

**London South Bank
University**

University Secretary
103 Borough Road
London SE1 0AA
Tel: +44 (0) 20 7815 6032
Email: stevenj7@lsbu.ac.uk

15 October 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 Wednesday 21 October 2015 in Room 1B27, which is situated on the first floor of Technopark, London Road.

The agenda and papers for the meeting are enclosed.

Please let me know if you have any questions.

Yours sincerely,



James Stevenson
University Secretary

Meeting of the Board of Governors

**4pm on Wednesday, 21 October 2015
in 1B27, Technopark, London SE1**

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.	Chairman's Business		
3.1	Minutes of meetings of 9 July 2015 (for publication)	BG.36(15)	Chair
4.	Matters arising <ul style="list-style-type: none"> • Hugh Astor Court update 		Chair
	Key Items for Discussion		
6.	Vice Chancellor's Report and Key Performance Indicators (to note)	BG.37(15)	VC
7.	Chief Financial Officer's Report (to note) <ul style="list-style-type: none"> • Summary management accounts 	BG.38(15)	CFO
8.	Risk – annual detailed review (to discuss and note)	BG.39(15)	CFO
9.	Security services contract (to approve)	BG.40(15)	COO
	Items to note <i>the following papers will only be discussed at the meeting if there is a matter that any governor wishes to raise</i>		
10.	Reports on decisions of Committees	BG.41(15)	Chairs of committee
11	Health and Safety future reporting	BG.42(15)	EDHR
12	Board strategy day report	BG.43(15)	Chair
13.	Annual declarations of interest (to authorise)	BG.44(15)	Sec

Confidential

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| 14. | Board composition, succession planning and Academic Board membership | BG.45(15) | Chair |
| 15. | Board annual business plan | BG.46(15) | Sec |
| 16. | Any Other Business | | |
| 17. | Date of next Board meeting: 4pm on Thursday 26 November 2015. | | |

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

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

Papers for noting only:

Revised Standing Orders – for information

	PAPER NO: BG.36(15)
Paper title:	Minutes of the meeting of 9 July 2015
Board/Committee	Board of Governors
Date of meeting:	21 October 2015
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	Jerry Cope, Chairman of the Board
Purpose:	To approve the minutes of the last meeting as a correct record and the redactions for publication.

Executive Summary

The Board is asked to approve the minutes of its meetings of 9 July 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, 9 July 2015
in room 1B27, Technopark, London Road, London SE1

Present

David Longbottom	Chairman
Jerry Cope	Vice Chair (<i>except minute 6</i>)
Prof David Phoenix	Vice Chancellor and Chief Executive
Steve Balmont	
Shachi Blakemore	
Douglas Denham St Pinnock	
Carol Hui	
Prof Hilary McCallion	
Mee Ling Ng	
Abdi Osman	SU President (<i>for minutes 10 – 26</i>)
Andrew Owen	
Prof Shushma Patel	
James Smith	
Prof Jon Warwick	

Apologies

Kevin McGrath
Prof Neil Gorman

In attendance

Prof Pat Bailey	Deputy Vice Chancellor
Mandy Eddolls	Executive Director of Organisational Development and HR (<i>for minutes 10 – 12</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 Abdi Osman to his first Board meeting. Apologies had been received from Kevin McGrath and Neil Gorman.
2. The Chairman reported that governors had just received an informative presentation on the University's partnership with The Welding Institute (TWI).

Declaration of Interests

3. In relation to minute 19 below, Shachi Blakemore declared that a number of her clients were further education colleges in south London. The Board agreed that there was no conflict in relation to the item at this meeting, although the position may need to be reviewed as specific proposals were developed.

Minutes of the previous meeting

4. The Board approved the minutes of the meeting of 14 May 2015 (paper **BG.25(15)**) and their publication with redactions.

Matters Arising

5. The Chairman reported that the Hugh Astor Court sub-committee had met immediately prior to the Board meeting. Having reviewed the due diligence and method of contracting for the purchase, the committee approved exchange of contracts for the purchase of the leasehold of Hugh Astor Court from the Peabody Trust. Completion was expected by April 2016.

Appointment of Chair of the Board

Jerry Cope left the meeting for this item

6. In the absence of the Vice Chair, and after due consideration, the Board unanimously approved the appointment of Jerry Cope as Chair of the Board and Pro Chancellor with effect from 1 August 2015 (paper **BG.26(15)**). His initial term as Chair of the Board would be for four years.

Jerry Cope re-joined the meeting

Appointment of Vice Chair of the Board

7. After due consideration, the Board approved the appointment of Andrew Owen as Vice Chair of the Board and Pro Chancellor with effect from 1 August 2015 (paper **BG.27(15)**), to serve until 31 July 2017.

Vice Chancellor's Report

8. The Board discussed the Vice Chancellor's report (paper **BG.28(15)**), which reviewed progress against the three outcomes in the corporate strategy: student success; real world impact; and access to opportunity.

9. The Board noted the following key points:
- a. Government policy initiatives and budget for 2015, including the introduction of a teaching excellence framework, the review of quality by HEFCE, and the replacement of maintenance grants with loans; and
 - b. Student recruitment for 2015/16, which was on target;
 - c. Tightened controls on immigration; and
 - d. Measures to improve progression, including the Edison project and summer re-assessment.

Abdi Osman joined the meeting

Health and safety annual report

Mandy Eddolls joined the meeting

10. The Board discussed the health and safety annual report for 2013/14 (paper **BG.29(15)**). The Board requested amendments to future reports.

Strategic HR update

11. The Board noted an update on workforce planning and the current voluntary severance scheme. It was noted that the maximum cost of voluntary severance through this exercise would be c.£1.1m.
12. It was noted that negotiations with the trade unions on the South Bank Agreement would continue into September 2015.
13. The Board noted that support for all staff was available through the employee assistance scheme.

Mandy Eddolls left the meeting

Chief Financial Officer's Report

14. The Board discussed in detail the Chief Financial Officer's report (paper **BG.30(15)**). The full year forecast was a surplus of £1m against a budget target of £1m.

15. The Board discussed and approved the budget for 2015/16, which was in line with the five year forecasts. The budget target was income growth of 4.3% to £142.3m and a surplus of £1m.
16. The Board approved the proposals for loan / deposit offset at Barclays Bank and authorised the CFO to legally complete the arrangement.
17. The Board approved minor changes to the financial regulations as proposed except for the proposal to increase the CFO's authority to write off individual debts from £10k to £50k. It was agreed that a revised proposal would be taken to the Audit Committee.

HEFCE annual accountability return

18. The Board approved the five year forecasts for submission to HEFCE (paper **BG.31(15)**). The forecasts had been discussed in detail at the Board strategy day of 23 April 2015.

Further education college options

19. The Board discussed the opportunity for LSBU to deliver Further Education complementary to the existing vocational curriculum (paper **BG.32(15)**). The Board supported the idea in principle and requested the executive to develop a business case.

Governance effectiveness review follow up

20. The Board noted membership of committees for 2015/16 (paper **BG.33(15)**). The Board approved the Chairman of the Major Projects and Investment Committee to be a member of the Audit Committee, pending the appointment of new members of the Audit Committee.
21. The Board approved:
 - a. revised terms of reference for the Audit Committee;
 - b. revised terms of reference and membership for the Academic Board, subject to minor amendments;
 - c. a revised standing order on composition of the Board and methods of appointment, subject to minor amendments; and
 - d. a revised standing order on senior post holders.

The final versions would be circulated.

