The number of RIDDOR reportable incidents this period was 1, compared to 2 the previous year. LSBU has a higher rate of RIDDOR reportable incidents for Staff (0.64 per 1000 at risk) than the HESA average of 1.14, but a lower rate of RIDDOR reportable incidents for Students (0 compared to the HESA average of 0.11 per 1000 at risk).

The details of the LSBU incident was a Manual Handling injury, which was a direct result of a member of staff moving furniture. This occurred in the School of Health and Social Care.

5.5 Total RIDDOR Incidents for period 01st August 2013 to 31st July 2014

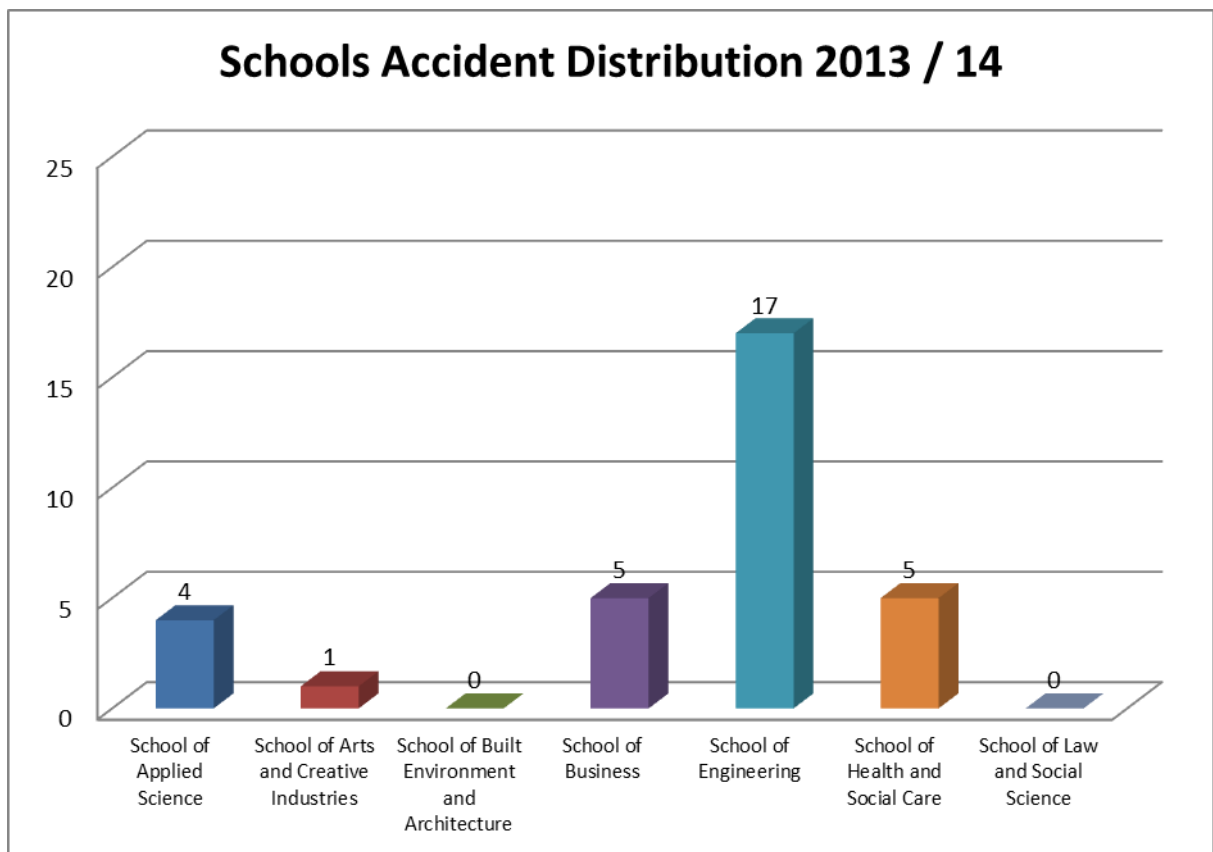


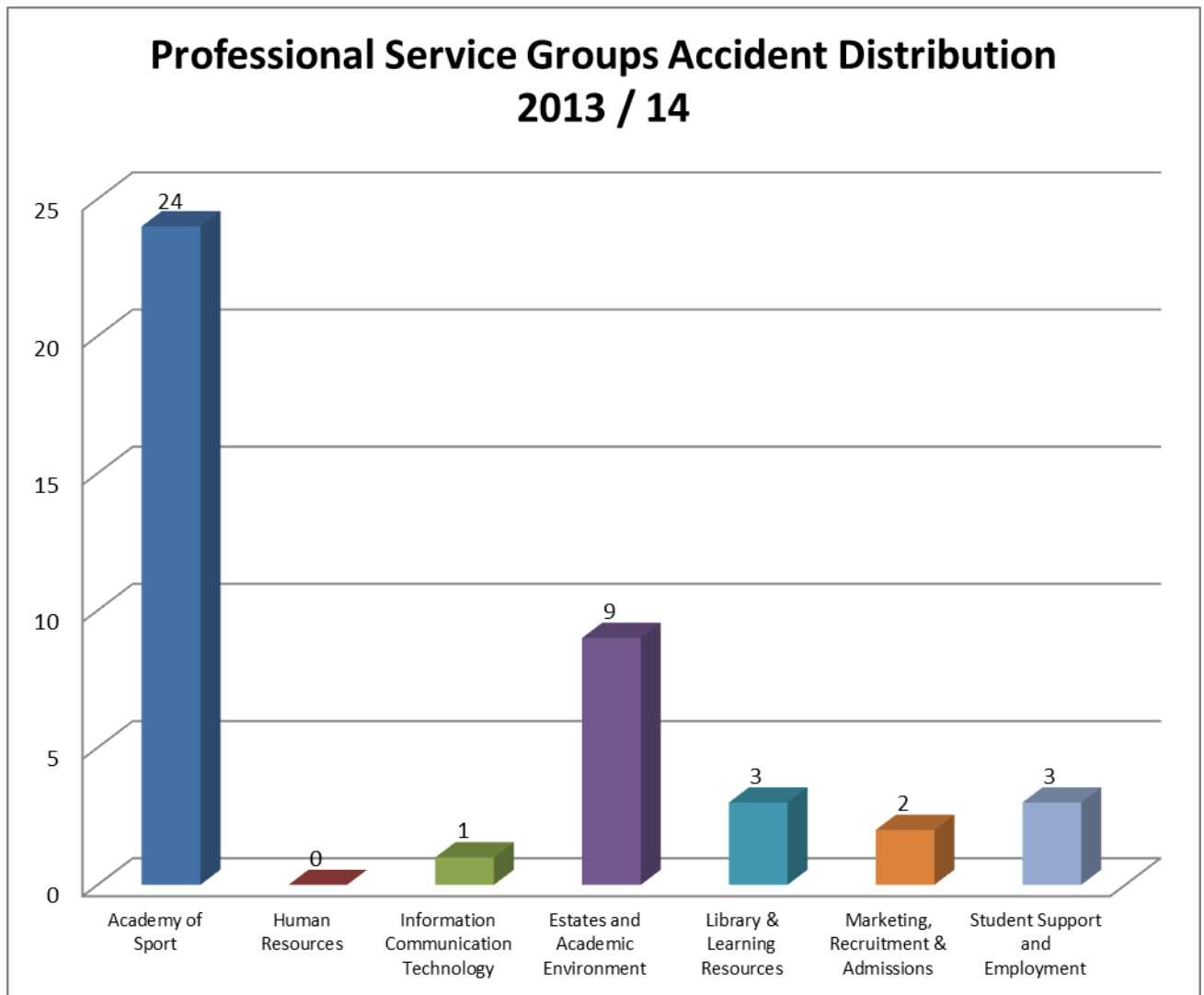
5.6 Schools and Professional Service Group Accident Analysis 2013 / 14

The Health, Safety and Resilience team has improved data systems facilitating the ability to provide breakdowns of incidents across Schools and Professional Service functions. The data indicates a similar trend with the dash board data in Appendix A.

Improvements which have been made to the data system allow comparison of the volume of accidents by School and Professional Service Groups.

The graph shows that the School of Engineering has a higher level of accident reporting than other Schools across the period of the year. Some Schools do not appear to have any accident reports across the year. These figures should be considered at local health and safety forums to examine any underlying reasons or test how well reporting mechanisms are known.





The graph above indicates the main reporting of accidents occurred in the Academy of Sports, and Estates and Academic Environment. The Academy of Sports has the highest number of reported accidents, which is an expected pattern given the volume of use of exercise equipment. The next highest level of reported accidents is within Estates and Academic Environment, where moving and handling and manual tasks are more frequent. Accident reporting is discussed at the relevant Health and Safety forums. This is continuing to raise awareness of both accident reporting procedures and accident investigation.

5.7 Further analysis

The following table provides further analysis of the number of accidents by category. It should be noted that the main cause of accidents across the university is slips, trips and falls, and this is expected for the sector.

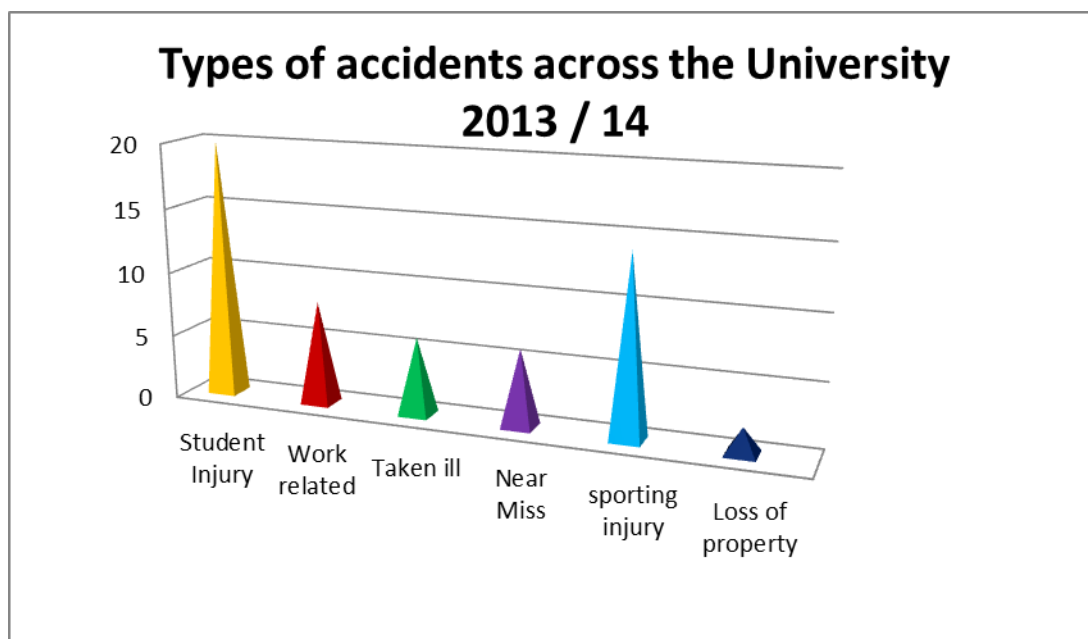


Table 1: Accidents involving injuries – LSBU data 2013 / 14

	Staff	Students	Others	Totals
Accident involving injury				
Fatalities	0	0	0	0
Specified major injuries	0	0	0	0
Non-employees: hospital treatment for reportable inj.	0	0	0	0
Other injuries involving more than 3 or 7 days, lost time	0	0	0	0
Total RIDDOR reportable injuries	1	0	0	2
Other accidents involving injury	0	0	0	0
Total accidents involving injury	34	20	0	54
Number of staff and students at risk	1,550	16,667	0	18,217
RIDDOR Reportable injuries /1000 at risk	0.64	0	n/a	n/a
Total Injuries per 1000 at risk x 1000	21.9	1.19	n/a	n/a

Table 2: Accidents involving injuries – HESA data 2013 / 14

Accident involving injury	Staff	Students	Others	Totals
Fatalities	0	0	0	0
Specified major injuries	121	35	0	156
Non-employees: hospital treatment for reportable inj.	0	231	84	315
Other injuries involving more than 3or 7 days, lost time	323	0	0	323
Total RIDDOR reportable injuries	435	220	104	759
Other accidents involving injury	8,545	4,045	1,200	13,790
Total accidents involving injury	9,050	4,120	1,345	14,515
Number of staff and students at risk	380,204	1,916,981	0	2,297,185
RIDDOR Reportable injuries /1000 at risk x1000	1.14	0.11	n/a	n/a
Total Injuries per 1000 at risk x 1000	23.8	2.15	n/a	n/a

Table 3: Accidents involving injuries – LSBU data 2012 / 13

Accident involving injury	Staff	Students	Others	Totals
Fatalities	0	0	0	0
Specified major injuries	0	0	0	0
Non-employees: hospital treatment for reportable inj.	0	4	0	4
Other injuries involving more than 3or 7 days, lost time	2	0	0	2
Total RIDDOR reportable injuries	2	4	0	6
Other accidents involving injury	22	2	7	31
Total accidents involving injury	24	6	7	37
Number of staff and students at risk	2,050	19,796	0	21,846
RIDDOR Reportable injuries /1000 at risk x1000	0.98	0.20	n/a	n/a
Total Injuries per 1000 at risk x 1000	11.71	0.30	n/a	n/a

Table 4: Accidents involving injuries – HESA data 2012 / 13

Accident involving injury	Staff	Students	Others	Totals
Fatalities	0	0	0	0
Specified major injuries	138	53	0	191
Non-employees: hospital treatment for reportable inj.	0	292	98	390
Other injuries involving more than 3or 7 days, lost time	291	0	0	291
Total RIDDOR reportable injuries	418	285	112	815
Other accidents involving injury	8,656	4,321	1,431	14,408
Total accidents involving injury	9,175	4,585	1,519	15,279
Number of staff and students at risk	348,152	1,897,371	0	2,245,523
RIDDOR Reportable injuries /1000 at risk x1000	1.20	0.15	n/a	n/a
Total Injuries per 1000 at risk x 1000	26.35	2.42	n/a	n/a

5.8 Current trends

The previous annual report identified the need for improved data systems. The Health, Safety and Resilience team has successfully developed dashboard data reporting systems, which regularly informs the Operations Group of emerging trends. The dashboard data attached in **Appendix A** provides details of the most recent current trends.

6.0 Policy Review

A new Health and Safety Policy was approved and formally launched in February 2015, accompanied by a structured communications plan to raise awareness. A promotional campaign commenced by ensuring that every member of staff received formal notification of the new Policy. The notification was linked to the issue of payslips, so that all employees were included, and positive feedback about this process was received from staff. Further promotion occurred via social media, the provision of oyster card holders advertising the policy for students, information on the staff gateway and “My Lsbu”, posters and flyers around the campus, and advertising within the Students Union.

Drug and Alcohol Abuse Policy

Discussions with Security identified the need for clearer university guidance on Drug and Alcohol Abuse, particularly given the emerging problems caused by legal highs within the student community. A new consultative document is currently being tested as a pilot within Estates and Academic Environment.

No Smoking Policy

The above policy has been reviewed, in order to ensure that the emerging issue of the use of electronic cigarettes is appropriately covered. An updated document is currently being used as a pilot within Estates and Academic Environment.

6.1 Legislative Change

The Health, Safety and Resilience team monitor any key legislative changes, developments from the Health and Safety Executive or changes to any approved codes of practice or legislation which could impact on the operation of the University. During this period there has been one major change, and this affect Estates Project Management Teams in particular. The Construction (Design and Management) Regulations 2015 (CDM 2015) came into force on 6 April 2015, replacing CDM 2007.

They describe the law that applies to the whole construction process on all projects from concept to completion.

Health, Safety and Resilience has worked with colleagues to ensure preparedness, awareness and compliance. The matter has also been discussed at Estates Project Management Meetings.

7.0 Occupational Health Service and Employee Assistance Programme (EAP)

Occupational Health Services continue to be delivered by the RPS Group. The latest data from the period July 2014 to February 2015, shows 80 appointments were booked in 8 months. This compares to 26 in the 3 months from August to October 2013, as provided in the last annual report. During July 2014 to February 2015, 72 out of the 80 cases (90%) were booked with an Occupational Health Adviser and 8 cases (10%) with an Occupational Health Practitioner. This ratio is consistent with the previous annual report data of 23 out of 26 cases (88.5%) booked with an Occupational Health Adviser. The greatest number of referrals were those for mental and behavioural issues. This remains the same trend as reported last year.

Employee Assistance Programme Data

Period	Number of new cases raised
Mar 14-May 14	23
June 14-Aug 14	9
Sep 14-Nov 14	14
Dec 14-Feb15	11
Total	57

The number of recent new cases raised with the EAP has been declining since the quarter March – May 2014. The figure for March – May is higher because there was an initiative to raise awareness in that period.

The EAP Report for the latest quarter at the time of writing - December 2014 to February 2015 shows a 21.4% fall in the number of new cases raised compared to the previous quarter. 11 new users represent a 0.53% usage this period, based on a staff total headcount of 2080. From March 2014 to February 2015 the total number of new cases of 57 represents an annual usage of 2.74%. This remains less than the annual benchmark average of 5.73% (source: Right Management). The previous annual report used data from an EAP Report Q1 2013 /14 which indicated 24 new cases (compared to 11 in December 2014 – February 2015), equating to a 1.33% usage based on staff

headcount at the time. Both figures indicate that significant further work may be needed to raise awareness and maximise the benefits of the service.

Of the 11 new cases during December 2014 to February 2015, 5 callers were supported by the EAP Legal and Information Team. Enquiries related to personal issues (family matters), redundancy, and relationship/conflict with a Line Manager. 6 callers from the 11 new cases were supported by the Counselling Helpline team. The top counselling issues included organisational change, work stress and resources and training. In 2013 / 14 the top counselling issues at that time were given as emotional, relationship and family issues, work and career.

The predominant user of the EAP service during 2014 / 15 remains female, whilst the predominant ethnicity is White British.

Appendix A – 2014 / 2015 Q1 Data Dashboard Report

Safety Data - Overview	SAFETY DASHBOARD		Breakdown of Accidents																																																								
Accident data AMBER	Types of Accident AMBER	Accident data Q1 2015 (top) and Q1 2014 (below) GREEN																																																									
<table border="1"> <caption>Accident Data by Category and Quarter</caption> <thead> <tr> <th>Category</th> <th>Q1 1.01.14-31.03.14</th> <th>Q4 1.10.14-31.12.14</th> <th>Q1 1.01.15-31.03.15</th> </tr> </thead> <tbody> <tr> <td>STAFF</td> <td>7</td> <td>14</td> <td>12</td> </tr> <tr> <td>STUDENT</td> <td>7</td> <td>27</td> <td>20</td> </tr> <tr> <td>OTHER</td> <td>8</td> <td>8</td> <td>4</td> </tr> </tbody> </table>	Category	Q1 1.01.14-31.03.14	Q4 1.10.14-31.12.14	Q1 1.01.15-31.03.15	STAFF	7	14	12	STUDENT	7	27	20	OTHER	8	8	4	<table border="1"> <caption>Types of Accidents</caption> <thead> <tr> <th>Type</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>Student Injury</td> <td>20</td> </tr> <tr> <td>Work related injury</td> <td>12</td> </tr> <tr> <td>Taken ill</td> <td>1</td> </tr> <tr> <td>Near Miss</td> <td>3</td> </tr> </tbody> </table>	Type	Count	Student Injury	20	Work related injury	12	Taken ill	1	Near Miss	3	<table border="1"> <caption>Accident Data by School/Department (Q1 2015)</caption> <thead> <tr> <th>School/Department</th> <th>Count</th> </tr> </thead> <tbody> <tr><td>School of Applied Science</td><td>2</td></tr> <tr><td>School of Arts and Creative Industries</td><td>2</td></tr> <tr><td>School of Built Environment and Architecture</td><td>2</td></tr> <tr><td>School of Business</td><td>4</td></tr> <tr><td>School of Engineering</td><td>2</td></tr> <tr><td>School of Health and Social Care</td><td>6</td></tr> <tr><td>School of Law and Social Science</td><td>1</td></tr> <tr><td>Academy of Sport</td><td>14</td></tr> <tr><td>Human Resources</td><td>0</td></tr> <tr><td>Information Communication Technology</td><td>1</td></tr> <tr><td>Estates and Academic Environment</td><td>25</td></tr> <tr><td>Library & Learning Resources</td><td>1</td></tr> <tr><td>Marketing, Recruitment & Admissions</td><td>1</td></tr> <tr><td>Student Support and Employment</td><td>2</td></tr> </tbody> </table>		School/Department	Count	School of Applied Science	2	School of Arts and Creative Industries	2	School of Built Environment and Architecture	2	School of Business	4	School of Engineering	2	School of Health and Social Care	6	School of Law and Social Science	1	Academy of Sport	14	Human Resources	0	Information Communication Technology	1	Estates and Academic Environment	25	Library & Learning Resources	1	Marketing, Recruitment & Admissions	1	Student Support and Employment	2
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<p>Reporting of accidents has continued to increase in comparison to the equivalent period last year following initiatives to develop Health and Safety awareness. If the current level of accidents continues LSBU will be above the USHA average for Universities. USHA benchmark data indicates 26.0 staff per 1000 LSBU compared to 22.19 staff per 1000 USHA and 2.75 Student per 1000 LSBU compared to 1.93 Student per 1000 USHA. However the volume of accidents reported in Q1 2015 is 14% less than the previous Q4 2014. This shows that the incident levels are stabilising.</p>	<p>The total of number of accidents reported has increased, compared to the same period last year. This does not necessarily mean that the organisation is becoming less safe. Student injuries are predominantly from activities taking place in the Academy of Sport. The main type of accident across the organisation related to slips, trips and falls which is consistent and compares with USHA data for other Universities. There was one incident relating to a nut allergy on campus. A near miss is defined as an unplanned event that did not result in injury, illness, or damage but was reported as had the potential to do so. The student and work related incidents have stayed the same.</p>																																																										
<p>RIDDOR</p> <p>There was 1 RIDDOR reported this quarter which was related to a slip trip and fall injury in the School of Health and Social Care. The member of staff stood up to check something on her screen and went to sit back down and her chair had been removed. This resulted in her landing on the bottom of her spine injuring her back. The member of staff was off sick for more than seven days.</p>	<p>The majority of accidents occurred in the Estates and Academic Environment, Academy of Sport and School of Health and Social Care. This pattern is expected given the nature of the services. The distribution has not changed across the Schools and Professional Service Groups since the last data dashboard report.</p>																																																										

Rag Rating Criteria

	Accidents	RIDDOR	Distribution/Breakdown
RED	Above USHA average number of accidents without sufficient explanation for the trend	Any major injuries or death	Significant change in the distribution of accidents across Schools and Professional Service Groups.
AMBER	Above USHA average number of accidents but with logical reasons for the trend.	1 or more minor injuries causing more than 7 days off work	Two or three changes in the distribution of accidents across Schools and Professional Service Groups.
GREEN	Better or average performance in the number of accidents recorded compared to USHA	0 RIDDOR's reported for this period	No change in the distribution of accidents across Schools and Professional Service Groups figures.

USHA - Universities Safety and Health Association

	PAPER NO: BG.30(15) <i>CONFIDENTIAL</i>
Paper title:	Report from the Chief Financial Officer
Board/Committee	Board of Governors
Date of meeting:	9 July 2015
Author:	Richard Flatman, Chief Financial Officer
Executive sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	To update the Board on financial matters.
Recommendation:	<p>The Board is requested to:</p> <ul style="list-style-type: none"> • note the report, which provides a progress update on a range of financial matters including in-year financial performance • approve the Budget for 2015/16 • approve the proposals for loan / deposit offset at Barclays and delegate finalisation and signing to CFO • approve minor changes to the University financial regulations.

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

Attachments:

Appendix 1: May 2015 management accounts summary

Appendix 2: Budget summary 2015/16

Report from the Chief Financial Officer: May 2015

1. Current Financial Position

The summary management accounts to 31 May are enclosed as Appendix 1.

The full year forecast at 31 May 2015 was trending towards a contribution of £1.1M. That represents an improvement of £0.1M compared to last month. However, we have used these funds to increase the restructuring fund provision available to the University and so we continue to report a forecast surplus of £1.0M. This would deliver the University on budget.

The key driver in terms of increased financial performance in May is the School of Health & Social Care which has improved its contribution by £200K and is now expected to deliver to budget. The Business School is also back on budget. We currently expect 5 out of 7 schools to deliver against budget as will 23 out of 27 central support departments.

We continue to work with all Schools and Professional Functions to manage closely their staff costs but would expect any reduction in our staffing forecast to be matched with additional investments in restructuring costs.

Whilst the forecast surplus remains unchanged at £1m in line with budget, this does mask a couple of other significant movements in May which have been offset by reductions in the staff cost forecast. These are:

- A reduction from £9.1m to £8.6m in enterprise income forecast in year. The lower figure still represents an improvement of 9% on previous year but is a disappointing downward shift at this late stage in the year. Regular weekly reports are now being made to the Executive and the most recent report indicated a more positive likely result for the year of £8.8m
- A month on month increase in operating expenditure of £0.5m, a large part of which relates to payment of bursaries.

Our latest estimates also assume that there will be a reduction in HEFCE funding for 2014/15 in response to the announcement that BIS has to make savings of £450m for 2015/16. This adjustment will cover the period 1 April 2015 to 31 July 2015 and is estimated to be £0.5m. This is in addition to the £1m downward adjustment already made in respect of old regime student numbers.

This adjustment is not covered in the May management accounts and we are currently reviewing closely all areas of operating expenditure to identify

specific areas where savings can be made. Full year forecast Opex unspent at 31 May 2015 was £12.6m hence there is scope for savings in the final 2 months.

Indicative pension assumptions have been received from the actuary regarding the Local Government pension scheme. These have been circulated to the external auditors and to all members of audit committee for comment. The real discount rate has reduced further and early indications are that the deficit is likely to increase for balance sheet reporting purposes. The impact on the I&E account is difficult to estimate and we await the final FRS17 report.

We currently have a provision of £1m set aside in the management accounts to cover potential voluntary severance costs. 60 VS applications were received before the deadline of 30 June and the total cost, assuming all are approved, is approx. £1m.

Taking all of these factors into account, we are still working to deliver the agreed £1m surplus. This would be a significant achievement given the following in year changes compared with budget:

- £1m clawback from HEFCE regarding old regime students
- Estimated re-structure costs of £2.6m compared with budget allowance of £1.5m
- Assumed voluntary severance costs of £1m for which no allowance was made in the original budget
- Estimated late HEFCE funding adjustment of £0.5m.

2. Potential cost of Staff re-structure / Voluntary severance programme

The budget each year includes £1.5m to cover any re-structure costs. In 2014/15 the re-structure costs are anticipated to be £2.6m. This covers a wide range of change proposals but the most significant costs relate to:

- Heads of Department (on the move from faculties to Schools)
- Changes to Schools administration
- The disestablishment of Principal Lecturer and the creation of Associate Professor

In addition, the VS programme was not anticipated at the time that the budget was set and consequently there was no budget provision to cover these costs. Through careful cost management in year we have set aside £1.0m. As noted in (1) above, this should cover the costs of the programme.

3. Budget for 2015/16 (for approval)

The Executive have now agreed the 2015/16 Budget. The summary budget is attached as Appendix 2 and is recommended for approval.

The University has budgeted to deliver the £1M surplus that was reported in 2014 to both the Board of Governors and HEFCE as our target for 2015/16.

The Budget assumes income growth of 4.3% as compared to the 2014/15 expected outturn, an increase of £6m to £142.3m. Staff costs are budgeted to rise by 3.9%, an increase of £3m from £76.9m to £79.9m whilst operating expenses are budgeted to fall by £1.3m, a decrease of 3.1%.

The increase of £3m (3.9%) in staff costs is analysed as follows:

	£m
1% assumed payrise	0.75
1.5% assumed incremental drift	1.10
1% NIC uplift	0.75
Reduced re-structure costs	-1.10
Reduction in VS costs	<u>-0.50</u>
	1.00
Additional academic staff cost assumed (to drive income growth of £6m)	2.00
Total increase	<u>3.00</u>

Whilst the total provision for VS costs in 2014/15 is £1m, half of that is currently held as a provision within opex and hence only £0.5m is accounted for in the year on year reconciliation of staff costs.

It is important to recognise that the budget assumes £2m of additional staff cost investment for 2015/16. A more detailed review will be undertaken of likely future staff costs, both to reflect the outcome of the VS programme and to take account of reductions in HEFCE grant.

We have also built into the budget a £1m Research fund and a £0.5m Staff development fund (to cascade further the leadership development work currently being undertaken) as well as the usual £1m Investment Pot. This will provide added flexibility to make investments as required during the year as new opportunities arise.

There are some risks around some of the assumptions in the 2015/16 Budget particularly around Overseas Income growth which is budgeted to rise by 4.2% and Trans National Education (TNE) Income which is budgeted to rise by £1m. There is investment in both these areas to deliver this growth and we will work closely to monitor this performance and give the University early warning if these targets look too stretching.

HEFCE funding in the budget is in line with the grant letter received. However, we are now anticipating funding cuts for our budget year 2015/16. These have not yet been confirmed but are anticipated to be in the region of £1.5m. The recommendation at this stage is that the Board approves the budget as currently drafted, with income of £142.3m and a surplus of £1m. This is in line with our forecast, strategic plans and Board approved KPIs. Furthermore, a surplus of £1m is considered the minimum required so as not to put at risk our ambitious investment plans. Once approved, the Executive will then carefully review the position again once the scale of any cuts is confirmed and in the light of VS take up when there is greater clarity on likely 2015/16 staff costs. In year adjustments to cost and/or income targets will be made and reported to Board to ensure that the budget outcomes can be delivered.

A detailed analysis of the grant letter was presented to the last Board meeting. To put the anticipated funding cuts into context, a reduction of £1.5m represents a cut of 10.9% on the total HEFCE grant of £13.7m initially announced for 2015/16. It would reduce our total HEFCE grant to £12.2m (8.5% of income).

In addition to the revenue budget, we have included within our capital expenditure forecasts for 2015/16 the sum of £4m to cover Estates 'small' capital projects, together with £2M for ICT capex projects and a further £1M for Teaching equipment.

4. HEFCE mid-year annual accountability return (financial forecasts)

The HEFCE mid-year accountability return, which comprises our forecast outturn for 2014/15, our budget for 2015/16 and our forecasts for 2016/17 & 2017/18 has been prepared and has been submitted under separate cover for approval by the Board.

The projected outturn together with the balance sheet and cashflow forecasts for 2015/16 - 2017/18 are consistent with the 5 year forecast as discussed with Governors at the Board Strategy Day on April 23 and with the corporate KPIs already agreed.

5. Risk / risk appetite

The Corporate & Business Planning Manager has produced a revised version of the Business Case template for investment appraisal, which includes a revised risk assessment section which aligns with the risk categories established in the Risk Appetite statement. The Risk Appetite Statement and the way in which we propose to make use of it will also be covered by the annual risk review completed by the internal auditors and presented to the September meeting of the Audit Committee.

6. Procurement matters – insurance renewal (for approval)

The procurement of direct insurance services is subject to the EU Procurement Directive.

In August 2012, Gallagher Heath completed an OJEU compliant process for the London Universities Procurement consortium (LUPC) and awarded the insurance portfolio detailed in the 'Financial Evaluation' section to Zurich Municipal. The awarded agreement commenced on 1st August 2012 and runs until 31st July 2017. This includes 2 x 12 month extensions, the first to commence 1st August 2015.

2014/15

The total premium for 2014/15 totalled £401,026 including tax at 6%.

2015/16

Final renewal figures for 2015/16 will not be known until August 2015. Target figures have been based on advice from Zurich Municipal and our broker.

The total anticipated renewal premium, including tax at 6% for 2015/16 is £417,424. This target figure is based on a 3% anticipated uplift to renewal figures. In addition, a new policy has been added during the course of 2014/15 for Kidnap. This will increase our premium expenditure by £4,240 which is included in the total above.

The above figures do not include our annual brokerage fee which is anticipated to be £4,234 as in previous years.

It is intended during 2015/16 to carry out an evaluation of buildings and contents to check that insurance cover adequately meets any rebuild and replacement costs in the event of a disaster. A review of Personal Accident and Travel and Business Interruption insurance will also be made to ensure cover meets the requirements resulting from the LSBU Change Programme.

7. Treasury

Current balances

At 31 May 2015 the University:

- held £58.12m in bank balances and deposits. Interest received for the 3 months to 31 May 2015 was £63.0k
- had outstanding loan balances of £28.4m and the interest paid on these loans during the three month period to 31 May 2015 was £333k which is in line with budget.

Banking Covenants

Negotiations with Barclays are continuing regarding proposed changes to covenants. Barclays have agreed a multiple of 5 x rolling 3 year historic average EBITDA but further benchmarking across the sector is being undertaken before matters are finalised.

In response to a question at the last Board meeting we have also clarified that there will be no charge by the Bank for making the change.

Loan /deposit offset (for approval)

The university places deposits with a number of banks, including Barclays. As noted above, LSBU also has a loan facility with Barclays. We have the opportunity to enter into an arrangement to formally offset the deposits against the loan and to view them on a net basis.

It is important to note that this proposed set-off arrangement is not for the purpose of calculating interest on the loan balances outstanding and so will have no impact on the interest charged. However, there is a rationale for the proposal. At present, in the event of Barclays became insolvent, the university could be in a position whereby it loses deposits held with the bank, but is still obliged to repay the full balance of the loan facility. Currently loan balances are £28m with the University having around £8m placed on deposit with Barclays. Putting in place an offset arrangement would mean that deposits would be offset against the loan balance, and that only the net amount of any loan outstanding would become due to the bank. Essentially, any deposits with Barclays would be risk free in the sense that we would have legal right of set off.

This arrangement would be for solely for the benefit of the University and we have sought our own legal advice concerning the arrangements. As a result of that advice we have asked Barclays to make amendments to draft documentation to ensure that all deposits are transferred to the University on maturity and prohibiting the bank from transferring our deposits to any third party. Subject to these amendments it is requested that the board approve the proposed offset arrangements and delegate authority to the CFO to finalise and sign documentation.

8. Financial Regulations (for approval)

The Board approves an update to the financial regulations on an annual basis. This is to ensure that the financial regulations remain relevant and reflect the current structure and organisation of the University. This paper sets out the proposed changes for 2015 and the Board is asked to approve. Changes to authority levels have already been approved at the May board (set out in italics below) but are enclosed here for completeness. These will be incorporated into the new version of the regulations.

8.1 Scheme of Delegation for Expenditure

Total expenditure value (Inc. VAT)	Capital		Revenue	
	Planned	Unplanned*	Within Budget	Outside Budget
Over £5 million	Board of Governors	Board of Governors	Board of Governors	Board of Governors
from £2 million but less than £5 million	<i>Major Projects and Investments Committee</i>	Board of Governors	<i>Major Projects and Investments Committee</i>	Board of Governors
From £1 million but less than £2 million	<i>Executive Meeting</i>	Board of Governors	Delegated Levels of Authority	Board of Governors
From £500,000 but less than £1 million	Executive	<i>Major Projects and Investments Committee</i>	Delegated Levels of Authority	<i>Major Projects and Investments Committee</i>
<i>Less than £500,000</i>	<i>VC & CFO</i>	<i>VC & CFO</i>	<i>Delegated Levels of Authority</i>	<i>VC & CFO</i>

* Unplanned capital projects should be very rare. The Major Projects and Investment Committee will review masterplans and the majority of capital expenditure will be planned. Expenditure proposals should be submitted to the lowest level of authorisation first, being escalated up through the approval hierarchy on the table above following each approval stage.

8.2 Write off of debts

It is proposed that authorization for the annual debt write off remains unchanged with the Chief Financial Officer being able to approve provided the total write off is less than £50,000. Approval will be required from the Audit Committee where the total value is £50,000 or more.

In exceptional circumstances debts may need to be written off during the year. Currently the Chief Financial Officer can approve the write off of any individual debt up to £10,000. To reflect recent changes to the fees regime, it

is proposed that this limit be increased to allow the CFO to approve individual write offs which are less than £50,000. The requirement for Audit Committee to approve the write off of amounts over £50,000 will remain unchanged.

8.3 Other changes to the financial regulations proposed

- Removal of section 9.3 on the Investment Appraisal Process and replace with reference to the procedure for submission and approval of business cases.
- Removal of references to existing Policy and Resources Committee and reallocation of responsibilities to new committees, in line with approved terms of reference for Board and new committee structure.
- Addition of one off speaker payments to the list of expenditure not requiring a purchase order.
- Replace reference to Financial Planning Manager with Director of Planning, Information and Reporting in the section on bank signatories.
- Remove reference to a separate Travel, Subsistence and Expenses policy for SBUEL.
- Amend job titles for Executive Director of HR and Deans.
- References in the Fraud Response Plan to Professional Service Functions and Finance and Management Information, as approved by June Audit Committee.
- Amalgamation of sections 8.2 and 8.3 to reflect new procedures which apply to both permanent and temporary recruitment.

Statutory financial reporting

9.1 Accounting policies

FRS102 is the new UK GAAP standard and Higher Education providers will be required to adopt FRS102 and produce accounts in line with the new SORP for accounting periods starting on or after 1st January 2015. This is a fundamental change to statutory financial reporting.

Accounting policies for adoption under FRS102 were considered and approved by Audit Committee in June, including:

- There is a choice of accounting treatment for fixed assets; cost or revaluation and it recommended that the cost model be adopted to avoid costly revaluations and increased depreciation charges.
- There is a choice of accounting treatment for government grants; accruals or the performance criteria method and it is recommended that the accruals method be used so that income and expenditure can be matched in the same year, avoiding lumpy surpluses and deficits being reported for grant funded activities.