Report on decisions of committees

22. The Board noted the report on decisions of committees (paper **BG.34(15)**). The Board approved minutes of the final meetings of committees closed following the governance effectiveness review:
- a. Educational Character Committee;
 - b. Human Resources Committee;
 - c. Property Committee; and
 - d. Policy and Resources Committee.

Corporate risk register

23. The Board noted the corporate risk register (paper **BG.35(15)**).

Any other business

24. The Board noted that this was the last meeting for Jon Warwick and Shushma Patel, whose term of office as governors ended on 31 July 2015. The Chairman warmly thanked them for their effective contributions to the Board.
25. The Board noted that this was the last Board meeting for David Longbottom, Chairman of the Board, following eight years as Chairman. The Board warmly thanked David for his selfless dedication to the University in particular his energy, common sense and skill. A dinner to mark the Chairman's retirement would be held after the Board meeting.

Date of next meeting

26. The next Board meeting will be a strategy day on 1 October 2015, jointly with the Academic Board. The next Board meeting will be on 21 October 2015.

The Chairman closed the meeting.

Confirmed as a true record:

..... (Chairman)



Committee Action Points

13 October 2015

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16:32:53

Committee	Date	Minute	Action	Person Res	Status	
Board	09/07/2015	10	Proposal for future health and safety reporting to Board meeting of 21 October 2015	EDHR	On agenda	<input checked="" type="checkbox"/> Completed
Board	09/07/2015	19	Business case on FE to future Board meeting	VC		<input type="checkbox"/> Completed
Board	09/07/2015	16	CFO to legally complete the arrangements for loan / deposit offset at Barclays Bank	CFO		<input checked="" type="checkbox"/> Completed
Board	09/07/2015	17	Proposal to increase the CFO's authority to write off individual debts from £10k to £50k to the Audit Committee.	CFO		<input checked="" type="checkbox"/> Completed
Board	09/07/2015	18	Five year forecasts to HEFCE	CFO		<input checked="" type="checkbox"/> Completed

	PAPER NO: BG.37(15)
Paper title:	Vice Chancellor's Report
Board/Committee	Board of Governors
Date of meeting:	21 October 2015
Author:	David Phoenix, Vice Chancellor
Executive sponsor:	David Phoenix, Vice Chancellor
Purpose:	To update the Board on University matters
Recommendation:	To note the report.

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

Executive Summary

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

1. Recruitment (4.1) – The core number of new HEFCE full-time UG students will likely be under our 2750 target, this is despite receiving over 3,100 acceptances during the recruitment cycle. Of the 3100 students who accepted offers c2750 have engaged with the enrolment process but we are seeking to measure against those that are fully enrolled and still here at the end of October. Currently only 2550 are fully enrolled (c 200 remain partially enrolled) and there is a 2-week cool-off period when students can withdraw, hence the end of October census. This is therefore a tougher but more meaningful measure of 2750 than last year. It is clear that whilst we are gaining market share with respect to more qualified applicants, we remain highly dependent on clearing with c40% of students coming through this route. The 14/15 data published (section 1.1) show we are still 125 out of 127 institutions for entry tariff (248 points). With increased market volatility these recruitment levels are not ideal but failure to increase tariff is damaging to reputation and impacts on retention. Selective institutions have this year sought to grow and have lowered entry tariffs. Further expansion of the sector

is also expected with additional new providers. We will therefore review our institutional average entry tariff in coming weeks for the 15/16 cohort, but may need to hold at current entry levels while we seek to grow volume to help mitigate the risk of under recruitment in future years. The recruitment risks are compounded by challenges in the international market where we are gaining applications but are having to reject many well qualified candidates based on UKVI behaviour towards certain jurisdictions. If the English language requirements are further increased, and threshold for maintaining a licence reduces to 5-8% visa refusals, this will become increasingly challenging. It is rumoured that some London based institutions are considering withdrawal from international activity which could provide opportunity. Additional staffing is being released into this area to deal with the burden of supporting international recruitment on staff - especially around student monitoring. NHS numbers should be on target.

2. Partnership (4.3). There are areas that we need to develop if we are to deliver on key aspects of the learning pathway and if we are to meet the community engagement aspects of the corporate strategy. There are questions as to how many of these we should develop internally and which if any we should seek to acquire or obtained through partnership. For example it is clear that the current environment for further education includes threats (disruption of FE could put significant student numbers at risk by disrupting progression routes) but also opportunities (the FE review and the comprehensive spending review mean some colleges may be keen to look at formal partnership arrangements). I will seek to review some of the slides from the strategy day to develop a shared understanding from the Board of risk appetite in this area.
3. The majority of the staffing restructures are now complete and role descriptors for academic staff have been deployed (section 5.1). There remains some disagreement with UCU as to the status of these documents and we have not at this stage obtained agreement for the grade 6 Graduate Teaching Assistants. We have sought to address UCU's concerns on the grade 6 role and this will need to be rolled out shortly. An update will be given at the meeting

Vice Chancellor's Report October 2015

This report covers 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 Times and Sunday Times League Table Performance Analysis

LSBU's overall score increased from 320 to 386 points (an improvement of 21%). This improvement represents the highest increase in percentage terms of all institutions in the table, and the third highest overall points increase.

LSBU improved its overall ranking to 120th out of 127 universities in 2016 from 122nd out of 123 in 2015. To achieve this improvement, LSBU overtook West London, Glyndwr, Bolton, St Mark & St John (Plymouth), Highlands & Islands and East London. Four institutions entered the table for the first time, and all placed higher in the table than LSBU, resulting in an improvement of two places despite overtaking six universities.

LSBU improved in every measure compared to the 2015 table. These improvements exceeded both the aspirational group average and the national average improvements against every measure except the proportion of firsts and 2:1s.

In the 2016 table LSBU ranked in the top 100 in Research (64th), Graduate Prospects (62nd), Student-staff ratio (SSR) (68th) and services/facilities spend (88th). In all other measures LSBU ranked outside the top 100.

LSBU Performance Compared to Aspirational Group Average and National Average

LSBU Times & Sunday Times Analysis	LSBU						Aspirational Group		National Average	
	2015 Rank	2016 Rank	Rank Movement	2015	2016	Score Movement	2016 Score	Change from 2015	2016 Score	Change from 2015
Teaching quality (%)		109			77.0		77.6		80.6	
Student experience (%)		101			81.3		81.7		83.7	
Average NSS	112	107	5	77.7	79.2	1.9%	79.6	▲ 0.1%	82.2	▲ 0.5%
Research quality (%)	89	64	25	2.7	9.0	233.3%	9.1	▲ 68.1%	19.1	▲ 59.8%
Entry standards (Ucas pts)	122	125	-3	233.0	248.0	6.4%	310.4	▲ -2.6%	355.3	▲ -1.6%
Graduate prospects (%)	121	62	59	49.0	67.9	38.6%	62.7	▲ 8.6%	69.2	▲ 3.9%
Firsts/2:1s (%)	97	107	-10	59.7	61.0	2.2%	65.0	▼ 4.3%	70.3	▼ 3.9%
Completion rate (%)	118	121	-3	72.4	74.6	3.0%	80.7	▲ 1.7%	86.4	▲ 0.5%
Student-staff ratio	120	68	52	24.2	17.2	28.9%	19.2	▲ 6.3%	16.7	▲ 4.4%
Services/ facilities spend (£)	98	88	10	1,250.0	1,523.0	21.8%	1,934.6	▲ 13.4%	1,832.6	▲ 12.6%
Total	122	120	2	320	386	20.6%	459	▲ -0.1%	578	▲ 0.8%



LSBU score has shown more improvement than the comparator group



LSBU score has shown less improvement than the comparator group

1.2 Government Policy

The BIS Select Committee has launched a consultation into quality assessment in Higher Education. The inquiry looks into proposed changes to quality assessment in universities and the potential impact of introducing a Teaching Excellence Framework (TEF). We have actively engaged in debate both internally and externally and submitted a consultation response to HEFCE. A Green paper is expected to be published in Autumn 2015 and the subject is to consult about proposals to launch a Teaching Excellence Framework (TEF) during the Spring of 2016.