9.2 Transition adjustments

A number of adjustments to the accounts will be required and reported in the financial statements for the year ending 31st July 2016, including:

- The SORP allows a first time adopter of the accounting standard to measure tangible fixed assets at fair value on the date of transition to FRS 102 and to use that fair value as deemed cost. Without changing our agreed policy to carry assets at cost, there is potential for a one off adjustment without future revaluations being required. It was agreed that we should revalue land to strengthen the University balance sheet. As land is not depreciated this will not increase future depreciation charges
- There is a requirement to show the University's share of the USS pension scheme on its balance sheet. An estimated adjustment charge of £633k has been derived using a calculator published by British Universities Finance Directors Group (BUFDG). This change will reduce reserves and increase creditors due after one year.
- Where performance criteria for non-government grants have been met, grants will be released to reserves, reducing the amount held in creditors and increasing reserves.
- There is a requirement to account for the University's liability for untaken employee benefits, notably untaken paid annual leave. There was an estimated £5.9m of untaken annual leave at 31/7/14 as a result of the holiday year spanning two financial years and because holidays are not spread evenly across the holiday year. In subsequent years the increase or decrease in this accrual will be charged to expenditure. If the University aligned its holiday year to its financial year of 1st August to 31st

July, the problem would be far less significant, with only untaken holiday that staff are allowed to carry over to the following year needing to be accrued. The practicalities of changing the University holiday year are being considered by the HR and FMI teams.

- FRS17 Interest income will be calculated using the discount rate applied to the pension liabilities rather than the expected return on assets. This is likely to result in an increase in the net finance charge.

9.3 VC remuneration, higher paid staff and compensation of key management personnel:

The SORP requires that more detail is shown when disclosing the emoluments of the Vice Chancellor which from 2016 will require disclosure of salary, bonuses, taxable benefits, relocation costs and pension scheme contributions separately.

Disclosure is also required to show 'compensation' paid to key management personnel, defined as those persons having authority and responsibility for planning, directing and controlling the activities of the University. For LSBU this definition will show compensation paid to members of the University's Executive Team and is shown as a total compensation paid to that group.

9.4 Other changes to the SORP

There are a number of other changes to the SORP which have little or no impact on LSBU at present but could do in the future, including accounting for investment property, discounting extended credit arrangements for debtors and accounting for service concession arrangements. The Financial Accounting team will review transactions periodically to ensure that the new SORP is applied if and when they occur. There are also a number of changes to the format of the accounts.

10. Internal control

The 14/15 Internal Audit plan is now 82% complete, in line with the agreed profile of work, with the second continuous audit report on student data (for Semester 2), and third continuous audit report on key financial systems (For the period January – April 2015) presented to the June Audit Committee.

A third of actions from previous reports falling due at this point had been implemented, with the remainder in progress, and any delay in action was mainly due to the re-structuring of the institution.

The audit report for key finance systems rated four areas as green, but found continuing issues in the reconciliations with the KX halls accounting system which has caused the rating for Cash to remain amber.

The report findings for student data were classified as medium risk, with a slightly increased number of exceptions, although there has been improvement in 5 of the 12 controls tested, and some of the findings related to paperwork from partner colleges with delegated administration processes. It was expected that this new testing approach would surface issues initially, and as the re-structure and centralisation of student administration process takes place, it is expected that these exceptions will arise less frequently.

This audit also used computer assisted audit techniques (CAATS) to analyse the timetable information within IT systems presented to students through the MyLSBU data portal, and the findings from this are being used to improve the presentation of individualised information to students.

11. External reporting

The next external return is the HESA Finance return and we are currently working with the Business Intelligence Unit to ensure that the return is consistent with both the Staffing and Student HESA returns and is optimised for League table performance.

1) This Executive Summary reports on the Financial position of London South Bank University as at 31 May and summarises the changes since the April Forecast

2) RAG Status

Income Growth	0.9%	Staff Cost Growth	1.3%	Staff Cost %	56.0%	Opex Growth	0.3%	Student Dropout %	5.1%	change in FYF Contribution	0.0%
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3) Summary

The full year forecast as of May 2015 was trending towards a contribution of £1.1M. This is an improvement of £0.1M as compared to last month, however this has been offset by an increase in restructuring costs of £0.1M and so we are reporting a forecast surplus of £1.0M. This would deliver the University on budget. The University's cash assets have increased to £58M following the 3rd payment from the SLA

The key driver in terms of increased performance this month is the School of Health & Social Care which has improved its contribution by £200K and is now expected to deliver to budget. However there has been a £400K fall in income this month as the Schools and the wider Enterprise team have reviewed some of the more speculative income forecasts. This reduction in income has been accompanied by a reduction in our staffing forecast of over £900K. Operating expenses have increased this month by £500K and this is driven by 3 principal factors, the final tranche of old regime bursaries costing £250K, additional investments of £150K in our Estate and the £100K which we have set aside to fund additional restructuring costs.

In terms of staffing, the most significant reductions have taken place in the School's and the net impact is a reduction of £1.9M in Academic Staff costs as compared to the 2013/14 outturn. Support Staff costs continue to look overstated given that the YTD position is £0.8M higher than 13/14 whereas the Full Year Forecast assumes that we will spend £2.9M more than in 13/14. We continue to work with Schools and Professional Functions to manage their staff costs but would expect any reduction in our staffing forecast to be matched with additional investments in restructuring costs.

Given the potential cost of the University's proposed staff changes, we will work closely with the Team in Enterprise in an attempt to move back to the £9.1M income reported last month. The May forecast also assumes that over the next 2 months we will spend £12.5M in Opex and we will actively scrutinise that expenditure before it is committed to fund any VS shortfall.

4) Table 1: Full Year Forecast vs. Budget

Financial Summary in £'m	13 / 14 Actual	14/15 Budget	Change %
Funding Grants	25.8	19.0	-26%
Health - Contract	25.2	24.4	-3%
Home / EU UG Fees	44.0	54.7	24%
Home / EU PG Fees	7.8	6.7	-14%
Overseas Fees	8.5	9.0	6%
Research Grants	1.8	1.4	-23%
Enterprise Activities	7.4	8.8	20%
Student Related Income	9.9	10.2	3%
Other Operating Income	4.0	1.9	-53%
Endowments & Interest	0.3	0.3	-9%
Income	134.8	136.5	1.3%

Apr 14 / 15 FYF	Monthly Move	May 14 / 15 FYF	variance to Budget	Budget variance%	variance to 13/14
18.3	-0.0	18.3	-0.8	-4%	-29%
24.6	0.1	24.7	0.3	1%	-2%
54.0	-0.3	53.8	-1.0	-2%	22%
6.5	0.0	6.5	-0.2	-3%	-16%
10.4	0.1	10.5	1.5	16%	23%
1.9	0.1	2.0	0.6	43%	11%
7.9	-0.4	7.5	-1.4	-15%	1%
10.5	0.0	10.5	0.3	3%	6%
2.1	-0.1	2.0	0.1	7%	-50%
0.2	0.0	0.2	-0.1	-30%	-37%
136.4	-0.4	136.0	-0.5	-0.4%	0.9%

13 / 14 YTD	14 / 15 YTD	Variance to 13 / 14	Variance %
22.0	15.2	-6.8	-31%
20.4	20.4	-0.1	-0%
44.3	54.4	10.1	23%
7.8	6.4	-1.4	-18%
8.5	10.6	2.1	25%
1.5	1.7	0.2	12%
6.1	6.0	-0.1	-2%
8.6	8.9	0.3	4%
3.0	1.6	-1.4	-48%
0.2	0.2	0.0	26%
122.4	125.4	3.0	2.4%

in £'m			
Academic Staff Costs	41.3	40.7	-1%
Support & Technicians	30.4	35.3	16%
Third Party Staff	3.5	2.2	-37%
Depreciation	8.5	9.6	14%
Operating Expenses	44.3	42.9	-3%
Interest Payable	3.8	4.7	24%
Exceptional Items	0.0	0.1	0%
Expenditure	131.7	135.5	2.9%

40.2	-0.7	39.4	-1.3	-3%	-4%
33.5	-0.2	33.3	-2.0	-6%	10%
3.3	0.1	3.4	1.2	56%	-2%
9.7	-0.0	9.7	0.1	1%	14%
43.9	0.5	44.4	1.5	3%	0%
4.7	0.0	4.7	0.0	0%	24%
0.2	-0.1	0.1	0.0	0%	0%
135.4	-0.4	135.0	-0.5	-0.4%	2.5%

33.9	32.4	-1.6	-5%
25.0	25.8	0.8	3%
2.7	3.0	0.3	11%
7.0	7.3	0.3	4%
30.1	31.8	1.7	6%
3.2	2.6	-0.6	-19%
0.0	0.0	0.0	0%
101.9	102.8	0.9	0.9%

Surplus for the year	3.1	1.0	-67.7%
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1.0	-0.0	1.0	-0.0	-0.0%	-67.7%
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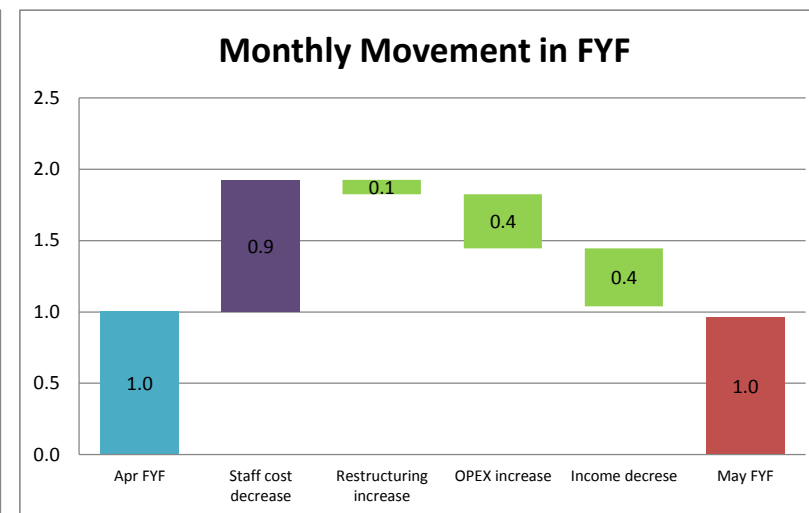
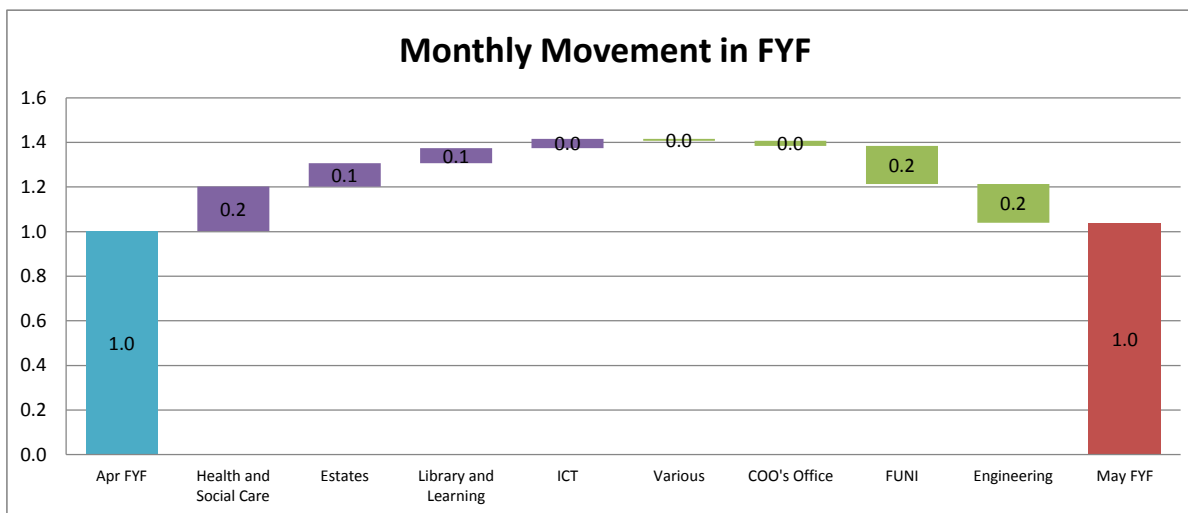
Surplus as % of income	2.3%	0.7%	0.7%	0.7%
Surplus per student FTE	£209.6	£71.4	£72.0	£71.8
Staff cost as % of income	55.8%	57.3%	56.5%	56.0%

82.0%	80.3%	YTD Staff Cost %
68.0%	71.7%	YTD OPEX Cost %
77.4%	76.2%	Total YTD cost %

5) Forecast Summary

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The key movements this month include an improvement of £200K from the School of Health and Social Care following a review of activity within that area. Enterprise income has fallen but has been offset by additional Health Contract income. The positive movement in Estates is due to the release of staffing costs whereas Opex savings such as Utilities have been invested elsewhere. The increase in contribution from the Library is due to the release of staffing costs. ICT continues to improve its profitability and is now less than £100K over budget. The additional costs in the COO's office relate to additional investments in office facilities for that area, the movement in FUNI is due to additional restructuring provision. The negative movement in the School of Engineering is due to the additional costs of Bursaries and higher than forecast Undergraduate refunds and the School is no longer expected to deliver to budget



6) Risks and Contingencies

The Full Year Forecast contains a number of risks primarily now relating to the potential cost of the University's staff changes. We had £1.3M remaining in the Restructuring Pot as at May 31 and this has now been boosted to £1.4M and our intention is to further boost this as staff and Opex forecast savings are released and realised. There continues to be a risk in terms of refunds and we have assumed however that a further £0.3M of refunds may be due to students whose attendance stopped before the third semester, this is fully forecasted in the UG income forecast. We continue to hold an OPEX contingency of £0.4M however this may well be used up by the year-end provision for bad debt and by a potential foreign exchange loss as the Euro continues to depreciate. The exceptional item in the accounts of £0.1M relates to the funds remaining to be distributed from the Investment Pot.

7) Contribution Analysis

The Full Year Forecast Contribution is £2.1M behind the comparable position in 13/14. It was always anticipated that 2014/15 would be more challenging given the £2.9M of investments in EDISON and the Change Programme. Now that the School of Health & Social Care is back on budget, School income is forecast to increase by £2.1M year on year whilst their contribution will increase by £3.0M. Of the Professional Functions just Estates and Finance & Management Information are expected to cost less in 14/15 than last year.

Contribution per Student and per Staff

	Applied Science		Arts and Creative Industries		Built Environment & Architecture		Business		Engineering		Health & Social Care (excluding HSC admin)		Law & Social Sciences		Total All Schools	
	13 / 14 Actual	May 14/15 FYF	13 / 14 Actual	May 14/15 FYF	13 / 14 Actual	May 14/15 FYF	13 / 14 Actual	May 14/15 FYF	13 / 14 Actual	May 14/15 FYF	13 / 14 Actual	May 14/15 FYF	13 / 14 Actual	May 14/15 FYF	13 / 14 Actual	May 14/15 FYF
Income (M)	£10.9	£10.7	£8.4	£9.5	£14.1	£14.9	£21.2	£21.3	£13.6	£14.5	£32.9	£32.7	£14.9	£14.5	£116.0	£118.1
Expenditure (M)	£6.5	£6.3	£4.2	£4.1	£7.3	£7.3	£11.4	£11.0	£8.5	£8.6	£16.9	£16.6	£7.1	£7.2	£61.9	£61.0
Contribution (M)	£4.4	£4.4	£4.2	£5.4	£6.7	£7.6	£9.8	£10.3	£5.1	£6.0	£16.0	£16.1	£7.9	£7.3	£54.1	£57.1
Contribution %	40%	41%	50%	57%	48%	51%	46%	49%	38%	41%	49%	49%	53%	50%	47%	48%
Student FTE	1,139	1,139	1,097	1,075	1,672	1,565	3,030	2,690	1,468	1,452	4,406	3,800	1,992	1,721	14,805	13,441
Contribution per FTE	£3,864	£3,857	£3,804	£4,993	£4,033	£4,884	£3,242	£3,841	£3,488	£4,104	£3,631	£4,247	£3,953	£4,214	£3,657	£4,247
Academic / HPL FTE		52		36		64		106		56		183		69		566
Contribution per Staff FTE		£84,363		£151,006		£118,569		£97,429		£106,762		£88,097		£105,556		£100,887

The above excludes the Admin teams from each of the 7 schools' performance. Demonstrating the reduction in costs of £0.9M within the schools' compared to 13/14, apart from Applied Science each school is improving its profitability when measured in terms of contribution per student on a year by year basis. The most profitable School on this basis is the School of Arts & Creative Industries which also continues to out perform on a contribution per Academic FTE basis. The return from the School of Applied Science is understated as it is picking up the space charge for a number of labs that are also used by Engineering students.

In terms of full cost allocation, 3 schools are not forecast to cover their allocated central costs; the School of Applied Science underperforms due the costs of its Labs, the School of Health & Social Care underperforms in the full cost allocation due to the cost of its School Admin team and would show a slight surplus if it had comparable administration costs whereas the School of Business underperforms due to its low income per student which is driven by its drop out rate. Our central costs excluding the Restructuring Provision are currently estimated at £3,452 for each Home/EU Full Time Equivalent student and £4,226 for each Overseas FTE student.

8) Student Number Analysis

In terms of Student FTEs, the Registry HESES re-creation as of June 1 shows a month on month increase of 233 students as compared to May. There will be some further HSC enrolments this academic year and Study Abroad students however our student count is expected to decline as compared to 13/14. This is primarily driven by the decline in Part Time recruitment. In 2013 / 14 we lost £3.0M in income from the 1,092 students who Withdrew or Interrupted. So far in 2014/15 we have lost £3.4M in terms of the difference between the Fee that we will charge and the Fee that would have been charged if the student stayed the whole year. This is an increase of £0.3M for the month. Our assumption is that we will lose a further £0.3M this year. We have withdrawn (including interruptions) 98 students this month giving us a total number withdrawn of 975. This includes 325 new Home/EU FT UG students and represents 9.3% of this population.

9) Student Withdrawal Analysis

Academic year	Total Students	Total Withdrawals	% of Total Student bodies	Comparable at 31/5	
11/12	21,127	1,189	5.6%	1,023	4.8%
12/13	19,262	1,020	5.3%	936	4.9%
13/14	19,734	1,092	5.5%	999	5.1%
14/15	19,061			975	5.1%

14/15 'Lost Income'			
Applied Science	£478,000	Engineering	£554,000
Arts and Creative Industries	£386,000	Health & Social Care	£84,000
Built Environment & Architecture	£357,000	Law & Social Sciences	£539,000
Business	£1,053,000	Total	£3,451,000

10) Income Analysis

There has been a reduction in our Schools income forecast of over £200K this month. Reductions in School' Enterprise and Undergraduate income have been offset by increases in Health Contract and Postgraduate income. The reduction of Research income from the Nat Puri Institute has been accompanied by a corresponding reduction in costs. Following the Schools' reforecast our income is forecast to increase by £1.2M year on year an increase of 0.9%. Research Income is expected to be broadly flat at £4M which is an improvement of £500k against budget whereas Enterprise income is expected to fall year on year following some large one off payments in 2013/14. Both Research and Enterprise segments have improved their profitability when compared to 13/14

11) Staff Cost Analysis

This month there was significant decrease in our staff cost forecast. The schools released savings of almost £500K particularly in the School of Health & Social Care. The reduction in staffing costs in the Nat Puri Institute has been matched with cost reductions and so has not led to an improvement in profitability. There have been on-going savings in both Estates and the Library due to a delay in posts being filled. In terms of 3rd Party and Agency costs there is a month on month reduction of £120K. The costs in Estates and Academic Environment reflect the cost of the ICT leadership team, the costs within Finance & Management Information are due to Exam Invigilator costs. The on-going consultancy costs within HR represent the investments in the leadership programme and the discovery phase of the integrated HR/Payroll project.

The Forecast assumes total Staff costs for 14/15 of £76.1M. The University is currently spending £6.1M per month on Staff and has a YTD spend of £61.1M. Normal staffing costs should therefore cost £61.1 +£6.1 +£6.1= £73.3M. This leaves a balance of £2.8M. £2.3M of this is expected to be used to fund the current round of restructuring which would leave £0.5M in staff costs and £0.5M in FUNI to fund the VS programme

12) Opex Analysis

The key movements in terms of Opex this month are the additional costs of Bursaries within the Schools. The decrease in Enterprise Opex matches the reduction in Enterprise Income and activity, whereas the increase in Finance costs are due to the professional fees associated with a VAT refund. The additional costs within Estates are to fund additional summer works and the increase in the COO's office costs represent the additional costs with regard to refurbishing that area. The increase in costs in FUNI reflect the additional funds transferred to the Restructuring Pot.

The University's Opex excluding depreciation, are forecast to be £1.5M over budget although we are currently £2.9M underspent on our YTD position. Of the areas that are overspent on a year to date basis; Student Recruitment is overspent due to the additional costs of Overseas Agents following the increase in Overseas recruitment, Bursaries & Scholarships are overspent YTD as we have paid out Bursaries earlier than profiled, Financial costs are overspent due to a misclassification of Estates activity and due to a potential foreign exchange loss due to the appreciation of Sterling against our Euro holdings, internal recharges are overspent due to a change in charging for internal catering.

13) Budget Analysis

There are 35 distinct areas of the University that have separate budgets and each area is expected to deliver to their Budget. Numbers in red indicate either a shortfall in income against budget or additional costs that are being incurred. There are 3 Schools which remain currently forecast to be short in terms of contribution Applied Science, Engineering & Arts & Creative Industries and 4 Schools which are forecast to deliver ahead. The Net School position remains a £0.1M surplus against budget, even after the £1M reduction in HEFCE grant. There are 4 Professional Service Functions that remain over budget; Enterprise which has reduced its more speculative income forecasts, ICT which remains overspent, the Business Intelligence Unit which is now fully costed and HR which reflects the cost of the discovery phase of the HR/Payroll project. FUNI holds the additional unbudgeted cost of the Restructuring Pot which is why it is in a deficit position.

In terms of Capital Budgets the University spent £0.3M during the month taking our total investment in capital projects to £8.7M. There are no capital projects 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 (£)	
			2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget		2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget			Note
					(£)	%			(£)	%		Note
-134,753,977	-122,466,893	Total Income	-135,968,056	-136,467,982	(499,927)	(%)	-125,469,245	-125,665,336	(196,091)	(%)	-10,498,811	
75,156,771	61,610,374	Total Staff Costs	76,113,558	78,186,698	2,073,140	3%	61,113,889	65,171,877	4,057,988	6%	14,999,669	
8,453,650	6,986,827	Total Depreciation	9,673,892	9,599,456	(74,436)	(1%)	7,298,293	7,883,444	585,151	7%	2,375,599	
44,270,006	30,119,760	Total Other Operating Expenses	44,416,456	42,917,684	(1,498,772)	(3%)	31,837,269	34,741,461	2,904,192	8%	12,579,187	
3,775,416	3,170,860	Total Interest Payable	4,672,644	4,672,644		%	2,556,205	3,894,048	1,337,843	34%	2,116,439	
		Total Exceptional Items	91,506	91,506		%		27,335	27,335	100%	91,506	
		Total Internal Allocations	18,631		(18,631)						18,631	
-3,098,134	-20,579,072	Contribution	-981,369	-1,000,000	(18,631)	(2%)	-22,663,589	-13,947,171	8,716,418	62%	21,682,220	
55.8%		Staff costs as % of income	56.0%	57.3%			48.7%	51.9%				
2.3%		Contribution %	0.7%	0.7%			18.1%	11.1%				

2015 Budget vs 2014 FYF

	Total	Total	
	2014 April FYF	2015 Budget Proposal	year on year increase
Income			
Funding Grants	£16,331,129	£13,686,369	-16.2%
HEFCE QR RESEARCH ALLOCATION	£1,955,611	£1,916,000	-2.0%
Health - Contract	£24,615,474	£24,960,172	1.4%
Fees - Home & EU UG	£54,033,679	£57,836,682	7.0%
Fees - Home & EU PG	£6,471,809	£7,680,406	18.7%
Fees - Overseas UG/PG	£10,372,594	£10,810,999	4.2%
Research - Grants	£1,866,135	£3,100,000	66.1%
Enterprise - Research Related Activities	£416,010	£137,680	-66.9%
Enterprise - Partnerships	£888,950	£1,840,000	107.0%
Enterprise - University Fees	£2,517,084	£2,518,144	0.0%
Enterprise - Other	£4,099,018	£4,800,180	17.1%
Other - Student Related Income	£10,501,485	£10,989,505	4.6%
Other - Operating Income	£2,094,408	£1,763,356	-15.8%
Endowment Income & Interest Receiv	£210,000	£189,200	-9.9%
Total Income	£136,373,387	£142,228,692	4.3%
Staff Costs			
Academic - Permanent staff	£36,981,160	£39,020,348	5.5%
Academic - Temporary staff	£3,068,470	£2,629,700	-14.3%
Technicians staff	£2,859,506	£2,911,686	1.8%
Support - Permanent staff	£29,109,557	£31,249,509	7.4%
Support - Temporary staff	£552,550	£463,329	-16.1%
Third party staff	£3,316,806	£2,207,380	-33.4%
Restructuring Provision	£1,099,427	£1,500,000	
Total Staff Costs	£76,987,480	£79,981,953	3.9%
<i>% of income</i>	56.5%	56.2%	
Total Other Operating Expenses	£43,866,651	£42,506,544	-3.1%
<i>% of income</i>	32.2%	29.9%	
Allocated costs			
Depreciation	£9,686,092	£11,547,821	19.2%
Interest Payable	£4,672,644	£4,692,374	
Exceptional Items	£157,506	£2,500,000	
Total Allocated costs	£14,516,242	£18,740,196	
<i>% of income</i>			
Contribution	£1,003,014	£1,000,000	-0.3%
EBITDA			
Surplus/(deficit) for the year	£1,003,014	£1,000,000	
Interest Payable	£4,672,644	£4,692,374	
Depreciation	£9,686,092	£11,547,821	
Release of deferred capital grants	-£1,626,000	-£1,210,000	
Exceptional items as defined in FRS 3		£0	
EBITDA	£13,735,750	£15,030,196	
EBITDA %	10.1%	10.6%	

	PAPER NO BG.31(15):	
Paper title:	July 2015 HEFCE mid-year annual accountability return (financial forecasts)	
Board/Committee	Board of Governors	
Date of meeting:	9 July 2015	
Author:	Ralph Sanders, Director of Planning, Information & Reporting	
Executive sponsor:	Richard Flatman, Chief Financial Officer	
Purpose:	To approve the HEFCE Financial Submission	
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	The 2014 Financial tables is a mid-year return to HEFCE that provides detail on our financial position (actual and forecast) for the period 2012/13 to 2017/18. The tables are in line with recent discussions at Executive and Board strategy days, consistent with agreed corporate KPIs and demonstrate a clear path to financial sustainability.	
Recommendation:	That the Board approve the forecasts.	
Matter previously considered by:	Executive and Board Approved by Executive:	On: Recent strategy days On: 2 June 2015
Further approval required?	N/A	

Executive Summary

The 2014 Financial tables is a return to HEFCE that details our forecast financial position, our balance sheet and cashflow for the period 2012/13 to 2017/18 as follows:

- 2012/13 – 2013/14 are from the published financial statements for the period
- 2014/15 is the full year forecast for this year
- 2015/16 is taken from the 2015/16 Budget as approved by the Executive
- 2016/17 – 2017/18 is taken from the 5 year forecast as presented to Governors at the Strategy Day on April 23.

London South Bank University

The financial tables are consistent with the 5 year forecast as discussed with Governors at the Board Strategy Day on April 23 and with the corporate KPIs already agreed. The forecast shows us:

- growing our income from £136m in 2014/15 to £156m by 2017/18
- moving from our current surplus of £1M to £3.3M by 2017/18
- improving our EBITDA margin from current 9% to 14% in 2017/18.

These are consistent with agreed corporate KPIs and our longer term objectives to deliver the following by 2020:

- income of £170m
- surplus of 5%
- EBITDA margin of 15%.

In terms of student numbers, the forecast assumes annual full time undergraduate recruitment of 2,750 each year with Yr. 1 to Yr. 2 Progression improving from 69% to 76% by 2017/18. The £156M income target for 2017/18 is driven by this improvement in UG Progression together with growth in International Income and Enterprise & Research activity. NHS Contract Income has been assumed stable at £28m pa.

HEFCE funding for 2015/16 is in line with budget and agrees directly to the funding letter discussed in detail at the last Board meeting. However, we are now anticipating funding cuts for our budget year 2015/16. These have not yet been confirmed but our estimate is that they may be in the region of £1.5m. These have not yet been built into the 2015/16 budget but the recommendation is that the budget be approved in its current form. A surplus of £1m is considered the minimum required in order that we do not put at risk our ambitious investment plans for the future. In year adjustments to cost and/or income targets will be made and reported to Board to ensure that the budget outcome for 2015/16 is delivered.

The forecasts do assume significant reductions to funding for 2016/17 and subsequent years. Student Opportunity funding has been reduced by 60% (from current £4m to £1.6m) in 2016/17 as compared to 2015/16 and is assumed stable thereafter.

Cash generated from normal activities increases from £10M annually in 2014/15 to £15M in 2017/18 reflecting improved financial performance (higher levels of surplus) and higher levels of depreciation. Consequently, we are forecasting an improvement in EBITDA from £13M (9.9%) in 2013/14 to £19M (14%) in 2017/18.

For the balance sheet and cashflow forecast we have continued to assume capital investment of £20m each year. No further borrowings are assumed and this accounts for the planned diminution in cash balances to £15m in 2017/18. We have

London South Bank University

made no assumptions about additional investment in the estate (over and above the agreed £20m pa) or about any potential disposals to fund such investment.

2014 Financial Tables - July 2015 Submission

Please ensure that the financial information completed for 2012-13 and 2013-14 in this workbook is consistent with your institution's audited financial statements and the data returned to the HESA Finance Statistics Return (FSR)

HEFCE assurance consultant: Andrew Beazer

Telephone number: 0117 931 7223

E-mail address: a.beazer@hefce.ac.uk

For extranet assistance please contact AAR@hefce.ac.uk

Financial indicators (automated table)						
Institution: London South Bank University						
UKPRN: 10004078	Actual	Actual	Forecast	Forecast	Forecast	Forecast
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Historical cost surplus/(deficit) as a % of total income	4.6	2.9	1.3	1.3	1.2	2.6
Discretionary reserves excluding pension asset/(liability) as a % of total income	83.2	89.4	89.0	86.1	83.4	81.0
External borrowing as a % of total income	22.5	22.0	20.8	19.1	17.6	16.1
Net cash flow as a % of total income	9.2	4.5	7.5	8.8	8.5	9.8
Net liquidity days	177	157	120	88	59	39
Staff costs as a % of total income	53.4	53.2	54.0	54.7	55.0	54.6

Note: 'UKPRN' = 'UK Provider Reference Number'

Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) - (partially automated table)							
Please complete cells with blue text. All other values will automatically be completed as you complete the financial tables.							
Institution: London South Bank University							
UKPRN: 10004078	Actual	Actual	Forecast	Forecast	Forecast	Forecast	6 year
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	average
	£000	£000	£000	£000	£000	£000	£000
Surplus/(deficit) for the year retained within general reserves	5,501	3,097	1,000	1,000	1,000	3,345	2,491
Interest Payable	3,433	3,776	4,673	4,692	4,576	4,502	4,275
Tax charges / (credits)	0	0	0	0	0	0	0
Depreciation	7,870	8,455	9,686	11,548	11,540	11,969	10,178
Release of deferred capital grants	-1,893	-1,982	-1,626	-1,210	-1,059	-914	-1,447
Amortisation (for institution to complete)	0	0	0	0	0	0	0
Exceptional items as defined in FRS 3	556	0	0	0	0	0	93
FRS17 staff charges / (credit) (for institution to complete)	0	0	0	0	0	0	0
EBITDA	15,467	13,346	13,733	16,030	16,057	18,902	15,589
Financial commitments threshold (5 x average EBITDA)							77,946
Balance of outstanding financial commitments and agreed financial commitments (includes long-term and short-term) not yet drawn down as at 31st July 2015							28,413

Note: 'FRS' = 'Financial Reporting Standard'.

2014 Financial Tables - July 2015 Submission

Please ensure that the financial information completed for 2012-13 and 2013-14 in this workbook is consistent with your institution's audited financial statements and the data returned to the HESA Finance Statistics Return (FSR)

HEFCE assurance consultant: Andrew Beazer

Telephone number: 0117 931 7223

E-mail address: a.beazer@hefce.ac.uk

For extranet assistance please contact AAR@hefce.ac.uk

Table 1: Income and expenditure account						
Institution: London South Bank University						
UKPRN: 10004078						
	Actual	Actual	Forecast	Forecast	Forecast	Forecast
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	£000	£000	£000	£000	£000	£000
Income						
1. Funding body grants	34,750	25,825	18,287	15,602	12,861	12,601
2. Tuition fees and education contracts	83,283	88,453	98,011	103,806	111,361	119,141
3. Research grants and contracts	3,255	2,255	1,866	3,100	3,751	4,386
4. Other income	16,001	17,890	17,999	19,532	19,959	20,289
5. Endowment and investment income	566	331	210	189	150	100
6. Total income	137,855	134,754	136,373	142,229	148,082	156,517
7. Less: share of income from joint venture(s)	0	0	0	0	0	0
8. Net income	137,855	134,754	136,373	142,229	148,082	156,517
Expenditure						
9. Staff costs	73,619	71,663	73,671	77,775	81,473	85,403
10. Other operating expenses	46,876	47,763	47,343	47,214	49,493	51,298
11. Depreciation	7,870	8,455	9,686	11,548	11,540	11,969
12. Interest and other finance costs	3,433	3,776	4,673	4,692	4,576	4,502
13. Total expenditure	131,798	131,657	135,373	141,229	147,082	153,172
14. Surplus/(Deficit)	6,057	3,097	1,000	1,000	1,000	3,345
15. Share of surplus/(deficit) in joint venture(s) and associates	0	0	0	0	0	0
16. Taxation	0	0	0	0	0	0
17. Minority interest	0	0	0	0	0	0
18. Exceptional items	-556	0	0	0	0	0
19. Surplus/(deficit) for the year transferred to accumulated income in endowment funds	0	0	0	0	0	0
20. Surplus/(deficit) for the year retained within general reserves	5,501	3,097	1,000	1,000	1,000	3,345
Note of group historical cost surpluses and deficits for the year ended 31 July						
21. Surplus/(deficit) on continuing operations before taxation	5,501	3,097	1,000	1,000	1,000	3,345
22. Difference between a historical cost depreciation and the actual charge for the year calculated on the re-valued amount	794	792	792	792	792	792
23. Realisation of property revaluation gains of previous years	0	0	0	0	0	0
24. Historical cost surplus/(deficit) for the year before taxation	6,295	3,889	1,792	1,792	1,792	4,137
25. Historical cost surplus/(deficit) for the year after taxation	6,295	3,889	1,792	1,792	1,792	4,137

2014 Financial Tables - July 2015 Submission

Please ensure that the financial information completed for 2012-13 and 2013-14 in this workbook is consistent with your institution's audited financial statements and the data returned to the HESA Finance Statistics Return (FSR)

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Note: Income in this table should INCLUDE income attributable to a share in joint venture(s)

Table 1a: Analysis of income						
Institution: London South Bank University						
UKPRN: 10004078						
	Actual	Actual	Forecast	Forecast	Forecast	Forecast
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	£000	£000	£000	£000	£000	£000
1. Funding body grants						
1a. HEFCE: teaching grant	28,274	18,545	12,484	10,300	8,193	8,199
1b. HEFCE: research grant	1,975	1,968	1,956	1,916	1,916	1,916
1c. HEFCE: other grants	1,778	2,641	2,176	2,176	1,693	1,572
1d. TDA / NCTL funding	770	689	45	0	0	0
1e. SFA grants	60	0	0	0	0	0
1f. Release of deferred capital grants	1,893	1,982	1,626	1,210	1,059	914
1g. Total funding body grants	34,750	25,825	18,287	15,602	12,861	12,601
2. Tuition fees and education contracts						
2a. Full-time UG home and EU	33,490	39,522	48,680	52,361	54,849	59,423
2b. Full-time postgraduate home and EU	4,630	4,349	3,148	4,356	4,925	5,925
2c. Part-time fees - home and EU	7,114	8,156	8,678	8,800	9,000	9,200
2d. Home and EU domicile fees paid by the Department of Health	29,029	27,026	26,839	27,184	28,246	28,392
2e. TDA / NCTL fees	0	0	0	0	0	0
2f. Non-EU domicile students	8,829	9,345	10,373	10,811	14,047	15,849
2g. Other fees and support grants	191	55	293	294	294	352
2h. Total tuition fees and education contracts	83,283	88,453	98,011	103,806	111,361	119,141
3. Research grants and contracts						
3a. BIS Research Councils	1,123	689	675	1,121	1,357	1,587
3b. UK-based charities	279	310	378	628	760	888
3c. Other research grants and contracts	1,853	1,256	813	1,351	1,634	1,911
3d. Total research grants and contracts	3,255	2,255	1,866	3,100	3,751	4,386
4. Other income						
4a. Other services rendered	0	0	0	0	0	0
4b. Residences and catering operations (including conferences)	9,125	9,626	10,245	10,685	10,885	11,000
4c. Income from health and hospital authorities (excluding teaching contracts for student provision)	0	0	0	0	0	0
4d. Other operating income	6,876	8,264	7,754	8,847	9,074	9,289
4e. Total other income	16,001	17,890	17,999	19,532	19,959	20,289
5. Endowment and investment income	566	331	210	189	150	100
6. Total income	137,855	134,754	136,373	142,229	148,082	156,517

Note: This line is new, please complete as relevant and check these fees are not included in another heading.

Note: 'TDA' = 'Training and Development Agency for Schools'; 'NCTL' = 'National College of Teaching and Leadership'; 'SFA' = 'Skills Funding Agency'; 'UG' = 'undergraduate'; 'EU' = 'European Union'.