On 21st September 2015 the Prevent Duty Guidance came into force. This is guidance issued under section 29 of the Counter Terrorism and Security Act 2015. It places a duty on all Universities to have “due regard to the need to prevent people from being drawn into terrorism”.

In complying with the duty, universities should be able to demonstrate an awareness and understanding of the risk of radicalisation in their own institution. This places a risk-based approach to the duty and considers three themes throughout as effective leadership, working in partnership and developing appropriate capabilities.

Since the duty was issued for consultation early in 2015, the Chief Operating Officer has led a small Steering Group focused on “Safeguarding” to deliver a strategy, a risk assessment, an action plan and effective training across the University. This will

ensure that we discharge our duty and avoid intervention from HEFCE as provided for by the Guidance.

In focusing the Steering Group around safeguarding, we are able to also deal with broader issues and not draw attention to the issue of radicalisation in isolation. This Steering Group has been established with representation across the University together with two external advisers from the London Region Counter Terrorism group and the Met Police. This has enabled a partnership approach to discharging our duty, capturing best practice where it exists.

It is intended that the group will report twice a year to the Operations Board and annually to the University Board. Early in 2016, it is intended that we will ask the Internal Auditors to audit our procedures and action plans to ensure compliance and best practice.

2.0 Corporate Strategy Outcome 1: Student Success

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

2.1 2014/15 NSS Performance

LSBU has improved its position and overall satisfaction in the NSS. Our stronger competitors, whilst retaining their top position, have seen overall satisfaction drop.

Headline findings are:

- Overall satisfaction increased 2% to 82% (80% 2014). Sector average for overall satisfaction remains static at 86%.
- Since 2014 we have improved across 6 of the 8 key areas.
- In 2015 we achieved our highest results since 2011 for several of the key areas.
- The most emphatic example of an increased result is in 'learning resources', which is now at 88%, up 11% from 2011. 'Learning resources' is also the only area to have exceeded the sector average (LSBU 88%, sector 86%).
- The sector has remained relatively static in each of the key areas with only 'assessment and feedback', 'academic support' and 'personal development' increasing but by 1% only.
- The Students' Union continued its rapid trajectory of year on year improvement.

2013/14 and 2014/15 NSS Summary

Percentage of Students Satisfied or Very Satisfied by School

School	The teaching on my course		Assessment and feedback		Academic support	
	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14
Business	85.7	88.5	78.8	79.6	82.1	82.1
Engineering	74.5	82.4	65.1	71.7	69.2	79.5
Health and Social Care	84.7	78.1	63.3	49.6	73.9	62.4
Arts and Creative Industries	85.0	76.6	76.2	72.3	76.0	78.5
Built Environment and Architecture	82.4	78.4	72.2	65.8	76.8	73.2
Applied Sciences	85.5	82.7	64.4	56.0	80.2	69.4
Law and Social Sciences	87.5	89.4	76.9	78.0	78.1	77.5
LSBU	83	82	70	67	76	74

School	Organisation and Management		Learning resources		Personal development		Overall Satisfaction	
	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14
Business	85.6	87.5	87.6	86.7	86.2	90.6	89.3	91.0
Engineering	75.7	80.0	84.7	83.3	80.7	85.1	84.1	85.1
Health and Soc. Care	57.7	49.0	88.3	79.4	86.9	80.2	78.7	65.5
Arts and Creative Ind.	69.1	76.3	80.4	74.8	82.8	73.3	79.1	73.4
Built Env. and Arch.	74.6	71.1	85.3	82.5	79.9	77.9	82.2	77.7
Applied Sciences	79.8	71.7	85.6	83.1	79.4	76.1	72.8	79.2
Law and Social Sci.	78.7	82.6	85.5	75.2	88.1	84.9	87.2	89.7
LSBU	71	72	88	83	84	82	82	79

2.2 Progression

Work continues to increase progression and figures for the 15/16 year will be available in November. The Reassessment Summer School was delivered w/c 17th August and proved successful. 279 students attended the programme compared to the 50 targeted with the aim of supporting resit and clean progression (i.e. movement into the next year without having to carry over failed modules). 48% of the cohort passed their resits and 42% progressed into year two carrying no failed modules. Following an evaluation we will take this principle of educational interventions before resits and extend it to the Semester 1 resits at Easter as well as Semester 2 in the summer in 2015/6. We will also increasingly integrate skills for learning into the

curriculum and use learner analytics to identify courses with particular risk of low retention.

We will be launching two projects this term relating to students as partners, and the student voice, which are designed to improve the university's dialogue with students, evidence of action in response to student feedback, and working in partnership with students as co-creators. These are expected to contribute to improvements in retention by making the university more responsive to student views and student needs.

2.2 LSBU Student Successes

- Andreas Christodoulou PGDip Architecture student (of Studio 22, tutored by Mike Kane and Ron Yee) has won the national Timber Research & Development Association (TRADA) Student Design Competition 2015
- Final-year student Charlie Rose's project to design a new research centre for Blackfriars was praised by judges as being of "commendable architectural interest." Charlie went on to win the Architects for Health annual Student Design Award.
- National Bakery School graduate, Nathan Giles, won the Rising Star Award of the Baking Industry Award 2015.
- The LSBU Halls cup launched in September and 400 resident students took part.

3.0 Corporate Strategy Outcome 2: Real World Impact

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

3.1 Research and Enterprise and Innovation

The Enterprise team, working with schools, closed £87,349 of business in the first month of the new financial year and the current pipeline of activity shows a forecast of £5.7m with a likelihood of securing £700k, both very much in line with expectations for this year and slightly ahead of this time last year. There are 5 KTPs currently running. As a result of over demand, *Innovate UK* have increased the requirement level for successful KTP bids and the approval rate now stands at 76% (historically 93%), and the next submission date for bids has been postponed until the end of January 2016. The team will use this time to develop a larger than planned pipeline to offset the expected lower success rate. The current pipeline has six prospects actively engaged in the Expression of Interest (EOI) stage and will put us as the Top London Modern if they are all accepted.

3.2 LSBU Success Stories

- The School of the Built Environment and Architecture has secured a major EU research grant (€7m) to examine whether cooling facilities in refrigeration warehouses and food processing plants could be used to store and supply electricity. We will lead a pan-European consortium of researchers on a three and a half year project which will examine the potential for new 'cryogenic energy storage' technology to revolutionise the energy industry. The value to LSBU will be around €2.2m.
- The Malaysian government has given final approval for our 2-year top-up degree offering nursing diploma students opportunities to top their qualifications up to degree level.
- Dr Tony Moss - won D.L. Davies Prize for the Most Outstanding Paper presented at this year's New Directions in the Study of Alcohol conference.

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.

4.1.1 Recruitment

As agreed with the Board, our undergraduate strategy was to recruit 2,750 FT UG students whilst gradually increasing entry qualifications. For 2015/16 entry we have held at 200 points for BTEC / 160 (CDD) points for A-level for both confirmation and clearing. We will have calculated average institutional entry points by November and hope to be approaching the 280-320 band where most of our competitors are located.

We entered clearing in a better position than in previous years, at around 83% of our overall target, but converting the acceptances into admissions has been challenging. Whilst we have had 2750 students engage with the enrolment process by early October we now forecast that we could be anything up to 150 full fee paying students off target at the end of October. This is a more meaningful indicator of alignment with budget forecasts.