Table 1b: Analysis of staff costs						
Institution: London South Bank University						
UKPRN: 10004078						
	Actual	Actual	Forecast	Forecast	Forecast	Forecast
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	£000	£000	£000	£000	£000	£000
1. Salaries and wages	59,355	58,276	59,909	63,246	66,254	69,450
2. Social security costs	5,207	5,065	5,207	5,497	5,758	6,036
3. Employer pension costs	9,057	8,322	8,555	9,032	9,461	9,917
4. FRS17 adjustments	0	0	0	0	0	0
5. Other staff related costs	0	0	0	0	0	0
6. Total staff costs	73,619	71,663	73,671	77,775	81,473	85,403
7. Staff numbers (FTEs academic and other)	1,311	1,275	1,191	1,220	1,278	1,340

Note: 'FTE' = 'full-time equivalent'.

2014 Financial Tables - July 2015 Submission

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Table 2: Balance sheet						
Institution: London South Bank University						
UKPRN: 10004078						
	Actual	Actual	Forecast	Forecast	Forecast	Forecast
	31/7/13	31/7/14	31/7/15	31/7/16	31/7/17	31/7/18
	£000	£000	£000	£000	£000	£000
1. Fixed assets						
a Intangible assets	0	0	0	0	0	0
b Tangible assets	174,292	176,532	186,601	195,053	203,513	211,544
c Investments	38	38	0	0	0	0
d Investments in joint ventures: share of gross assets	0	0	0	0	0	0
e Investments in joint ventures: share of gross liabilities	0	0	0	0	0	0
Total	174,330	176,570	186,601	195,053	203,513	211,544
2. Endowment assets	729	736	736	736	736	736
3. Current assets						
a Stock	18	45	0	0	0	0
b Debtors	7,823	8,663	8,663	8,663	8,663	8,663
c Investments	5,206	15,540	15,540	15,540	15,540	10,000
d Cash at bank and in hand	54,750	37,492	25,701	15,840	6,238	5,169
Total	67,797	61,740	49,904	40,043	30,441	23,832
4. Creditors: amounts falling due within one year						
a Creditors	36,667	31,059	31,059	31,059	31,059	31,059
b Current portion of long-term liabilities	1,470	1,349	1,349	1,349	1,349	1,349
c Bank overdrafts	0	0	0	0	0	0
Total	38,137	32,408	32,408	32,408	32,408	32,408
5. Net current assets/(liabilities)	29,660	29,332	17,496	7,635	-1,967	-8,576
6. Total assets less current liabilities	204,719	206,638	204,833	203,424	202,282	203,704
7. Creditors: Amounts falling due after more than one year						
a Repayable grants from the funding council	0	0	0	0	0	0
b External borrowing	29,592	28,243	27,064	25,865	24,782	23,773
c Other (including grant claw back)	0	0	0	0	0	0
Total	29,592	28,243	27,064	25,865	24,782	23,773
8. Provisions for liabilities and charges	0	0	0	0	0	0
9. Net assets excluding pension asset/(liability)	175,127	178,395	177,769	177,559	177,500	179,931
10. Pension asset/(liability)	-62,211	-76,502	-76,502	-76,502	-76,502	-76,502
11. Net assets including pension asset/(liability)	112,916	101,893	101,267	101,057	100,998	103,429
12. Deferred capital grants	29,839	28,212	26,586	25,376	24,317	23,403
13. Endowments						
a Expendable	341	392	392	392	392	392
b Permanent	388	344	344	344	344	344
Total endowments	729	736	736	736	736	736
14. Reserves						
a Income and expenditure account	114,367	120,047	121,047	122,047	123,047	126,392
b Pension reserve	-62,211	-76,502	-76,502	-76,502	-76,502	-76,502
c Revaluation reserve	30,192	29,400	29,400	29,400	29,400	29,400
d Minority interest	0	0	0	0	0	0
Total reserves	82,348	72,945	73,945	74,945	75,945	79,290
15. Total funds	112,916	101,893	101,267	101,057	100,998	103,429

Note: Head 7 has been prefilled from HESA FSR data, please correct where necessary.
 Note: If you have previously included grant claw back in head 7a of your FSR please move this to head 7c

2014 Financial Tables - July 2015 Submission

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Table 3: Cash flow statement						
Institution: London South Bank University						
UKPRN: 10004078						
	Actual 2012-13 £000	Actual 2013-14 £000	Forecast 2014-15 £000	Forecast 2015-16 £000	Forecast 2016-17 £000	Forecast 2017-18 £000
1. Net cash inflow/(outflow) from operating activities (Table 4 head 15)	12,730	6,038	10,223	12,541	12,568	15,413
2. Returns on investments and servicing of finance						
a Income from endowments	25	26	25	25	25	25
b Income from short-term investments	0	0	0	0	0	0
c Other interest received	541	305	185	164	125	75
d Interest paid	-1,472	-1,434	-1,372	-1,392	-1,276	-1,202
e Other items	0	0	0	0	0	0
f Net cash inflow/(outflow) from returns on investments and servicing of finance	-906	-1,103	-1,162	-1,203	-1,126	-1,102
3. Taxation	0	0	0	0	0	0
4. Capital expenditure and financial investment						
a Payments to acquire tangible assets	-18,552	-10,744	-19,755	-20,000	-20,000	-20,000
b Payments to acquire endowment asset investments	0	0	0	0	0	0
c Total payments to acquire fixed/endowment assets	-18,552	-10,744	-19,755	-20,000	-20,000	-20,000
d Receipts from sale of tangible assets	0	0	0	0	0	0
e Receipts from sale of endowment assets	0	0	0	0	0	0
f Deferred capital grants received	0	0	0	0	0	0
g Endowments received	0	0	0	0	0	0
h Other items	-547	0	0	0	0	0
i Net cash inflow/(outflow) from capital expenditure and financial investment	-19,099	-10,744	-19,755	-20,000	-20,000	-20,000
5. Management of liquid resources	-61	-10,334	0	0	0	0
6. Financing						
a. Capital element of finance lease repayments	-340	-193	-193	-193	-193	-193
b. Mortgages and loans acquired	0	0	0	0	0	0
c. Mortgage and loan capital repayments	-1,914	-1,277	-1,179	-1,199	-1,083	-1,009
d. Other items	240	355	275	193	232	282
e. Net cash inflow/(outflow) from financing	-2,014	-1,115	-1,097	-1,199	-1,044	-920
7. Increase/decrease in cash in the year	-9,350	-17,258	-11,791	-9,861	-9,602	-6,609

2014 Financial Tables - July 2015 Submission

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Table 4: Reconciliation of surplus/(deficit) for the year to net cash flow						
Institution: London South Bank University						
UKPRN: 10004078						
	Actual	Actual	Forecast	Forecast	Forecast	Forecast
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	£000	£000	£000	£000	£000	£000
1. Surplus/(deficit) after depreciation of assets at valuation and before tax (from Table 1 head 14 + head 15 + head 18)	5,501	3,097	1,000	1,000	1,000	3,345
2. Depreciation (from Table 1 head 11)	7,870	8,455	9,686	11,548	11,540	11,969
3. Deferred capital grants released to income	-1,893	-1,982	-1,626	-1,210	-1,059	-914
4. (Increase)/decrease stocks	21	-27	0	0	0	0
5. (Increase)/decrease in debtors	1,248	-841	0	0	0	0
6. Increase/(decrease) in creditors	-2,092	-5,609	0	0	0	0
7. Increase/(decrease) in provisions	-1,356	-550	0	0	0	0
8. Interest payable (from Table 1 head 12)	3,433	3,776	4,673	4,692	4,576	4,502
9. Investment income	-566	-331	-210	-189	-189	-189
10. Profit on sale of endowment assets	0	0	0	0	0	0
11. Loss on disposal of fixed assets	8	50	0	0	0	0
12. Release of deferred income	0	0	0	0	0	0
13. Deconsolidation of the Students Union	556	0	0	0	0	0
14. FRS17 Non-cash adjustment	0	0	-3,300	-3,300	-3,300	-3,300
15. Net cash inflow/(outflow) from operating activities	12,730	6,038	10,223	12,541	12,568	15,413

Table 5: Supporting data						
Institution: London South Bank University						
UKPRN: 10004078						
	Actual	Actual	Forecast	Forecast	Forecast	Forecast
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	£000	£000	£000	£000	£000	£000
1. Identification of items included in other operating expenses (Table 1 head 10)						
1a. Operating leases and other long-term operating expense commitments	389	356	356	356	356	356
1b. Annual contract cost of PFI deals	0	0	0	0	0	0
1c. Maintenance expenditure	7,601	8,295	6,411	6,530	6,530	6,530

Note: 'PFI' = 'Public Finance Initiative'.

2014 Financial Tables - July 2015 Submission

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HE student number forecasts 2013

Institution: London South Bank University UKPRN: 10004078		Please complete student numbers in FTEs														
		Actual 2013-14			Forecast 2014-15			Forecast 2015-16			Forecast 2016-17			Forecast 2017-18		
		Home and EU Old- regime and other	Island and overseas New- regime	558	Home and EU Old- regime and other	Island and overseas New- regime	653	Home and EU Old- regime and other	Island and overseas New- regime	800	Home and EU Old- regime and other	Island and overseas New- regime	900	Home and EU Old- regime and other	Island and overseas New- regime	1,100
Total full-time and sandwich year-out	UG (incl FD)	3,000	5,397	558	438	8,261	653	0	8,800	800	0	8,900	900	0	9,100	1,100
	PGT	73	675	321	14	886	628	0	900	726	0	900	743	0	1,000	820
	PGR	39		44	40		40	40		40	40	40		40		40
	Total	3,112	6,072	923	492	9,147	1,321	40	9,700	1,566	40	9,800	1,683	40	10,100	1,960
Total part-time	UG (incl FD)	722	1,082	13	221	1,508	11	65	1,664	0	0	1,750	0	0	1,750	0
	PGT	198	535	17	31	673	23	19	685	0	0	700	0	0	700	0
	PGR	85		15	85		0	85		0	85		0	85		0
	Total	1,005	1,617	45	337	2,181	34	169	2,349	0	85	2,450	0	85	2,450	0

Note: 'FD' = 'foundation degree'; 'PGR' = 'postgraduate taught'; 'PGR' = 'postgraduate research'.

The numbers returned in this table should be consistent with population of students returned to the Higher Education Statistics Agency. A description of the HESA student population is available at

www.hesa.ac.uk/index.php/component/option,com_studrec/task,show_file/Itemid,233/mnl,10051/href,coverage.html/

The information in this table will be used to provide context to the other financial tables and will not be used for funding purposes. For further guidance on completing this table please see Annex C of 'Annual accountability returns 2014' (HEFCE 2014/20).

	PAPER NO: BG.32(15)	
Paper title:	LSBU models for Further Education	
Board/Committee	Board of Governors	
Date of meeting:	9 July 2015	
Author:	Prof. David Phoenix, Vice Chancellor	
Executive sponsor:	Prof David Phoenix, Vice Chancellor	
Purpose:	To update the Board on LSBU models for Further Education	
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	This proposal will support LSBU to achieve Corporate Goal 5 Access: “ensuring we work with local partners to provide opportunities for students to succeed and through active engagement retain them”.	
Recommendation:	<p>The Board is asked to:</p> <ol style="list-style-type: none"> 1. approve developing the business model 2. consider appointing a small group of governors to review the model if action is required before September. 	
Matter previously considered by:	Board of Governors	23 April 2015 Strategy day
Further approval required?	Yes – Board	In: October 2015

Executive Summary

Following a scoping exercise and discussions at the Board, I have indicated to Southwark Council that, subject to Board approval, we would like to take the lead on Further Education (FE) in the area. Our proposal would be to create an ‘8th school’ to sit alongside the other 7 but which specialises in FE level work. We would target areas of strength, that also align with the Council’s priorities (Health, Construction & Engineering, Business & Hospitality). We would also look at areas of growth in digital and creative industries and there is potential to provide a range of level 2&3 qualifications, specialising in vocational and professional courses across these areas. It will also provide a vehicle for our access support as we increase grade point entry to degrees

Taking the lead in this area will provide LSBU with an opportunity for income diversification, to broaden the offer to students and to establish strong educational pathways. Risks and mitigations have been considered and are identified in section 4 of this report.

The Board is asked to:

1. provide approval to develop the business model
2. consider appointing a small group of Governors to review the model if action is required before the next Board

LSBU models for Further Education

1. Introduction

1.1 Following the Board strategy day I have held discussions with Southwark Council regarding their perception of FE in the Borough. A confidential paper has been provided to the Board as background information based on their assessment. This has been forwarded to the FE Commissioner and the Council is seeking to secure assets and funding to ensure it has a lead role in commissioning FE provision from 2016. BIS has confirmed in a separate meeting that the ambition is for Councils to have funds to undertake local commissioning but this is unlikely to happen before 2017.

1.2 We are currently registered with the Skills Funding Agency (SFA) and would be looking to draw down funding to support a range of new degree level Apprenticeship Programmes as of September 2016 (similar to the sponsored study options we currently run but with an employer consortium proving numbers, 1/3 employer funded and 2/3 government funded). There are also opportunities to bid for funding at levels below HE (levels 2&3) which could support CPD activity. Indeed, the School of Health & Social Care has been providing vocational awards for a number of years as part of a CPD offering. We are already subject to OFSTED inspection for our education programmes. Hence as a university we have experience of the SFA and OFSTED but not on the volume or scale proposed in this submission and not with activity below level 4 (first year degree).

1.3 I have indicated to Southwark Council that, subject to Board approval, we would wish to take the lead on FE in the region. The concept would be to create an '8th school' to sit alongside the other 7 but specialise in FE level work. We would target areas of strength, that also align with the Councils priorities (Health, Construction & Engineering, Business & Hospitality). We would also look at areas of growth in Digital and creative industries.

1.4 There is potential to provide a range of level 2&3 qualifications, specialising in vocational and professional courses. These could provide progression routes into the other 7 schools (level 4-7) as well as standalone qualifications. We would look for strong employer input as we have with the University Technical College development.

1.5 LSBU's key requirements for an FE model are that:

- We are not required to make direct capital investment in FE
- LSBU must have direct control and leadership of the FE development and delivery

- it should make the best use of the University's back office infrastructure for FE delivery
- it must link to areas of strength and build on employer partnerships rather than being expected to cover "all things FE"
- is able to operate FE provision, funded from September 2016+
- is able to link with other providers in south London to create a network/federation for FE provision.

2. Current status of Further Education in south London

- 2.1 FE provision in south London is poor and not clearly aligned to skill shortages and regeneration opportunities. The boroughs of Southwark and Lambeth are net exporters of over 8000 16 to 18 year olds for education and training. Whilst academic provision through a range of schools (including new academies) has largely improved in south London, the deficit in vocational education is limiting local residents' opportunities to progress into growing labour markets.
- 2.2 In March 2015, the FE Commissioner instigated a review of options to address the poor OFSTED outcomes at Lewisham Southwark College, and concerns about financial viability of both Lewisham Southwark and Greenwich College. This work is now underway, with a great deal of uncertainty as to the outcome. The FE commissioner has expressed an expectation that London colleges will need to consolidate their activity and resources to remain financially viable.
- 2.3 The view of Southwark Council is that the current provision is of inadequate quality and not financially sustainable. Southwark Council is keen to secure the de-merger of Lewisham and Southwark Colleges and has asked the FE commissioner to support the establishment of new FE provision through Council-led commissioning. Southwark Council has asked LSBU to take a lead in this new approach.
- 2.4 In part to influence and in part to prepare for the outcome of this application it is proposed that LSBU begin to position itself politically and practically to establish a clearly defined, branded and employer-endorsed industry-led FE provision based on direct SFA funding.

3. Why should LSBU become involved:

- Opportunity for income diversification (when areas like international students are and will remain under pressure).
- Opportunity to create a more cost effective offering to employers around selected qualification e.g. Higher Apprenticeships and other technical qualifications.
- Opportunity to broaden offer to LSBU students.
- Opportunity to establish strong educational pathways for students.
- Opportunity to strengthen LSBU presence in south London – and to avoid allowing a vacuum for alternative provider to enter.
- Opportunity to strengthen employer links by providing longer educational pathways.
- Professional Technical “fit” – our FE provision would focus on professional technical skills in areas of existing expertise. (We are not proposing a generalist adult learning programme).
- Skills fit – LSBU has substantial experience in qualifications such as HNC and HND and in running professionally accredited qualifications which would form the basis of professional technical FE. We are already progressing significant involvement in Higher Apprenticeships.
- Part-time experience – LSBU has substantial experience in teaching PT programmes.
- Cultural fit – LSBU has substantial experience in teaching cohorts that traditionally form the basis of FE i.e. Part-Time, from low participation neighbourhoods, living locally, and studying vocational qualifications.
- Subject area expertise - the Centre for Economic & Social Inclusion (CESI) conducted an analysis of provision and the employer demand for skills for the boroughs of Lambeth, Lewisham & Southwark in 2014. The analysis identified a gap between provision and employer demand and concluded that course provision needs to quickly respond to new needs, job and sector growth, clearly evidenced in South London and which are key strengths of LSBU: Construction, Service industries – especially tourism and hospitality, Health & Social Care (including early years), Business & Professional Services, Technology, including digital, creative and e-marketing.
- LSBU has experience of developing other forms of educational provision i.e. Academy and UTC.
- There is increased employer demand for non-degree higher level technical training (e.g. HNCs).
- LSBU has substantial experience of employer sponsorship.

Why now?

- Urgent because of Southwark Council's commitment to creating alternative FE provision.
- Clear support from the Department for Business, Innovation and Skills (BIS)/Government for developing new FE/HE models to enhance progression and strong support to progress.
- Strong Government support for professional technical education.
- Likelihood of substantial changes in FE landscape.
- There has been a 50% decline in PT university based HE provision in the last 5 years.
- Vocational development aligns with a key HEFCE priority and initial discussions indicate they are interested in seeing this progress

4. Risks and Mitigations

- *Institutional bandwidth* – Currently Rao Bhamidimarri is leading on the Academy and UTC and has project support for this work. He has indicated he has capacity, with consultant support to help progress this. It will impact on VC time and other members of Executive.
- *Lack of actual FE expertise* – a consultant has been appointed and if progressed in principle, dedicated staff would be appointed. It would require knowledge to be developed in key professional functions (e.g. quality and finance) over the coming year. Given our current work in this area we need to further expand support in any case
- *Change in FE landscape* – whilst volatile this also provides significant opportunity. Meetings are being held with key stakeholders such as BIS officers, FE Commissioner, HEFCE and local Councils.
- *Cost of development* – we would seek capital investment to progress this and are also speaking to HEFCE given the anchor university angle.

5. Proposed Next Steps based on reports and executive discussions

- LSBU is refreshing its registration with the SFA. This will enable the University to apply for funding for Higher Apprenticeships, to apply for the next round of European Social Investment Funding (with Local Enterprise Partnerships), to draw down funding for existing activities and to apply for direct FE funding.
- We will initiate proceedings to secure designated Further Education status as soon as possible.
- With reference to Southwark Council's timetable for the proposed de-merger of Lewisham Southwark College (LESOCO) and the proposed introduction of a new commissioning model proposed, we have expressed interest in

being the preferred partner for Southwark Council for commissioned delivery of vocational education in health, engineering, construction, hospitality/service industries, and technology. We could add early years to this list.

- We will conduct a feasibility study to detail the scale and scope of LSBU's proposed FE provision, to be completed in July 2015.
- Business planning and the implementation phase will be supported by a consultant, to establish the case for September/October 2015, with a view to opening FE provision in September 2016.
- We will obtain legal and tax advice on structure as part of the feasibility study, by end of July, and use this to confirm the implementation date.
- HR implications of an in-house model and its feasibility will be reviewed
- Estates requirements will be worked up and discussed with Southwark Council
- As part of business planning, LSBU will need to develop and agree the vision including: curriculum and delivery strategy; property strategy; and, financial strategy.
- By the end of September, financial plans will be reviewed to confirm they are realistic ready for presentation to the Board in Autumn 2015.

Discussions will continue with appropriate agencies regarding plans and the possibility of supporting funds.

	PAPER NO: BG.33(15)	
Paper title:	Governance effectiveness review follow up	
Board/Committee	Board of Governors	
Date of meeting:	9 July 2015	
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors	
Board sponsor:	Jerry Cope, Vice Chair of the Board	
Purpose:	To update the Board on changes and associated approvals required following the governance effectiveness review	
Recommendation:	<p>That the Board:</p> <ul style="list-style-type: none"> • notes revised committee membership for 2015/16 – appendix 1 • notes terms of reference for the Major Projects & Investments Committee and Finance, Planning & Resources Committee – appendix 2 and 3 • approves revised terms of reference for the Audit Committee – appendix 4 • approves revised standing orders on: <ul style="list-style-type: none"> ○ Academic Board Terms of Reference and membership – appendix 5 ○ Composition of the Board and methods of appointment – appendix 6 ○ Senior post holders – appendix 7 	
Matter previously considered by:	Board	On: 23 April 2015
Further approval required?	No	N/A

Governance effectiveness review follow up

At its meeting of 14 May 2015, the board approved recommendations from the governance effectiveness review including a new committee structure. This paper sets out required approvals from the Board.

Committees Terms of Reference and membership

Following consultation, the committee membership for 2015/16 is set out in appendix 1:

The Chairs of the committees are:

- Appointments – Jerry Cope
- Audit – Steve Balmont
- Finance, Planning & Resources – Andrew Owen
- Honorary Awards – Hilary McCallion
- Major Projects & Investments – Douglas Denham St Pinnock
- Nomination – Jerry Cope
- Remuneration – Mee Ling Ng

Following approvals at the Board meeting of 14 May 2015, final terms of reference for the Major Projects & Investment Committee and the Finance, Planning & Resources Committee are attached in appendix 2.

In addition, at its meeting of 4 June 2015, the Audit Committee discussed post-investment reviews. It agreed that post-investment reviews should be considered by the Major Projects & Investments Committee. Significant deviations from the business case or concerns will be referred to the Audit Committee – for which revised terms of reference are attached in appendix 4, for approval.

Revised standing orders

Academic Board terms of reference

The terms of reference of the Academic Board have been revised, to enable it to focus on academic strategy. Terms of reference and membership are set out in appendix 5, for approval.

Composition of the Board and Methods of Appointment

A revised Standing Order on Composition of the Board and Methods of Appointment is attached in appendix 6, for approval. The key changes are:

1. Two academic staff governors to be appointed from the nominated Professor, Academic Staff member and Research Staff member;
2. The additional student governor to usually be the Chair of Student Council.

Senior post holders

Under the Articles, the Board is responsible “for the appointment, appraisal, suspension, dismissal and determination of the pay and conditions of service of the Chief Executive, the Clerk and such other senior posts as the Board may determine”. The Board is requested to approve a new Standing Order (in appendix 7) defining senior post holders. The draft Standing Order defines senior posts holders as:

- Vice Chancellor (required in the Articles)
- Deputy Vice Chancellor
- Chief Financial Officer
- Clerk to the Board (required in the Articles)

This changes the Board’s previous practice for the Pro Vice Chancellors to be senior post holders. It results from the creation of the new executive role of Deputy Vice Chancellor.

The Remuneration Committee will receive the objectives and approve bonus recommendations for each Executive member.

Recommendations:

That the Board:

- notes revised committee membership for 2015/16 – appendix 1
- notes terms of reference for the Major Projects & Investments Committee and the Finance, Planning & Resources Committee – appendix 2 and 3
- approved revised terms of reference for the Audit Committee – appendix 4
- approves revised standing orders on:
 - Academic Board Terms of Reference and membership – appendix 5
 - Composition of Board and methods of appointment – appendix 6
 - Senior post holders – appendix 7

Appendix 1 – committee membership

Audit

Steve Balmont (Chair)

Douglas Denham St Pinnock

Mee Ling Ng

Shachi Blakemore

1x co-optee (to be recruited)

Major Projects and Investment Committee

Douglas Denham St Pinnock (Chair) {note: overlap with Audit Committee membership is interim}

Kevin McGrath

Hilary McCallion

Jerry Cope

Vice Chancellor

1 x staff governor

Abdi Osman (SU President) and additional student governor (Chair of Student Council – to be appointed)

Finance, Planning and Resources Committee

Andrew Owen (Chair)

Jerry Cope

Carol Hui

Neil Gorman

Mee Ling Ng

Vice Chancellor

1 x staff governor

Abdi Osman(SU President)

Remuneration

Mee Ling Ng (Chair)

Carol Hui

Andrew Owen

Jerry Cope

Nomination

Jerry Cope (Chair)

Andrew Owen

Hilary McCallion

Shachi Blakemore

Vice Chancellor

Honorary Awards

Hilary McCallion (Chair)

Jerry Cope

Carol Hui

1 student governor (Students' Union President)

Vice Chancellor

2 x staff governors

Appendix 2 - Major Projects & Investment Committee

Terms of Reference

The Major Projects & Investment Committee is a sub-committee of the Board. It is authorised by the Board to approve investment decisions within authorisation levels as set out in the Financial Regulations. The committee reviews investment decisions above its level of authority and recommends approval to the Board.

2. Remit

2.1 The remit of the committee is to:

- 2.1.1 review capital and revenue investment and significant tenders and, if above delegated authority, recommend approval to Board;
- 2.1.2 when within set authority levels, approve capital expenditure and budgeted revenue expenditure;
- 2.1.3 review 'master-plans' for estate and infrastructure; and
- 2.1.4 review proposals to acquire and/or dispose of land or buildings.
- 2.1.5 review and recommend to the Board approval of capital finance;
- 2.1.6 review and recommend to the Board approval of borrowing raised on the security of the University's assets;
- 2.1.7 review and recommend to the Board approval of lease finance arrangements with a capital value greater than £250,000;
- 2.1.8 review and recommend to the Board approval of borrowings (by loan facility or overdraft) above £0.5 million;
- 2.1.9 monitor delivery of major projects; and
- 2.1.10 consider post investment reviews of major projects.

3. Membership

3.1 Membership shall consist of up to five independent governors including the Chair of the Board, the Vice Chancellor, one student governor and one staff governor.

3.2 A quorum shall consist of at least 3 independent governors.

3.3 The chair shall be an independent governor.

3.4 Members of the committee shall not be members of the Audit Committee.

4. Reporting Procedures

4.1 The minutes (or a report) of meetings of the Committee will be sent to the Board.

Approved by the Board of Governors on 14 May 2015.

Appendix 3 - Finance, Planning and Resources Committee

Terms of Reference

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

- LSBU's in-year financial performance;
- Performance against the corporate strategy;
- The proposed annual budget;
- Implications of the strategy for human and physical resources;
- Treasury management including proposals for borrowing; and
- Compliance with the University Gift Acceptance policy.

1. Remit

1.1 The remit of the committee is to:

- 1.1.1 review management accounts;
- 1.1.2 review the annual budget and recommend to the Board;
- 1.1.3 review the five year forecasts and recommend to the Board;
- 1.1.4 monitor progress against the KPIs as approved by the Board and alert the Board of key potential variations against target;
- 1.1.5 approve investment and treasury management policies;
- 1.1.6 approve investment policies for charitable funds and to receive an annual report on expenditure;
- 1.1.7 receive an annual report of all donations above £25,000 and to monitor adherence to the Gift Acceptance Policy;
- 1.1.8 receive a six monthly report on the Students' Union's income and expenditure;
- 1.1.9 review litigation involving over £0.5 million or otherwise material to the interests of LSBU and recommend to the Board for decision; and
- 1.1.10 receive assurance from the Executive that the insurance programme is adequate from year to year

2. Membership

2.1 Membership shall consist of up to five independent governors including the Chair of the Board, the Vice Chancellor, one student governor and one staff governor.

2.2 A quorum shall consist of at least three independent governors.

2.3 The chair shall be an independent governor.

2.4 The Chairman of the Audit Committee shall not be a member of the committee.

3. Reporting Procedures

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

Approved by the Board of Governors on 14 May 2015.

Appendix 4 – Audit Committee

Terms of reference

1. Constitution

- 1.1 The Board of Governors has established a committee of the Board known as the Audit Committee.

2. Membership

- 2.1 The Audit Committee and its chair shall be appointed by the Board, from among its own members, and must consist of members with no executive responsibility for the management of the institution.
- 2.2 There shall be no fewer than three members; a quorum shall be at least two members.
- 2.3 The chair of the Board should not be a member of the committee.
- 2.4 Members should not have significant interests in LSBU.
- 2.5 At least one member should have recent relevant experience in finance, accounting or auditing.
- 2.6 The committee may, if it considers it necessary or desirable, co-opt members with particular expertise.
- 2.7 Members of the committee should not also be members of the finance committee (or equivalent).

3. Attendance at meetings

- 3.1 The chief executive, head of finance (or equivalent), the head of internal audit and a representative of the external auditors shall normally attend meetings where business relevant to them is to be discussed.
- 3.2 At least once a year the committee should meet with the external and internal auditors without any officers present.

4. Frequency of meetings

- 4.1 Meetings shall normally be held four times each financial year. The external auditors or head of internal audit may request a meeting if they consider it necessary.

5. Authority

- 5.1 The committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee, and all employees are directed to co-operate with any request made by the committee.
- 5.2 The committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of non-members with relevant experience and expertise if it considers this necessary, normally in consultation with the head of institution and/or chair of the Board. However, it may not incur direct expenditure in this respect in excess of £20,000 without the prior approval of the Board.
- 5.3 The Audit Committee will review the audit aspects of the draft annual financial statements. These aspects will include the external audit opinion, the statement of members' responsibilities, the statement of internal control and any relevant issue raised in the external auditors' management letter. The committee should, where appropriate, confirm with the internal and external auditors that the effectiveness of the internal control system has been reviewed, and comment on this in its annual report to the Board.

6. Secretary

- 6.1 The secretary to the Audit Committee will be the Clerk to the Board or other appropriate person nominated by the Clerk.

7. Duties

- 7.1 The duties of the committee shall be to:
- 7.1.1 advise the Board on the appointment of the external auditors, the audit fee, the provision of any non-audit services by the external auditors, and any questions of resignation or dismissal of the external auditors;
 - 7.1.2 discuss with the external auditors, before the audit begins, the nature and scope of the audit;
 - 7.1.3 as necessary, to hold regular discussions with the external auditors (in the absence of management where necessary);

- 7.1.4 consider and advise the Board on the appointment and terms of engagement of the internal audit service (and the head of internal audit if applicable), the audit fee, the provision of any non-audit services by the internal auditors, and any questions of resignation or dismissal of the internal auditors;
- 7.1.5 review the internal auditors' audit risk assessment, strategy and programme; consider major findings of internal audit investigations and management's response; and promote co-ordination between the internal and external auditors. The committee will monitor that the resources made available for internal audit by the executive are sufficient to meet LSBU's needs (or make a recommendation to the Board as appropriate);
- 7.1.6 keep under review the effectiveness of the risk management, control and governance arrangements, and in particular review the external auditors' management letter, the internal auditors' annual report, and management responses;
- 7.1.7 monitor the implementation of agreed audit-based recommendations, from whatever source;
- 7.1.8 monitor the proper investigation by the executive of all significant losses and that the internal and external auditors, and where appropriate the funding council's accounting officer, have been informed;
- 7.1.9 oversee the policy on anti-fraud and irregularity, including being notified of any action taken under that policy;
- 7.1.10 satisfy itself that suitable arrangements are in place to promote economy, efficiency and effectiveness;
- 7.1.11 receive any relevant reports from the National Audit Office (NAO), the funding councils and other organisations;
- 7.1.12 monitor annually the performance and effectiveness of the external and internal auditors, including any matters affecting their objectivity, and make recommendations to the Board concerning their reappointment, where appropriate;
- 7.1.13 consider elements of the annual financial statements in the presence of the external auditors, including the auditors' formal opinion, the statement of members' responsibilities and the statement of internal control, in accordance with the funding councils' accounts directions;

7.1.14 in the event of the merger or dissolution of the institution, ensure that the necessary actions are completed, including arranging for a final set of financial statements to be completed and signed;

7.1.15 advise the Board of Governors on the effectiveness of the internal control system and recommend changes as necessary;

7.1.16 review regularly the financial regulations for the supervision and control of financial procedures, accounts, income and expenditure of LSBU and to advise the Board of Governors as necessary;

7.1.17 monitor compliance with relevant regulatory and legal requirements (e.g. HEFCE financial memorandum) and report to the Board of Governors as necessary;

7.1.18 receive reports made under the “speak up” policy and to monitor annually the performance and effectiveness of the “speak up” policy and procedures;

7.1.19 to authorise ~~single debt write offs above £10,000 and annual~~ debt write offs above £50,000. To receive a report on any debt written off below this threshold and approved by the ~~Executive Director of Finance~~Chief Financial Officer.

7.1.20 to consider significant deviations from business case or concerns following a post investment review

8. Reporting procedures

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

8.2 The committee will prepare an annual report covering the institution’s financial year and any significant issues up to the date of preparing the report. The report will be addressed to the Board and Vice Chancellor/Chief Executive, and will summarise the activity for the year. It will give the committee’s opinion of the adequacy and effectiveness of the institution’s arrangements for the following:

- risk management, control and governance (the risk management element includes the accuracy of the statement of internal control included with the annual statement of accounts); and
- economy, efficiency and effectiveness (value for money).

- management and quality assurance of data submitted to HESA and to HEFCE and other funding bodies

This opinion should be based on the information presented to the committee. The Audit Committee annual report should normally be submitted to the Board before the members' responsibility statement in the annual financial statements is signed.

Appendix 5 – Academic Board terms of reference and membership

Academic Board

Terms of Reference

The Academic Board is responsible for academic standards and the direction and regulation of academic matters.

1. Remit

1.1 The remit of the Academic Board is to:

1.1.1 develop academic strategy and monitor progress against academic key performance indicators

1.1.2 monitor development of academic portfolio

1.1.3 oversee the development of the academic environment

1.1.4 have oversight of academic ethics

1.1.5 note research and professorial titles

1.1.6 approve academic regulations and oversee their enactment, including for:

- i. admission of students;
- ii. granting and annulling of degrees, qualifications and titles;
- iii. exclusion of students for academic reasons;
- iv. appointment of internal and external examiners;
- v. assessment and examination of academic performance of students;
- vi. character of curricula;
- vii. quality of courses including validation and accreditation by external bodies; and
- viii. granting distinctions including honorary degrees and academic titles.

2. Membership

2.1 Membership consists of the following:

Holders of Senior Posts (4)	Vice Chancellor (chair)
	Deputy Vice Chancellor
	PVC Students and Education
	PVC Research and External Engagement
Senior Academic Staff and Professors (8)	Deans (x7)
	Nominated professor (x1)
Academic and Research staff (2)	Nominated academic staff member (x1)
	Nominated research staff member (x1)
Non-teaching staff (4)	Director of Research and Enterprise
	Director of Academic Quality Development
	Director of Student Support and Employability
	Nominated member of professional staff
Technician (1)	Nominated member of technical staff
Students (2)	Students' Union President
	Students' Union Vice President (Academic Affairs)

2.2 A quorum consists of 7 members.

2.3 The term of office of nominated members is three years.

2.4 The Academic Board meets three times per year.

3. Reporting Procedures

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

*Approved by the Academic Board on **

*Approved by the Board of Governors on **

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Appendix 6 – Composition of Board and methods of appointment

1. Under article 8.2 the Board has determined that, when fully complemented, the membership of the Board shall consist of 18 members, as follows:
 - a. 13 independent governors;
 - b. the Vice Chancellor (by virtue of office);
 - c. two students; and
 - d. two academic staff members of the Academic Board.
2. Under article 8.3 the Board may amend the composition of the Board, ensuring that independent governors are in a majority and that there are not less than eight and not more than eighteen members of the Board.
3. If the Board decides to alter the composition of the Board to exclude student or staff governors it should formally record in its minutes the reasons for doing this and inform the funding council.

Independent Governors

4. Independent Governors are defined in Article 8.1.2 as “persons who are neither Staff nor Students and who are considered by the Appointments Committee to have experience and capability relevant to the University’s requirements”.
5. The Nomination Committee shall consider potential candidates for the position of Independent Governor and shall make recommendations to the Appointments Committee having evaluated the balance of skills, knowledge and experience required for a particular appointment and having due regard to the benefit of equality and diversity in the composition of the Board.
6. Independent Governors shall be appointed by the Appointments Committee, having considered a recommendation from the Nomination Committee.
7. Under Article 9.1.2, Independent Governors shall be appointed for an initial term of four years. The Appointments Committee may re-appoint an Independent Governor at the end of their term of office on a recommendation from the Nomination Committee, based on effective performance.

8. Under Article 9.2, an Independent Governor may not normally be appointed for more than two terms of office in total. If it recommends that an Independent Governor is to be appointed for a third term, the Nomination Committee shall make a clear justification to the Appointments Committee.

Student Governors

9. A Student is defined in the Articles as “a person who ... is pursuing a full-time course of not less than one month’s duration... . For this purpose, sabbatical officers of the Student Union shall be deemed to be students”.
10. The President of the Student Union shall be a Student Governor and will serve as a governor throughout their period of office.
11. A member of the Student Council, usually the Chair of Student Council, shall be elected by Student Council to serve as the additional Student Governor.
 - a. The election is normally at the first Student Council meeting of the academic year.
 - b. The Student Governor elected by the Student Council serves for one academic year or until they are no longer a member of Student Council, whichever shall be sooner.
 - c. The Student Governor is eligible for re-election if they continue to serve on Student Council.
 - d. If the Student Governor elected by the Student Council ceases to be a member of the Student Council during their period of office they shall cease to be a Student Governor.