I will give a verbal update at the Board but I believe from these figures that we will not meet our enrolment target of 2,750 fee-paying students. We will have a clear picture of our final position at the end of October.

Part-time undergraduate recruitment has performed well and is at 146% of our target of 410 students, with 597 firm acceptances to date.

We have seen strong growth in full-time postgraduate courses with 804 firm acceptances received to date, up 13% on the same time last year. This leaves us at 132% of our target of 608 students. Like full-time PG recruitment, part-time PG recruitment has performed well and we are currently at 132% of the target of 439 students overall, with 580 firm acceptances received to date, representing an increase of 2% on the same time last year.

4.1.2 International recruitment

As of 5th October, firm acceptances are at 207% of target, however the impact of UKVI guidance changes will result in fewer enrolments in Semester 1 in comparison to 2014/15. To date 624 students have engaged with enrolment against a target of 581, with 85% (500) having completed the process. There are still a number of students who are awaiting visas, and meeting the final income target will be dependent on this group of students being able to reach the UK in time.

It is clear, however, that students are finding waiting times in country for UKVI decisions are extended compared to last year which may mean students miss Semester 1 cut off dates. Work is being undertaken to bolster the portfolio of Semester 2 starts in light of this.

The application for the UKVI 'Basic Compliance Assessment', which has replaced Highly Trusted Sponsor status, was submitted on 11th September 2015. At the time of submission our refusal rate was 8.5%. The team had ensured that during the period June –September when sponsorship can be issued to students starting in Semester 1 that the refusal rate was 5% or below. This was achieved despite some dubious decisions being made by the Home Office. In real terms the University received 50% fewer refusals in this period compared to 2014/15.

The new internal procedures for sponsoring students under the Tier 4 licence demonstrate that, in the coming year, LSBU should be able to achieve a refusal rate overall of 5% or lower. It is anticipated that the refusal rate allowance of 10% will be lowered over the next 12 months and the team have been working in preparation for this.

Work will continue over the next semester to ensure that all international students are being monitored appropriately in line with Home Office regulations. A mock audit of processes will be undertaken by Penningtons Manches over Semester 1.

4.1.3 NHS Commissions

Recruitment to NHS-commissioned courses for Sept 2015 intakes has been strong overall. Admission tariffs were increased to an average of 240 UCAS points across the provision. This resulted in a slight decline in applications for this intake (3%), but

this was significantly mitigated by an increased offer rate following pre-entry testing and interview. Applicant levels remain high though, with around 16,000 applicants in total for around 878 commissions.

We have recruited to target for all NHS-commissioned courses (878 FTE) with the exception of those where we accepted late increases in commissioned numbers (Children's Nursing and Therapeutic Radiography). In both areas we recruited to some but not all of the increased targets, falling short by 12 FTE in Children's Nursing against a revised target of 257, and short by 6 in Therapeutic Radiography students against a revised target of 42.

Many of our London competitors were in clearing for all nursing courses (including Adult nursing) whereas we only required clearing for our Children's Nursing and Learning Disability Nursing intakes. We also recruited to our Havering target and met our Learning Disability Nursing target. Our pre-registration PGDips remain popular and have recruited strongly.

We are in the process of negotiating and agreeing to increased targets for Adult Nursing for Sept 2016 intakes and anticipate that all other targets will remain stable. Our Sept 2015 CPPD commissions represent a £200k increase compared to 2014 against a 22% reduction in this funding stream across London. We have therefore continued to grow our market share.

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

All validations required for BUE and ASU have been completed. BUE has recruited the student numbers expected. ASU has not yet had final approval from the Ministry of Education in Bahrain. ASU is anticipating approval over the next month; once this is achieved a decision will be made about a first intake date in January or September 2016.

The four PhD students from BUE spent 3 months at LSBU over the summer. A further six students are due to register soon. These are supporting joint research development and strengthening the partnership. This programme allows junior BUE staff to gain a part time LSBU PhD in 5 years.

A number of joint research bids between LSBU and BUE are progressing.

LSBU and BUE are developing detailed plans regarding student mobility and also joint enterprise activities in the area of Sustainable Communities. It is intended that both projects will be implemented for September 2016.

LSBU has seen a significant increase in the rate of Egyptian applications to our courses. This increase includes former BUE students and also non-BUE students. The non-BUE students are likely to study at Cambridge Education Group and then enter our first year.

The Vice Chancellor has been confirmed as a member of the BUE Board and will attend the first formal meeting in October based at Cairo

4.3 Academies Update

4.3.1 South Bank Engineering UTC

The University helped with the design of the UTC building to create a distinctive learning and teaching environment for project based learning. The planning application was submitted in July. It is expected that a decision will be made by the Lambeth Borough's planning committee at the end of October. Due to the delay in the planning process, construction is not expected to start until January 2016, subject to planning approval. However, we have been assured by the contractors that a majority of the UTC's building will be delivered in time for in time for 2017 school year.

We have been undertaking extensive marketing and student recruitment activities over the last two months with a range of events both at the University and in the community. We are targeting recruitment of 60 students in each of the cohorts at year 10 and year 12 to start in September 2016.

4.3.2 University Academy of Engineering South Bank

The Academy's performance in the first year was very positive with c85% achieving at least one level of progress which is very strong performance. The Academy reopened in this school year with c140 students and the numbers are expected to reach our capacity of 150 over the year. Admissions to the Academy are managed by Southwark Authority from this year. University is helping the Academy to identify STEM teachers in view of the difficulty in recruiting through traditional means.

Our partnership with George Abbot Teaching School for fast track route for Qualified Teacher Status for Non-Qualified Teachers has proved successful and we will continue this partnership for one more year after which the Academy can establish Teaching School status and seek to support training of staff. Five of LSBU alumni are currently teaching at the School.

The Academy will open a 6th form in 2016/17. The recruitment activities for student recruitment are underway. We set a target of 50 students into 6th Form with a focus on quality rather than numbers.

4.3.3 FE Provision in South London

Discussions with Southwark Council on a collaboration to develop pre-university provision at Level 3 and Level 4 are on-going. I met with the Commissioner for Further Education to discuss various possibilities for redeveloping technical education in Southwark. We are also seeking applying to be registered by Skills Funding Agency (SfA) as a provider of SfA funded education and training initiatives. As we were informed by the FE Commissioner that there was no likelihood of opportunities for establishing new colleges, we are exploring alternate models to ensure that good quality pre-university provision is available for young people in LSBU's catchment area. We have now been approved for registration (i.e. listing) on the SfA register but our ability to bid for funding is dependent on us achieving a 'credibility rating'. Our first submission was rejected based on lack of evidence for delivery below level 4 (first year) although we were supported to bid for developmental work. We are currently resubmitting.

4.4 Public Affairs and Civic Engagement

Our public affairs consultancy Ketchum has undertaken a "temperature test" to hear the views of MPs and Peers on the University, and how these have developed over the last 12 months of public affairs activity. The findings were positive but also prompted some useful recommendations about how we could further support our aims by providing additional targeted information to selected influencers. This programme is now being developed. Our aim is to develop strong relationships with a select group of MPs and Peers and to provide them with the appropriate LSBU briefings so that they become our lead advocates. We hope they will raise the reputation of the University and shape debate around policy in our key areas of interest. We have, as planned, updated the University's messaging in light of progress at the university and developments in the sector.

With the new Parliamentary season underway we have extended invitations to a wide range of selected MPs and Peers to visit the university. Our focus is on those with a particular interest in Higher Education and related areas including skills. Locally, we have continued to engage with the borough Councils and other key local stakeholders including the new MPs.

As previously reported to the Board, I have now commenced my tenure as Chair of Million+. The teams there and at the university are working closely to coordinate public affairs activities. I attended the Labour and Conservative Party Conferences to speak at two fringe meetings on behalf of both Million+ and the university, as well as representing the university at a number of other fringe events related to Higher Education and skills sharing a platform with the Universities Minister.

The University hosted a visit by the Vice-Premier of China Madame Liu Yandong. She was accompanied by a substantial delegation from China. Madam Liu formally opened Caxton House as the new home to the Model Confucius Institute for Traditional Chinese Medicine at LSBU. We received media coverage in China which will support our recruitment of Chinese students.

5.0 Strategic Enablers

5.1 Schools restructuring

The Schools restructuring is now complete and all the School Executive Teams (SETs) and Heads of Division are in place. The Schools Administrative Restructure has been implemented with all but one Post having been filled. 11 staff took voluntary severance or redundancy and there is only one outstanding potential compulsory redundancy.

Consultation around academic provision within Applied Sciences - Bioscience and in Health and Social Care is ongoing, and consultation commenced for 3 restructures in professional service functions in August – People and Organisation, ICT and Finance. These are the last areas to complete staffing restructures.

The Associate Professor exercise has been successfully implemented. Of 94 PLs, 82% have been appointed as Associate Professors, 31% with Personal Development Plans, with 6.5% appointed/redeployed to alternative posts. 20% took voluntary severance/an enhanced package or retired. There remains only one PL on notice of redundancy, which may still result in redeployment.

In addition, voluntary severance has been agreed for 58 out of 61 applicants from across academic and professional areas, who will be leaving during the current financial year.

The Academic Framework for grades 7 – 9 (Lecturers, Senior Lecturers and Associate Professors) and for 3 levels of Professor is now in place although UCU have currently refused to recommend levels 7-8 to members until wider contractual issues are discussed. Given staff support and legal advice that we can progress, coupled to agreement on level 9 with UCU - which follows the same format as levels 7-8 plus UCUs agreement on content at the final joint meeting, we are seeking to continue with embedding this in the organisation, and it is being used to underpin the appraisal and academic promotions rounds which are due to be published in October. The promotions process will broadly follow the self and panel assessment process that worked well for the Associate Professor exercise, with external referees additionally required for promotion to Associate Professor and the 3 levels of Professor. Staff development funding has been identified to support both academic and professional staff linked to appraisal

5.2 Schools Administration

The new Student Administration structure is now operational following a successful consultation phase in May/June. The new department is based around the need to provide excellent service provision to the students, staff and other stakeholders. The new structure provides clear line-management, accountability and responsibilities as has now been disseminated to the wider LSBU community. A number of roles/responsibilities/resources have been transferred to other Professional Service Groups, enabling them to set up new service focussed teams e.g. the Procurement Travel & School-Buying Teams.

The re-structure has provided a number of opportunities for staff that had previously not moved role or been promoted (some for 15+ years) to take on new roles. Over 90% of the newly created roles within the structure have been filled by staff from the re-deployment pool or existing staff from within the previous Faculty Office Admin structure. We have also implemented a comprehensive staff development plan for the department, with the full co-operation of OSDT which will see our staff develop in key areas such as customer service and equality and diversity awareness which enable them to provide an enhanced service to our students and staff as well as aiding in their own personal development.

5.3 LSBU Success stories

- Library and Learning Resources (LLR) ran pre-entry workshops over the summer covering topics such as referencing, searching the internet, introduction to all the Microsoft applications, and Reading Lists Online. Over 100+ workshops were delivered and over 534 workshop places were filled and 78% found the workshops “very useful”.
- LLR also achieved an NSS score of 88%. This is above the sector average of 86% and places LSBU first amongst post-92 universities in London.

Out comes	#	Report Date		9th October 2015			Past Performance			benchmark	Target	14/15 Ratings	
		Corporate Strategy Goals	20/20 Success Measures	#	Key Performance Indicators	2011/12	2012/13	2013/14	Competitor Group 12/13 average	2014/15	Forecast RAG rating	Actual Result Rating	
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%	87%	90.2%	90.2%	
			Top 10 UK universities for student start ups	2	Number of Student start ups	6	1	30	47.86	50	43		
	2	Student Experience	Top quartile of all universities in NSS	3	NSS scores – overall satisfaction	80%	82%	80%	81.7%	82%		82%	
				4	International Student barometer (% recommending LSBU)	70.00%	73.00%	72.40%	not available	N/A (hiatus)			
				5	PGT experience (% satisfaction)	71%	75%	75%	not available	77%		74%	
				6	Student Staff Ratio	22.4:1	23.7:1	24.2:1	21.2	22:1	17.2:1		
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)	55%		75%	
	4	Research and Enterprise	Top 50% UK for Research & Enterprise Income	8	Research Income (non Hefce)	£2.4m	£2.2m	£1.8	£6.1	£1.4 m	£2.0m		
9				Enterprise Income	£10m	£8.5m	£9.4m	not available	£9.9 m	£8.7m			
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%			
				11	Undergraduate recruitment before clearing	63.0%	68.0%	76.0%	not available	80%		78.9%	
				12	First Degree Completion (at or above benchmark)	not available	-9.5%	-6.7%	-3.13%	-6%			
			Exceed expectations on completion	13	Year 1 progression	63%	65%	63%	not available	69%	64%		
				14	Good Honours	53.5%	59.7%	61.0%	62.2%	60 - 65%	65.6%		
				15	PG completion	not available	75%	55%	not available	76%	58%		
	6	International	4 QS Stars	16	QS Star Rating	n/a	n/a	2 (prov.)	not available	2		3 stars	
				17	Overseas student income	£9.6m	£8.6m	£8.5m	£29.5m	£9.3m	£10.5m		
Strategic Enablers	7	People and Organisation	Rated as a good employer	18	Appraisal completion %	21%	28%	37%	not available	50%			
				19	Average Engagement Score as as %		58%	-	70%	55%			
	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%		
				21	Income (£m)	£138.3m	£137.9m	£134.8m	£188.2m	£136.5m	£135.4m		
				22	EBITDA margin (EBITDA expressed as % of income)	14.3%	11.2%	9.9%	9.20%	10.7%	11.3%		
			23	Student satisfaction ratings with facilities & environment	79%	80.0%	83.0%	82.7%	84%		87.7%		
24	Teaching room utilisation rate	26%	23%	22%	not available	43%		21%					
League Tables	Overall	Top London Modern university (excl UAL)	25	TIMES - League table ranking	111/121	118/121	122/123	92.3	118		120 / 127		
			26	GUARDIAN – League table ranking	104/120	113/119	112/116	87.1	110		111 / 119		
			27	COMPLETE UNIVERSITY GUIDE – League table ranking	109/116	119/124	120/123	85	117		119 / 126		

KPI Number	Forecast Notes	Result Notes
1	DHLE positive outcomes (EPI)	From data submitted to HESA at start of April
2	Number of Student start ups	Estimate from Linsey Cole. Result provided in Dec.
3	NSS overall satisfaction	An improvement of 2% on the 13/14 result
4	ISB (% recommending LSBU)	This survey is not being completed in 14/15
5	PGT experience (% satisfaction)	Data expected by end August.
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
8	Research Income (non Hefce)	Figure from July management accounts p16
9	Enterprise Income	Figure from July management accounts p17
10	% LPN recruitment	
11	UG % of FAs against 2750 prior to clearing	
12	Completion (to benchmark)	Figure won't be known until HEIDI release in March 2016
13	Year 1 progression	Progression figure from S1 entrants - 14/15
14	Good Honours	Forecast figure from Dashboard Analysis
15	PG completion	Calculated w. new methodology, hence differing RAG rating
16	QS Star Rating	3 stars awarded to submission in March 2015
17	Overseas student income	Figure from July management accounts
18	Appraisal completion %	Completion period extended to October 15
19	Average engagement score	This survey is not being completed in 14/15
20	Surplus as % of income	Figure from July management accounts
21	Income (£m)	Figure from July management accounts
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.38(15)	
Paper title:	Report from the Chief Financial Officer	
Board/Committee	Board of Governors	
Date of meeting:	21 October 2015	
Author:	Richard Flatman - Chief Financial Officer	
Executive/Operations sponsor:	Richard Flatman - Chief Financial Officer	
Purpose:	To update the Board on financial matters.	
Recommendation:	To discuss and note the report	
Matter previously considered by:	Board of Governors	At each meeting
Further approval required?	N/A	On:

Executive Summary

This report provides an update on matters which contribute to the future financial sustainability of the University.