Academic Staff Governors

12. There shall be two governors who shall be current members of the Academic Board ~~appointed to the Academic Board as academic or research staff under Article 8.1.3 (Academic Staff Governors).~~ The Academic Staff Governors shall be chosen by the Academic Board from the nominated professor, academic staff, and research staff positions on the Academic Board.
- ~~13. The Academic Board shall nominate the Academic Staff Governors to the Board of Governors for consideration. Where there is more than one candidate for the position the Academic Board shall nominate its preferred candidate by majority vote at a quorate meeting.~~

| 14.13. The Academic Staff Governors are appointed by the Board, having considered the recommendation from the Academic Board

| 15.14. The Academic Staff Governors serve for a period of three years or until they cease to be a member of the Academic Board, whichever is the soonest.

Termination of Appointment

| 16.15. Under Article 9.3.4 the procedure for removing governors by the Members follows ss.168-169 Companies Act 2006.

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Appendix 7 – Senior post holders – draft Standing Order

1. Under Article 5.1.4 the Board of Governors is responsible for the appointment, appraisal, suspension and dismissal determination of the pay and conditions of service of the Chief Executive, the Clerk and such other senior posts as the Board may determine.
2. In accordance with this Article the Board has determined that the following are senior post holders:
 - a. Vice Chancellor and Chief Executive
 - b. Deputy Vice Chancellor
 - c. Chief Financial Officer
 - d. University Secretary and Clerk to the Board of Governors

*Approved by the Board on **

	PAPER NO: BG.34(15)	
Paper title:	Report on decisions of Committees	
Board/Committee	Board of Governors	
Date of meeting:	9 July 2015	
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors	
Board sponsors:	Relevant committee chairs	
Purpose:	To update the Board on committee decisions	
Recommendation:	To note the report To approve minutes of the final meetings of the closed committees	
Matter previously considered by:	As indicated	N/A
Further approval required?	No	N/A

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.

In addition, the Board is requested to note and approve the minutes and proposed redactions of the final meetings of the committees that the Board closed on 14 May 2015 following the governance effectiveness review:

- Policy and Resources Committee – 3 February 2015
- Property Committee – 28 January 2015
- Educational Character Committee – 27 January 2015
- Human Resources Committee – 14 October 2014

Summary of Committee decisions

Audit Committee – 4 June 2015

The committee approved:

- external audit plan for 2015/16;
- changes to accounting policies following the introduction of FRS102 and a new Statement of Recommended Practice (SORP) for higher education;
- the revised anti-fraud policy which reiterated the University's zero tolerance approach to fraud;
- the revised speak up policy and the appointment of Safecall to provide an independent helpline for employees;
- the TRAC(T) return to HEFCE

The committee discussed:

- an update on data security, which set out actions being taken to improve data security following an Internal Audit report (rated as high risk). A dedicated Head of Information Security has been appointed. The committee requested the Executive to closely monitor data security and the implementation of internal audit recommendations in this area.
- Internal audit progress report;
- Report on continuous auditing of finance data;
- The second report on continuous auditing of student data which had been given a medium risk rating; and
- The draft internal audit plan for 2015/16. The Executive will review and bring back to the meeting of 24 September 2015.

The committee noted:

- the speak up report; and
- the closure of several projects under the Change Programme.

South Bank University Enterprises Ltd Board meeting – 17 June 2015

The Board approved:

- the budget for 2015/16.

The Board discussed:

- the future direction of the company and of enterprise activity in the University;
- CEO update and the management accounts to 31 May 2015 for University Enterprise; and
- a valuation report of the company's shareholdings.

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Minutes of a Meeting of the Policy and Resources Committee
held at 4pm on Tuesday 3 February 2015
in room 1B27, Technopark, London Road, London SE1

Present

Jerry Cope	Chairman
David Longbottom	Chairman of the Board
Prof David Phoenix	Vice Chancellor and Chief Executive
Ken Dytor	
Prof Hilary McCallion	
Anne Montgomery	
Sarah Mullally	
Diana Parker	
Prof Jon Warwick	

Apologies

Ilham Abdishakur	SU President
Neil Gorman	
Diana Parker	

In attendance

Prof Pat Bailey	Deputy Vice Chancellor
Richard Flatman	Chief Financial Officer
Prof Paul Ivey	Pro Vice Chancellor (Research and External Engagement)
James Stevenson	University Secretary and Clerk to the Board of Governors
Michael Broadway	Governance Manager

Welcome and Apologies

1. The Chairman welcomed governors to the meeting.

Declaration of Interests

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

Minutes of the previous meeting

3. The committee approved the minutes of the meeting of 12 November 2014 and the proposed redactions for publication, subject to minutes 5 and 10 being published. (paper **PR.01(15)**).

Matters Arising

4. Minute 4 of 12 November 2014 – a letter dated 3 February 2015 had been sent to independent governors in relation to expenses.
5. There were no matters arising which had not been previously covered. The committee noted that the Property Committee had considered the post-occupancy evaluation of the Clarence Centre at its meeting of 28 January 2015.
6. The Vice Chancellor gave an update on the investigation by the UK Visas and Immigration (UKVI) into fraud on the TOEIC English language test (minute 12 of the minutes of 12 November 2014).

Key Performance Indicators

7. The committee discussed the proposed key performance indicators, targets and rating criteria for 2014/15 (paper **PR.02(15)**) as recommended by the KPI working group. The indicators had been aligned to the eight goals and the success measures of the corporate strategy 2015-2020. In addition to the KPI report the Board would receive a quarterly report on progress against the three outcomes and the strategic enablers.
8. The committee approved the KPI set subject to an additional KPI for the “good employer” success measure.
9. The student/staff ratio was discussed. The ratio was expected to improve in the following year.

Management accounts to 31 December 2015

10. The committee discussed the management accounts to 31 December 2014 (paper **PR.03(15)**). The full year forecast was a surplus of £0.5m against a budget of £1m. In order to deliver the £1m budgeted surplus staff costs were being tightly controlled.

Staff cost analysis

11. The committee discussed an analysis of staff costs for 2014/15 (paper **PR.04(15)**). In the current financial year non-recurring staff costs were forecast at £1m. Staffing costs in 2014/15 to 31 December 2014 are £100k above the comparable period for 2013/14.

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12. Staff costs have been carefully managed by the Executive and a number of controls have been put in place. Workforce planning was being undertaken and an update would be made to the Board meeting of 14 May 2015.
13. The committee noted that staff costs as a percentage of income was a key sector measure. An analysis of this measure along with the student staff ratio would be presented to the Board annually with benchmarking.

University research, enterprise and innovation update

14. The committee discussed an update on research, enterprise and innovation (paper **PR.05(15)**). It was noted that income was slightly behind the comparable period for 2013/14. This was largely due to invoicing activity which was being addressed.
15. The committee requested future updates to include a commentary on profiling of income and clarification on costs.

Student recruitment, 2015/16

16. The committee discussed student recruitment for 2015/16 (paper **PR.06(15)**). Firm acceptances for undergraduate full time are up 19% in comparison to the last year. Applications for the School of Health and Social Care were down on last year. This was primarily due to higher entry requirements and applications were down across the sector. The Executive expected that the School's recruitment targets would be met.
17. The committee noted that following the lifting of the student number controls for 2015 entry, the number of institutions seeking to expand was greater.
18. In a survey all new entrants for 2014/15 had been asked about their primary reason for choosing LSBU. Most were focussed on course content, quality and on future careers.

Overseas partnerships update

19. The committee discussed an update on overseas partnerships (paper **PR.07(15)**), including an update on the partnership with the British University Egypt and a proposed partnership with the Applied Science University (ASU) in Bahrain.

DRAFT

20. There were two aspects to the partnership with BUE: 1) LSBU would continue to validate BUE programmes with a target of 900 FTE for September; and 2) a collaborative research centre linked to engineering and based in Egypt..
21. The proposed partnership with ASU in Bahrain would be on a similar model to that of BUE. Validation of ASU programmes would take place in March 2015. As part of the partnership LSBU would help ASU develop its offer in engineering and establish a College of Engineering within ASU. The research centre was likely to be focused around petrochemical engineering
22. The committee supported the proposed partnership with the Applied Science University but noted the potential reputational risk for the University operating in Bahrain. The committee recommended the proposal to the Board for approval.

Acquisition of Hugh Astor Court from Peabody Trust

23. The committee discussed the business case for the proposed acquisition of Hugh Astor Court from Peabody Trust (paper **PR.08(15)**). The business case had been supported by the Property Committee.
24. The committee recommended the acquisition of Hugh Astor Court at an agreed price of £11.4m to the Board for approval.

Media Centre business case

25. The committee discussed in detail the business case for the creation of a new Media Centre (paper **PR.09(15)**), which would enhance undergraduate specialist teaching provision for Journalism, Film Practice, Sound Design and Digital Design. The business case had been supported by the Property Committee.
26. The committee recommended the business case and investment of £4.1m to the Board for approval.

Change programme update

27. The committee discussed an update on the ICT and infrastructure theme of the change programme (paper **PR.10(15)**).
28. The Excellent Student Experience project had been completed and a presentation of the software would be made to the Board at its meeting of 14 May 2015.

Treasury Management report

29. The committee noted the treasury management report (paper **PR.11(15)**).

Any other business

Governance effectiveness review update

30. The committee received an update from the Chairman of the Board on initial findings and recommendations of the governance effectiveness review. As a result of the review the committee structure would be revised and this was likely to be last meeting of the Policy and Resources Committee (governors were however asked to keep future committee dates in diaries). The draft report and recommendations would be discussed at the Board strategy day of 23 April 2015.

Retiring governors

31. The committee noted that this would be the last committee meeting for Dame Sarah Mullally, chair of the committee, who would shortly be retiring as a governor. The committee warmly thanked Sarah for her contribution to the committee.

32. The committee noted that this would be the last governors' meeting for Anne Montgomery, who would shortly be retiring as a governor. The committee warmly thanked Anne for her contribution to the committee, the Board and the University.

Date of next meeting

33. The next committee meeting will be at 4pm on Wednesday 6 May 2015 (subject to there being substantive items). This would be subject to the outcome of the governance effectiveness review (minute 28 above refers).

The Chairman closed the meeting.

Confirmed as a true record:

..... (Chairman)

{Secretary's note: this is the final meeting of the committee. The Board closed the committee on 14 May 2015 as part of the governance effectiveness review}

Minutes of a Meeting of the Property Committee
held at 4pm on 28 January 2015
in Room 1B27, Technopark, London Road, London SE1

Present

Ken Dytor	Chairman
David Longbottom	Chairman of the Board
Jerry Cope	Joint Vice Chair of the Board
Prof David Phoenix	Vice Chancellor and Chief Executive
Andrew Owen	
Prof Shushma Patel	

In attendance

Prof Pat Bailey	Deputy Vice Chancellor
Richard Flatman	Chief Financial Officer
Prof Paul Ivey	Pro Vice Chancellor (Research and External Engagement)
Ian Mehrtens	Chief Operating Officer
Carol Rose	Director of Estates
James Stevenson	University Secretary and Clerk to the Board of Governors
Michael Broadway	Governance Manager

Welcome and Apologies

1. Apologies had been received from Emine Dzhihan and Sarah Mullally.

Conflicts of Interest

2. No interests were declared on any items on the agenda.

Minutes of the meeting of 17 September 2014

3. The committee approved the minutes from the meeting held on 17 September 2014 (paper **PC.01(15)**) and the proposed redactions for publication.

Matters arising

4. The committee noted that the final account for the Student Centre was close to being completed.

Redevelopment of Elephant and Castle

5. The committee received a presentation on the redevelopment of the Elephant and Castle (paper **PC.02(15)**). It was noted that the redevelopment would provide significant opportunities for the University, which would be reflected in the estates strategy (see below).

Estates Master Planning

6. The committee discussed a proposal to establish a time limited working group to consider the development of a long-term estates strategy within the context of local developments, particularly the regeneration of the Elephant and Castle (paper **PC.03(15)**). The group would consist of the Chief Operating Officer (Chair), Deputy Vice Chancellor, Chief Financial Officer, Director of Estates and Academic Environment, a local developer and an architect.
7. The Corporate Strategy would set the parameters for the development of the estates strategy. The outcome of the working group would be a series of estates strategy options and to provide a context to planning decisions.
8. The committee approved the creation of the working group.

Acquisition of Hugh Astor Court

9. The committee discussed the business case for the acquisition of Hugh Astor Court (paper **PC.04(15)**). The site is strategically important for the University as it would allow the completion of a cohesive campus. The building would be used as student accommodation in the interim before development of the site, possibly as a central hub for students, as part of the estates strategy which is in development.
10. The committee supported the proposal subject to the following information being included in the business case before it was considered by the Board:
 - a. return on investment as student accommodation before demolition;
 - b. return on capital employed;
 - c. resale value of the site for LSBU; and
 - d. the expected increase in value for LSBU when the site is redeveloped.
11. The committee recommended the business case based on capital expenditure of £11.4m, subject to the requested amendments, to the Policy and Resources Committee.

Media Centre business case

12. The committee discussed in detail the business case for the creation of a new Media Centre (paper **PC.05(15)**), which would enhance undergraduate specialist teaching provision for Journalism, Film Practice, Sound Design and Digital Design, within the School of Arts and Creative Industries.
13. The committee supported the proposal subject to the following information being included in the business case before it was considered by the Board:
 - a. Brief options analysis regarding space and location of the planned Centre;
 - b. Contribution the School of Arts and Creative Industries makes to the University; and
 - c. Priorities for investment in the schools.
14. The committee recommended the business case, subject to the requested amendments, to the Policy and Resources Committee.

Confucius Institute development update

15. The committee noted an update on the development of the Confucius Institute to Model Institute status (paper **PC.06(15)**). A business case would be considered by the Executive at its meeting of 3 February 2015 to approve the redevelopment of Caxton House to house the Institute. It was anticipated that the project would finish in July 2015.
16. The committee noted the importance of the Confucius Institute for the University's developing links with China.

David Longbottom left the meeting

Clarence Centre post occupancy review

17. The committee welcomed the Clarence Centre post occupancy review (paper **PC.07(15)**). The committee noted that it was a positive report and congratulated the Executive on the success of the building.

General Estates Matters

18. The committee noted an update on general estates matters (paper **PC.08(15)**). It was noted that improvement works to K2 would take place over the summer. Refurbishment of student residences was a priority.

Any other business

19. The committee noted that this would be the last Property Committee meeting for Ken Dytor, chair of the committee, who would shortly be retiring as a governor. The committee warmly thanked Ken for his contribution to the committee, the Board and the University.

Date of next meeting

20. The committee noted that the next meeting would be held on Wednesday 15 April 2015 at 4pm (subject to there being substantive items).

There being no further business, the Chairman closed the meeting.

Confirmed as a true record:

.....
Chairman

{Secretary's note: this is the final meeting of the committee. The Board closed the committee on 14 May 2015 as part of the governance effectiveness review}

Minutes of a Meeting of the Educational Character Committee
held at 4pm on Monday 27 January 2015
in Room 1B27, Technopark, London Road, London SE1

Present

Douglas Denham St Pinnock	Chair
Ilham Abdishakur	SU President
Professor Hilary McCallion	
Mee Ling Ng	

Prof David Phoenix	Vice Chancellor and Chief Executive
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In attendance

Prof Pat Bailey	Deputy Vice Chancellor
Prof Phil Cardew	Pro Vice Chancellor (Students & Education)
Stephen Hackett	Director of Student Services
Prof Paul Ivey	Pro Vice Chancellor (Research & External Engagement)
Ian Mehrtens	Chief Operating Officer
James Stevenson	University Secretary and Clerk to the Board of Governors
Ruth Sutton	Governance Assistant

Welcome and Apologies

1. No apologies had been received.

Minutes of the last meeting

2. The minutes of the meeting of 4 June 2014 were confirmed as a correct record (paper **EC.01(15)**).
3. The meeting noted that the December 2014 and February 2015 meetings had been combined into this meeting.

Matters Arising

4. There were no matters arising.

Overseas development update

5. The committee received an update from the Vice Chancellor about overseas development of academic partnerships in Bahrain and India. The update focused on how LSBU is going to develop its international partnerships as part of its corporate strategy.
6. The committee discussed the importance of building sustainable and flexible relationships overseas. The committee noted the reputational risks of some of the overseas territories discussed.
7. The committee noted the report and that a more detailed paper would go to the Policy and Resources Committee and the Board of Governors.

REF Outcome and Research Strategy (paper EC.02(15))

8. The Pro Vice Chancellor (Research and External Engagement) presented the results of the Research Excellence Framework 2014 UK-wide audit of UK university research outputs.
9. The committee noted that LSBU had received an excellent overall score of 2.52, meaning that the compound score of LSBU's research is excellent and recognised internationally. Planning for REF2020 had started and aims to increase the number of academics submitted and increase the total number of PhDs over the next few years.

Student Equality, Diversity and Inclusion statistics (paper EC.03(15))

10. The committee noted the statistics on student equality, diversity and inclusion (paper EC.03(15)).
11. The committee discussed the appointment of an external consultant who would be able to contextualise LSBU's data to give better information and enable benchmarking about student equality, diversity and inclusion at LSBU.
12. The committee approved the executive's recommendation that an external consultant is appointed. A further report would be done by May 2015.

Development of School structure (paper EC.04(15))

13. The Deputy Vice Chancellor presented the new structure for the School executive teams (paper EC.04(15)). The committee discussed the finalisation of the divisions within Schools.

14. The committee welcomed the position.

Change Programme update (paper EC.05(15))

15. The committee noted the update on the projects within the Developing the Academic Environment and Support for the Academic Environment themes of the change programme (paper **EC.05(15)**). Progress was noted in relation to the Learning Pathway and Student Administration projects.

Sports Provision (paper EC.06(15))

16. The Chief Operating Officer updated the committee about sports provision at the university London Road Sports Centre (paper **EC.06(15)**). The committee noted the paper.

Any Other Business

17. The Chief Operating Officer informed the committee that LSBU has been ranked 17 out of 194 UK universities on the People & Planet Green League sustainability table.

Next Meeting

18. The date of the next meeting was confirmed as Wednesday 3 June 2015 at 4pm.

Confirmed as a correct record

.....

Chair

{Secretary's note: this is the final meeting of the committee. The Board closed the committee on 14 May 2015 as part of the governance effectiveness review}

Minutes of the meeting of the Human Resources Committee
held at 4pm on Wednesday, 14 October 2014
in Room 1B16, Technopark, London Road, London SE1

Present

Anne Montgomery	Chair
Prof David Phoenix	Vice Chancellor
Steve Balmont	
Mee Ling Ng	

Staff Governor Observer

Prof Jon Warwick

In attendance

Prof Pat Bailey	Deputy Vice Chancellor
Mandy Eddolls	Interim Executive Director of Human Resources and Organisational Development
Richard Flatman	Chief Financial Officer
James Stevenson	University Secretary and Clerk to the Board of Governors
Michael Broadway	Governance Manager

Welcome and Apologies

1. Apologies had been received from Hilary McCallion and Katie Boyce.
2. The committee welcomed Pat Bailey to his first meeting of the committee.

Declarations of Interest

3. No interests were declared on any item on the agenda.

Minutes of the meeting held on 18 June 2014

4. The minutes of the meeting held on 18 June 2014 were approved (paper **HR.13(14)**). The redactions were approved for publication.