The Board is requested to note the report, which provides a progress update on 3 key themes as follows:

- Financial performance for 2014/15
- Risk management and internal control, together with the overall assessment of the underlying control environment which links directly to the control statements in the 2014/15 year end accounts
- Financial prospects for 2015/16.

The Board is also asked to note the HR transformation project recently approved by the VC and CFO which involves implementation of an integrated HR and payroll system with employee self-service, e-recruitment and a learning management system.

Attachments:

Appendix 1: July 2015 management accounts summary

Appendix 2: Draft full compliance statement on internal control

Report from the Chief Financial Officer: October 2015

1. 2014/15 financial performance

The summary management accounts to 31 July 2015 are enclosed as Appendix 1.

Summary of performance for the year

The final position for 2014/15 is a surplus of £1.2m which is marginally better than the previous full year forecast reported to the Board of £1.1m and leaves the University ahead of the agreed budget surplus for the year of £1m.

This is after accounting for significant in-year charges to reflect investment in Edison (£2.5m) and the change programme (£0.9m), both of which were budgeted and the absorption of the following significant changes compared with agreed budget:

- £1m clawback from HEFCE regarding old regime students
- re-structure costs of £2.6m compared with budget allowance of £1.5m
- voluntary severance costs of £1m for which no allowance was made in the original budget
- estimated late HEFCE funding adjustment of £0.4m to reflect planned changes following the July 2015 budget announcements
- an increase in the LPFA current service cost of £1m (notified in July 2015 upon receipt of our FRS17 report) although continued reductions to interest rates meant that this was largely offset by reductions to the pensions interest charge.

Year-end adjustments

There were a number of positive adjustments at year end including the release of provisions and contingency which had been built up during the year through careful cost management. In terms of negative adjustments at year end we booked provisions for restructuring costs, bad debt and a reduction in HEFCE income due to the reduction in the BIS budget. We also took the opportunity to write down a significant proportion of the Edison costs which was matched by a write down of deferred income. The net movement for the month of July was a positive movement of £300K.

In terms of positive performance, 4 out of the 7 schools delivered ahead of budget and when taken as a whole the Schools finished £1.1m ahead of Budget. The key driver for this improvement was the School of Law & Social Sciences which delivered almost £1.3M ahead of budget.

2. Risk and control

System of internal control

The internal audit programme for 2014/15 is complete and the auditors, PricewaterhouseCoopers (PwC), have presented their annual internal audit report to Audit committee. The auditors have provided a clean internal audit report on LSBU's:

- risk management
- systems of internal control
- governance, and
- value for money systems and processes.

The auditor's opinion reflects the following:

- none of the individual audit assignments in year had an overall classification of critical risk
- data security was rated as high risk but the issues raised in this area were not considered systemic threats to the entire control and governance environment. Recommendations made in this area have been implemented
- the total number of recommendations made in year increased from 18 in 2013/14 to 26 in 2014/15 but this largely reflects the scale of the change programme undertaken in year. The number of recommendations relating to the underlying control environment has reduced and this reflects the continuing strong financial control environment
- the review of our risk management processes in September 2015 was rated "low risk"
- we have implemented 83% of all recommendations made in year which is higher than the 78% achieved last year and the 75% benchmark with PwC consider an indicator of good performance.

These positive results fed directly into the annual review of effectiveness of internal control systems, a document prepared by the CFO and reviewed in detail recently by audit committee and which underpins the statement on internal control in the year end statutory accounts. For the year ended 31 July 2015, a full compliance statement is proposed and a copy is shown as appendix 2.

2015/16 internal audit programme

Audit committee has approved an internal audit plan for 2015/16. This is aligned to the risk register which, in turn, is aligned to the corporate strategy. The first tranche of continuous audit work on core financial systems has been completed, with all areas rated green. This is further evidence that the underlying control environment is sound and increasingly stable.

UKVI compliance

One of the principal risks to our income growth aspirations relates to UKVI and the threat to our Tier 4 licence without which we would be unable to recruit any overseas students. The international office at LSBU has recently submitted their annual application for basic compliance assessment and this may, at very short notice, trigger audit by UKVI. We have therefore appointed Penningtons Manches, a legal firm specialising in immigration compliance review to conduct a full scope mock pre-audit covering:

- a review of our policies and procedures
- mock interviews questioning staff involved, and
- a detailed review of files/documentation for a large sample of students

This work is scheduled to commence on 5 October 2015.

Anti Fraud, Bribery and Corruption

Audit Committee receives reports on any real or suspected instances of fraud, bribery or corruption. One matter was reported at the last meeting, regarding a prospective student and his family who gave £100 to a member of staff following a campus tour.

We have also received notification that the Crown Prosecution Service, after careful consideration, is now minded to prosecute a former member of staff in what was then the Engineering Faculty for alleged offences under the Bribery Act for dishonestly seeking payment from students in return for changing their marks. This follows our discovery of malpractice and our reporting of the matter to police back in 2013.

3. Financial prospects 2015/16

2015/16 Budget summary and comparison with 2014/15

A direct comparison between years is difficult given the scale of Edison costs incurred in 2014/15, the release of deferred income and the level of re-structuring costs in year. The table below adjusts these items and provides a good comparison:

Description	14/15 Outturn £m	15/16 Budget £m	Change £m	Change %
Income	136.4	142.8	6.4	4.7%
Staff costs	-74.5	-78.7	4.2	5.6%
Opex	-54.4	-61.5	7.1	13.1%
Surplus (before re-structure costs and Edison)	7.5	2.6	-4.9	-65.3%
Re-structure costs	-3.7	-1.5	-2.2	-59.5%
Budgeted Edison revenue costs	-2.6	0	-2.6	-100.0%
Operating surplus	1.2	1.1	-0.1	-8.3%
Income release	4.4	0		
Additional Edison cost	-4.4	0		
Reported surplus	1.2	1.1		

Staff costs increase by £4.2m (5.6%) but £2.6m of this (3.5%) reflects pay award, incremental drift and changes to national insurance contributions.

Opex increases by £7.1m (13.1%) but this includes approximately £3m in respect of budgeted increases in depreciation and interest payable. The remainder of £4m represents investment fund monies.

This demonstrates:

- a healthy underlying financial performance (5.5% surplus in 2014/15) before Edison and re-structure costs
- delivery against 2014/15 budget- £1.2m compared with budget of £1m
- that income growth is budgeted for 2015/16 but that this growth is matched by additional cost and investment plans

- that there is some flexibility in 2015/16 in terms of budget management with significant sums set aside as investment funds. We will exercise caution in committing funds until there is greater certainty on recruitment and revenue flows.