Matters Arising

5. Matters arising were covered elsewhere on the agenda.

Update on HR aspects of the change programme

6. The committee noted an update on HR aspects of the change programme. The two key HR aspects of the change programme were 1) implementing a culture change through leadership development and performance management; and 2) workforce planning. The HR department would review workforce requirements in early 2015 following the approval of local delivery plans. The committee would receive regular updates on the leadership development change programme project.
7. The committee requested to be kept informed of any risks to the implementation of the changes due to staff reaction.

Equality, Diversity and Inclusion

8. The committee discussed an update on equality, diversity and inclusion (paper **HR.14(14)**), divided into three parts: 1) assurance report; 2) analysis of workforce; and 3) staff recruitment data.
9. The committee noted that the workforce data was incomplete due to data collection and systems issues. It was anticipated that the planned staff census of November 2014 would improve the quality and quantity of staff data on protected characteristics.

Organisation and People key priorities, 2014/15

10. The committee noted the key priorities of the Organisation and People professional service group for 2014/15 (paper **HR.15(14)**). The key priorities for the year were:
 - a. HR systems – design, develop and implement a sustainable solution for providing stable HR data;
 - b. Senior Leaders' Development – develop a programme of development for the Executive team and Operations Board;
 - c. Work force planning – ensure the shape of the organisation is modern, fit for purpose and efficient;
 - d. Performance management – increase productivity and quality of service by focusing on performance management;
 - e. Professional HR service – ensure HR operates on a proactive business partnering model; and
 - f. Equality, Diversity and Inclusion initiatives.
11. The committee noted that HR analytics were being developed during the year and requested a paper on the proposed analytics and their reporting to the committee at the next meeting of the committee.

Terms of Reference

12. The committee recommended its amended terms of reference to the Board for approval (paper **HR.16(14)**).

HR Committee business plan

13. The committee noted its business plan (paper **HR.17(14)**). The committee noted that the governance effectiveness review would include a review of the Board's committees.

Date of next meeting

14. The date of the next meeting was confirmed as Tuesday 25 March 2015 at 4pm.

Confirmed as a correct record:

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Chair

{Secretary's note: this is the final meeting of the committee. The Board closed the committee on 14 May 2015 as part of the governance effectiveness review}

	PAPER NO: BG.35(15)	
Paper title:	Corporate Risk Register	
Board/Committee	Board of Governors	
Date of meeting:	9 July 2015	
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 register is a dynamic document. It presents all identified Corporate Risks, grouped by Corporate Objective, with impact and likelihood assessments, and related controls and actions; as at 29 th June. The summary pages present the totality of risk on a 1 page matrix, along with a record of all changes and action progress updates sine the last presentation of the register.	
Recommendation:	That the Board note the risks and their ratings, and the allocation of risks to corporate objectives	

Matter previously considered by:	Operations Board	On: 16 th June 2015
Further approval required?		

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

Date: 25th June 2015 **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
397: Effectiveness of delivery impaired as institution goes through restructuring process (DP)	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) 457: Anticipated international student revenue unrealised (PI)		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 to long term.</i>	1 - Low <i>This risk is unlikely to occur</i>		
	Residual Likelihood			
Executive Risk Spread: VC – 3, DVC – 1, CFO – 3, PVC-S&E – 1, PVC-R&EE – 3, COO – 1, PVC/Health – 1, ExD-HR – 0, US - 0				

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

Reference	Risk title	Changes made
Goal 3: Real World Impact - Teaching & Learning: Ensuring teaching is highly applied, professionally accredited & linked to research & enterprise		
398 (SW)	Academic programmes not engaged with technology or pedagogic dev.	Risk re-written. One action closed, and another re-located to new risk #467
467 (PB)	UG Progression rate doesn't rise	New Risk created.
Goal 4: Real World Impact - Research & Enterprise: Delivering outstanding economic, social and cultural benefits from our intellectual capital.		
402 (PI)	2020 income growth through Research & Enterprise	Cause and Effect re-written to include TNE aspects.
Goal 6: Access to Opportunity - Internationalisation: Developing a multicultural community of students & staff through alliances & partnerships.		
457 (PI)	International student £ unrealised	Cause and Effect re-written to include TNE aspects.
Goal 7: Strategic Enabler - People & Organisation: Attracting proud, responsible staff, & valuing & rewarding their achievements.		
1 (DP)	Response to environmental change & reputation	Reputation dashboard action progress note: Delay in production of Communications Dashboard as online monitoring and sentiment analysis tool is procured. Expected to start monthly dashboard reporting by June.
362 (DP)	Staff Engagement	
397 (DP)	Restructuring impact on service	New actions added around SET Posts and Your Career Matters initiative.
Goal 8: Strategic Enabler - Infrastructure: Investing in first class facilities and outcome focused services, responsive to academic needs.		
2 (PI)	Home & EU Recruitment income targets	Action progress update for ICT App for Masters and PHD students: Pilot project still ongoing. Graduate Attributes Action re-allocated to Shân Wareing.
3 (RF)	Pensions deficit	
6 (RF)	Quality and availability of Management Information	
14 (WT)	Loss of NHS income	
37 (RF)	Estates strategy £ impact	Student Centre negotiations action progress note: Programming expert engaged to adjudicate on the decisions taken in respect of the refused extension of time claim & met with Mansell to agree a final account by March 2015. We are now awaiting a response from Mansell.
305 (IM)	Data Security	PWC Audit Findings action Rob McGeechan provided update that some are actioned and others are in progress.

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
398	<p>Academic programmes do not remain engaged with technological and pedagogic developments which support students and promote progression and achievement</p> <p>Risk Owner: Shan Wareing</p> <p>Last Updated: 23/06/2015</p>	<p>Cause & Effect:</p> <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>	<p>2 3</p> <p>Medium</p>	<p>Development of strategic support for Teaching Enhanced Learning Strategy (TEL) through the Learning Pathway Programme.</p> <p>Develop a robust, corporate standard offer, underpinned by training and development for staff and students</p> <p>Make sure staff and students are able to experiment and try out new approaches with appropriately controlled risks</p> <p>Invest in pilots and subject-specific developments, consistent with local expertise, motivation and market intelligence</p>	<p>2 2</p> <p>Medium</p>	<p>Actively pursue the long term objectives of the TEL strategy through Student Experience Committee.</p> <p>Person Responsible: Shan Wareing</p> <p>To be implemented by: 31/12/2015</p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
467	<p>Progression rate across undergraduate programs does not rise in line with targets of Corporate Strategy</p> <p>Risk Owner: Pat Bailey</p> <p>Last Updated: 26/06/2015</p>	<p>Cause & Effect:</p> <p>Cause: Low tariff students admitted through clearing. ESE analytics dashboards not used by staff to target interventions, or provide information too late for in year impact. 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>	<p>3 2</p> <p>High</p>	<p>Study Support & Skills Sessions provided by the Library &LRC</p> <hr/> <p>Student Welfare advice and support provided by Student Life Centre</p>	<p>3 2</p> <p>High</p>	<p>Develop progression calculation method for consistent application across the institution in order to track progress.</p> <p>Person Responsible: Richard Duke</p> <p>To be implemented by: 31/07/2015</p> <hr/> <p>Oversee development and deployment of intensive reassessment summer school for students who have failed up to 60 credits.</p> <p>Person Responsible: Pat Bailey</p> <p>To be implemented by: 28/08/2015</p> <hr/> <p>Implement phase 1 of "Exceptional Student Experience" strand of EDISON programme to deliver a functional dashboard providing progression likelihood data to Academic Staff.</p> <p>Person Responsible: Bolaji Banjo</p> <p>To be implemented by: 31/07/2015</p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
402	Income growth expected from greater research and enterprise activity does not materialise Risk Owner: Paul Ivey Last Updated: 29/06/2015	<p>Cause & Effect: Cause:</p> <ol style="list-style-type: none"> 1) A competitive & challenging market environment with rising standards, as Universities seek to expand & diversify income across research and enterprise, competing for the similar opportunities and funders. 2) Recent history of projecting then failing to deliver increased enterprise income, and lack of proven forecasting systems. 3) The aggressive and complex turnaround required to reverse a weakening LSBU income trend carries intrinsic high risk. 4) dependence on HSC CPPD income (which forms around half of enterprise income.) 4) New structures (academic & professional function) fail to entice and encourage academic participation in activity. 5) Limitations of academic capacity and capability are slow to be rectified. 6) Internal competition for staff time from a range of newly invigorated LSBU activities over and above teaching. 7) TNE partnerships are not approved, or break down when contacts relocate. <p>Effect:</p> <ol style="list-style-type: none"> 1) Income growth expectations of 	3 2 High	<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>	3 1 Medium	<p>Establish two-tier robust forecasting and reporting systems for R&E covering in-budget year and longer time horizon, working with Finance, Schools and REI staff.</p> <p>Person Responsible: Gurpreet Jagpal To be implemented by: 31/07/2015</p> <hr/> <p>Formal academic R&E engagement plan, with sub-sections by Schools and Enterprise Institute. Include establishment of baseline measures including academic activity and LSBU ability to service identified leads and opportunities. Work with Organisational Development as required.</p> <p>Person Responsible: Gurpreet Jagpal To be implemented by: 30/09/2015</p> <hr/> <p>Develop formal process by which the KPI and PI that drive R&E performance are reviewed routinely by the institution. Establish baseline performance for 2014-15 and implement up to date capture processes from the new financial year.</p> <p>Person Responsible: Gurpreet Jagpal To be implemented by: 31/07/2015</p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
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the Corporate Strategy unrealised.

- 2) Undiversified enterprise portfolio with the dependency on HSC and CPD overall.
- 3) Reduced income is accompanied by 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 from increased external engagement, and in particular from the new types of income projected i.e. applied research, consultancy, KE as opposed to CPD are reduced.
- 6) Pressure on research funding opportunities not only reduces income but the proportion of staff resource diverted to winning new funding is significantly increased.
- 7) Reduced research income adversely affects the research environment, publication rates, evidence of impact, student completions, & ultimately LSBU REF 2020 rating.
- 8) Inability to align academic resource with identified market opportunities.
- 9) TNE enterprise expectations unrealised.

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
457	Anticipated international student revenue unrealised Risk Owner: Paul Ivey Last Updated: 29/06/2015	<p>Cause & Effect:</p> <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>	2 2 Medium	Regular reporting of Visa refusal rates to Director of Internationalisation by Immigration Team.	2 2 Medium	International strategy to be developed incorporating both Collaborations and Partnerships and the International Office. Person Responsible: Jennifer Parsons To be implemented by: 26/06/2015

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
1	<p>Failure to position LSBU to improve reputation & effectively respond to policy changes & shifts in competitive landscape</p> <p>Risk Owner: David Phoenix</p> <p>Last Updated: 04/02/2015</p>	<p>Cause & Effect:</p> <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 	<p>4 3</p> <p>Critical</p>	<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>	<p>4 1</p> <p>High</p>	<p>Develop a simple reputation management dashboard to summarise media coverage, social media analytics, forthcoming event activity, and a RAG rating of reputational risks for regular reporting.</p> <p>Person Responsible: Andrew McCracken</p> <p>To be implemented by: 31/03/2015</p> <hr/> <p>Full review of organisational processes to ensure clarity of roles and functions, and alignment with key deliverables of Corporate Delivery plan.</p> <p>Person Responsible: David Phoenix</p> <p>To be implemented by: 31/07/2015</p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
362	<p>Low staff engagement impacts performance negatively</p> <p>Risk Owner: David Phoenix</p> <p>Last Updated: 02/06/2015</p>	<p>Cause & Effect:</p> <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 	<p>3 3</p> <p>High</p>	<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>	<p>3 2</p> <p>High</p>	<p>Develop an engagement strategy, building on the Leadership Climate Indicator Survey & past Employee Engagement Survey results.</p> <p>Person Responsible: Cheryl King-McDowall</p> <p>To be implemented by: 30/09/2015</p> <hr/> <p>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.</p> <p>Person Responsible: Cheryl King-McDowall</p> <p>To be implemented by: 31/07/2015</p> <hr/> <p>Design and circulate Staff Engagement Survey.</p> <p>Person Responsible: Cheryl King-McDowall</p> <p>To be implemented by: 30/01/2016</p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
397	Effectiveness of delivery impaired as Institution goes through restructuring process Risk Owner: David Phoenix Last Updated: 23/06/2015	<p>Cause & Effect: 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>	3 3 High	<p>Programme Board will meet for 12 months as the Corporate Delivery Board (CDB) – to enable Exec monitoring of current & upcoming projects, and to oversee change across LSBU at a high level.</p> <hr/> <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>Routine monitoring of high level action tracker for institutional transition by Operations Board.</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> <hr/> <p>Regular report to Operations Board on the Opportunities risks and issues in the "Creating the Schools" project.</p>	3 2 High	<p>Manage transition of technicians to new central team. Person Responsible: Ian Mehrtens To be implemented by: 01/08/2015</p> <hr/> <p>Oversee recruitment to all School Executive Team (SET) posts, with Interim Appointments where necessary. Person Responsible: Pat Bailey To be implemented by: 30/06/2015</p> <hr/> <p>Oversee consultation and implementation phases of 'Your Career Matters' initiative, and appointment of staff to new grade 9 Associate Professor roles. Person Responsible: Pat Bailey To be implemented by: 01/09/2015</p> <hr/> <p>Manage transition and restructure of student administration to new central team. Person Responsible: Ian Mehrtens To be implemented by: 01/09/2015</p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
2	Revenue reduction if marketing and PR activity does not achieve Home/EU recruitment targets Risk Owner: Paul Ivey Last Updated: 25/06/2015	<p>Cause & Effect:</p> <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 	4 3 Critical	<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>	4 2 Critical	<p>Develop partnership strategy for working with local schools</p> <p>Person Responsible: Seth Stromboli</p> <p>To be implemented by: 30/06/2015</p> <hr/> <p>Develop strategy for LSBU Graduate Attributes at all award levels to ensure continued course competitiveness, to be generated through the learning pathway.</p> <p>Person Responsible: Shan Wareing</p> <p>To be implemented by: 30/09/2015</p> <hr/> <p>Oversee pilot project regarding ICT app developed to report on supervision session attendance for Masters and PhD students.</p> <p>Person Responsible: Jamie Jones</p> <p>To be implemented by: 29/05/2015</p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
3	Staff pension scheme deficit increases	<p>Cause & Effect:</p> <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 	<p>3 3</p> <p>High</p>	<p>Switch of inflator from RPI to CPI (expected to be lower in the long term)</p> <hr/> <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>	<p>3 2</p> <p>High</p>	

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
6	<p>Management Information is not meaningful, unreliable, or does not triangulate for internal decision or external reporting</p> <p>Risk Owner: Richard Flatman</p> <p>Last Updated: 03/06/2015</p>	<p>Cause & Effect:</p> <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) 	<p>3 3</p> <p>High</p>	<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 	<p>3 2</p> <p>High</p>	<p>Develop and implement effective training programme around Data Quality Framework, liaising with OSDT initiatives as relevant.</p> <p>Person Responsible: Ravi Mistry</p> <p>To be implemented by: 30/10/2015</p> <hr/> <p>Continue to gather external analysis information to feed into BIU authorisation process document, and external return list for Executive Review.</p> <p>Person Responsible: Richard Duke</p> <p>To be implemented by: 30/09/2015</p> <hr/> <p>Implement the agreed Data Quality assurance process through establishing the data assurance group and arranging regular meetings for the Data Managers' Group and Data Stewards' Group.</p> <p>Person Responsible: Grace McCalla</p> <p>To be implemented by: 30/10/2015</p>

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14	Loss of NHS contract income	<p>Cause & Effect: Cause: NHS financial challenges/ structural change is resulting in a total review of educational comissioning 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>	3 3 High	<p>Named Customer Manager roles with NHS Trusts, CCGs and HEE.</p> <hr/> <p>Monitor quality of courses (QCPM and NMC) annually in autumn (QCPM) and winter (NMC)</p> <hr/> <p>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.</p> <hr/> <p>Regular contact with HEE DEQs, None Medical Deans and commissioning contract managers.</p>	3 2 High	<p>Continue contract discussions with HEE/ LETB's. Attempt to extend contracts or revert to National Framework</p> <p>Person Responsible: Warren Turner</p> <p>To be implemented by: 31/03/2016</p> <hr/> <p>Ensure a quality campus in each HEE/ LETB area. Plan for renewal of Havering lease in 2018 or alternative site. Negotiate re inclusion in Care City plans with NELFT and Barking.</p> <p>Person Responsible: Warren Turner</p> <p>To be implemented by: 30/09/2015</p> <hr/> <p>Grow into new markets for medical and private sector CPPD provision</p> <p>Person Responsible: Warren Turner</p> <p>To be implemented by: 30/09/2015</p> <hr/> <p>Develop opportunities for further International 'in-country' activity in Malaysia, Singapore, Hong Kong, India and Saudi.</p> <p>Person Responsible: Mary Lovegrove</p> <p>To be implemented by: 30/09/2015</p> <hr/> <p>Increase uptake in band 1-4 activitiy Support Trusts in seeking external (non NHS) funding</p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
						<p>Person Responsible: Sheelagh Mealing</p> <p>To be implemented by: 30/09/2015</p> <hr/> <p>Improve NSS participation & scores Develop action plans for Departments and Faculty from results of 2014 NSS</p> <p>Person Responsible: Sue Mullaney</p> <p>To be implemented by: 30/09/2015</p>
37	<p>Capital investment ambitions of forward estate strategy undermine financial sustainability</p> <p>Risk Owner: Richard Flatman</p> <p>Last Updated: 02/06/2015</p>	<p>Cause & Effect:</p> <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 	<p>3 3</p> <p>High</p>	<p>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.</p> <hr/> <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.</p> <p>ncluding 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>	<p>3 1</p> <p>Medium</p>	<p>Produce report for Executive detailing conclusions from the Estates Strategy time limited working group.</p> <p>Person Responsible: Ian Mehrtens</p> <p>To be implemented by: 31/07/2015</p> <hr/> <p>Complete report on the final negotiations for the Student Centre. Update: the 12 month defects liability period has past & we're working through the final defect list. No progress on Final Account completion until works are done to ensure completion. POE due by Feb 14.</p> <p>Person Responsible: Ian Mehrtens</p> <p>To be implemented by: 30/04/2013</p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
				<p>Capex reporting routines established and embedded into regularly 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>		
305	<p>Student & corporate data not accessed and stored securely or appropriately</p> <p>Risk Owner: Ian Mehrrens</p> <p>Last Updated: 02/06/2015</p>	<p>Cause & Effect: 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>	<p>3 2</p> <p>High</p>	<p>Responsibility for control over data protection risks at an institutional level allocated to Director of ICT.</p>	<p>3 2</p> <p>High</p>	<p>Deliver project to ensure mandatory training is delivered to staff via ICT log on, to include data security awareness.</p> <p>Person Responsible: Cheryl King-McDowall</p> <p>To be implemented by: 30/06/2015</p> <hr/> <p>Respond to findings of PWC 14/15 internal audit report into data security.</p> <p>Person Responsible: Rob McGeechan</p> <p>To be implemented by: 30/05/2015</p>