As is normal practice, we shall conduct a detailed in-year review of the budget once we have a clear understanding of recruitment. This review will also take account of income forecasts and resource requirements on a school by school basis. Staff cost forecasts will reflect the actual outcome of the recent voluntary severance programme and other re-structuring changes.

In terms of HEFCE funding there are likely to be further in year cuts but the threat of future potential clawback on old-regime students is minimal. The 2015 HESA re-creation is progressing well and whilst there is likely to be a clawback in 2015/16 relating to 2014/15 students this will be substantially less than the £1m clawback last year. We estimate the clawback to be in the region of £300k and as this relates to 2014/15 we have made provision for this amount in the accounts at 31 July 2015. There should be very few old regime students in 2015/16.

The principal risks to financial delivery in 2015/16 are as follows:

- meeting recruitment targets and student withdrawals (and subsequent reimbursement of fees)
- in-year cuts to HEFCE funding
- threats to our Tier4 licence, affecting recruitment of overseas students
- failure to deliver agreed enterprise income growth targets
- increased costs associated with pensions following the introduction of FRS102. The FRS17 report at 31 July 2015 indicated that our I&E charge in this respect is likely to increase from £6.7m in 2014/15 to £8.7m in 2015/16. We do not have adequate provision at present in the budget to cover this and this will form part of the in-year review.

On the positive side, the September management accounts (covering the first 2 months of the new financial year) show a favourable staff cost variance of £2m. Some of this relates to timing adjustments on Edison and other consultancy costs but there is at least £1m which has been banked at this stage. This is evidence of flexibility within the staff cost budget which will be covered in more detail at the in-year review.

4. Other matters

Year end audit

Preparations for the year-end were planned well in advance in line with the published timetable. The auditors had access to all the accounting records they needed at the start of the audit. Initial indications are that the audit is going well with a few outstanding matters to resolve but nothing to be unduly concerned about at this stage.

The auditors have also received a full set of draft financial statements in statutory reporting format, including a detailed strategic report and all the disclosure notes. These are subject to ongoing review before presentation to Committee and Board for review in November.

HR transformation 2015 project

In order to improve HR operations performance, a decision has been taken to implement an integrated HR and payroll system with employee self-service, e-Recruitment and a new learning management system. This will involve an up-front capital investment of £480k and initial revenue set up costs in year 1 of £227k which will be allocated from investment funds. Thereafter, the ongoing revenue costs of approx. £120k pa will be more than offset by the combined effect of HR legacy system cost savings and non-system process related benefits and will be absorbed within the normal operating HR budget.

A Midland iTrent payroll solution was implemented in 2013 and has proved successful. Following detailed procurement, financial and technical evaluation the decision has now been taken to proceed with a Midland iTrent integrated HR and payroll solution. This will be established as a corporate project and will be subject to the robust controls within the new Corporate Project Management Office (PMO), including benefits realisation tracking.

The key benefits are as follows:

- reduced HR & Payroll administration load
- removal of costs and risks posed by legacy HR Systems
- improved staff productivity through ease of access to HR tools and processes
- prospective Staff given a high-quality recruitment experience
- improved quality and availability of Staff Data.

Annual accountability return

The Financial tables were approved at the July 2015 Board meeting setting out details of our forecast financial position, our balance sheet and cashflow for the period 2012/13 to 2017/18. The tables are consistent with agreed corporate KPIs and our longer term objectives to deliver the following by 2020:

- income of (*minimum*) £170m
- surplus of 5%
- EBITDA margin of 15%.

The forecasts were subsequently submitted to HEFCE for review. A couple of minor queries were raised but these have now been resolved to the satisfaction of HEFCE.

We are now working on the annual accountability submission for November 2015 which will be reported to Board as part of the CFO report to the next meeting.

FRS17

The FRS17 pensions report at 31 July 2015 on the LGPS (support staff) pension scheme has now been received. The audit committee approved the assumptions used in the report and the external auditors, Grant Thornton, have also confirmed that they are acceptable. The assumptions result in a net deficit in the LGPS pension scheme at 31 July 2015 of £89m, an increase of £13m (17%) from the year before.

The continued reduction in real discount rates, whilst not affecting the level of cash contributions to the scheme, has contributed to a reduction in the FRS17 interest payable charge to the I&E although this been more than offset by increases of £1m to the current service cost in year. The total I&E charge for the scheme in 2014/15 was £6.7m.

The projections for 2015/16 are also of concern. The I&E charge under FRS102 is projected to increase from £6.7m in 2014/15 to £8.7m in 2015/16. This is not accounted for in the budget and will be factored into the early forecasts.

APPENDIX 1

July 2015 management accounts summary

1) This Executive Summary reports on the Financial position of London South Bank University as at 31 July 2015 and summarises the changes since the June Forecast

2) RAG Status

Income Growth	4.5%	Staff Cost Growth excluding restructuring	5.4%	Staff Cost % excluding restructuring	55.3%	Opex Growth	4.8%	Student Dropout %	5.7%	change in FYF Contribution	19.7%
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3) Summary

The full year outturn at July 2015 is a contribution of £1.2M. This is an increase of £0.3M as compared to last month and means the University delivered ahead of budget in 14/15.

There were a number of positive adjustments this month including the release of provisions and contingency. In terms of negative adjustments we took provisions for restructuring costs, bad debt and a reduction in HEFCE income due to the reduction in the BIS budget. We also took the opportunity to write down a significant proportion of the Edison costs which was matched with a write down of deferred income. The net movement for the month was a positive movement of £300K resulting in a surplus of £1.2M, £200K ahead of the £1M Budget surplus.

In terms of positive performance, 4 out of the 7 schools delivered ahead of budget and when taken as a whole the Schools finished £1.1M ahead of Budget. The key driver for this improvement was the School of Law & Social Sciences which delivered almost £1.3M ahead of budget. The School of Business continued its financial improvement and delivered ahead of budget. The School of Health & Social Care which was significantly behind budget earlier in the Academic year delivered on Budget due to tight control of costs. The School of Arts & Creative Industries delivered ahead of budget even after significant investment in resources.

Given the cost of the University's restructuring, we remained focused on tightly managing our staff costs. Excluding the Restructuring provision of £3.6M, year on year staff costs grew by 5.4% as compared to 13/14 and totalled 55.3% of income. This figure includes one off staffing costs relating to the Edison program of £3.3m. Excluding these costs would leave an ongoing staff cost base of 53.0% of income which is within the Board of Governors target of 55%.

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%

June 14 / 15 FYF	Monthly Move	July 14 / 15 FYF	variance to Budget	Budget variance%	variance to 13/14
17.3	0.2	17.6	-1.5	-8%	-32%
24.7	0.1	24.8	0.4	2%	-1%
54.0	0.1	54.2	-0.6	-1%	23%
6.4	-0.0	6.4	-0.3	-4%	-18%
10.5	0.1	10.6	1.6	18%	25%
2.1	-0.1	2.0	0.5	39%	8%
7.4	0.3	7.6	-1.2	-14%	3%
10.6	0.1	10.7	0.5	5%	8%
2.1	4.5	6.6	4.7	249%	64%
0.2	0.1	0.3	0.0	4%	-6%
135.4	5.4	140.8	4.3	3.2%	4.5%

in £'m			
Academic Staff Costs	40.8	40.7	0%
Support & Technicians	30.9	35.3	14%
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	25%
Exceptional Items	0.0	0.0	0%
Expenditure	131.7	135.5	2.9%

39.3	2.9	42.1	1.4	3%	3%
32.7	-0.5	32.2	-3.1	-9%	4%
3.6	3.5	7.2	5.0	226%	105%
9.6	-0.9	8.8	-0.8	-9%	4%
44.5	1.9	46.4	3.4	8%	5%
4.7	-1.7	3.0	-1.8	-37%	-22%
0.1	-0.1	0.0	0.0	0%	0%
134.5	5.1	139.6	4.1	3.0%	6.0%

Surplus for the year	3.1	1.0	-67.3%
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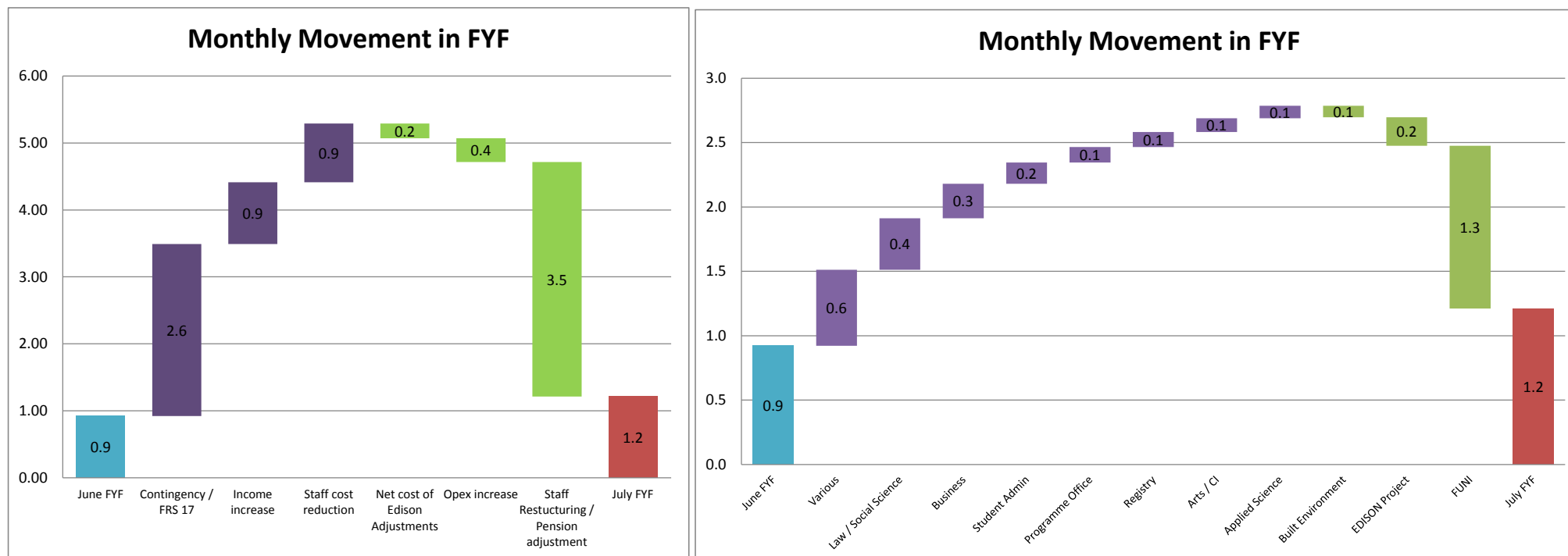
	0.9	0.3	1.2	0.2	19.7%	-60.9%
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Surplus as % of income	2.3%	0.7%	0.7%	0.9%
Surplus per student FTE	£209.6	£72.3	£67.6	£87.0
Staff cost as % of income	55.8%	57.3%	55.8%	57.9%

5) Forecast Summary

There were a number of large movements as is typical of the final month of the Academic and Financial Year including positive adjustments relating to the release of contingencies. We also released income totalling £0.9M in the month. £0.3M was released by Estates to match costs incurred with the development of the National Bakery School, £0.2M was released by Residences due to better than expected occupancy levels while the Schools released a total of £0.2M once final recruitment figures became clear.

In terms of staffing we had been signalling during the year that our underlying staff cost forecast looked high as compared to the YTD figures and a further £0.9M was released in the final month. Half of this figure was released from the Schools including the Student Admin team with the remaining figure released from the Professional functions. The cost of staffing remains a key risk for the University moving forward particularly as Pension costs, National Insurance contributions and the living wage will have an ongoing impact. We will continue to tightly control these costs.



The University took the opportunity to write down a significant proportion of the EDISON programme and match that with a release of deferred income. The net write-down was £5.2M of costs and consultancy. We also released £4.4M of deferred income to part match this. Some of the write down had already been built into our forecast and so the net impact on the forecast was a negative movement of £0.2M.

There was a large movement in Operating expenses for the month. In terms of financing costs, we took a provision for bad debts of £0.7M and had to crystallise a foreign exchange loss of £0.2M. This was offset however by a reduction in Operating expenditure against forecast from other budget holders of £0.5M and so the net impact of these changes was an increase of just £0.4m against forecast.

The final movement in the month related to the cost of the Restructuring Programme. The final cost of the programme was in excess of £3.6M. Some of this had been provided for in our increased contingency whilst some was covered by the over forecast in staffing costs but we have been able to absorb the total cost in year whilst still delivering to budget.

7) Contribution Analysis

The Final contribution for the year is £1.9M behind the comparable position in 13/14. It was always anticipated that 2014/15 would be more challenging given our investments in EDISON (£2.5m net of matched write off) and the Change Programme £0.9M. We also had a reduction in our HEFCE grant of £0.9M which was reported earlier in the year, took an additional provision of £0.8M at year end to cover any potential HEFCE clawback in 15/16 following the reduction in BIS grant and the first submission of our HESA student numbers and booked a late adjustment of £1m increasing the FRS17 current service cost in respect of the LPFA pension scheme although this was largely offset by a reduction in the FRS17 interest charge. We also absorbed restructure costs of £3.6m compared with budget of £1.5m.

Contribution per Student and per Staff

excluding School admin

	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	July 14/15 FYF	13 / 14 Actual	July 14/15 FYF	13 / 14 Actual	July 14/15 FYF	13 / 14 Actual	July 14/15 FYF	13 / 14 Actual	July 14/15 FYF	13 / 14 Actual	July 14/15 FYF	13 / 14 Actual	July 14/15 Actual	13 / 14 Actual	July 14/15 Actual
Income (M)	£10.9	£10.7	£8.4	£9.4	£14.1	£15.0	£21.2	£21.5	£13.6	£14.5	£32.9	£32.8	£14.9	£14.6	£116.0	£118.5
Expenditure (M)	£6.5	£6.2	£4.2	£3.9	£7.3	£7.4	£11.4	£10.7	£8.5	£8.6	£16.9	£20.5	£7.1	£6.9	£61.9	£64.2
Contribution (M)	£4.4	£4.4	£4.2	£5.5	£6.7	£7.6	£9.8	£10.8	£5.1	£5.9	£16.0	£12.3	£7.9	£7.7	£54.1	£54.2
Contribution %	40%	41%	50%	59%	48%	50%	46%	50%	38%	41%	49%	38%	53%	53%	47%	46%
Student FTE	1,139	1,125	1,097	1,038	1,672	1,594	3,030	2,616	1,468	1,335	4,406	3,566	1,992	1,693	14,805	12,966
Contribution per FTE	£3,864	£3,939	£3,804	£5,331	£4,033	£4,738	£3,242	£4,134	£3,488	£4,455	£3,631	£3,454	£3,953	£4,520	£3,657	£4,183
Academic / HPL FTE		52		35		65		106		56		183		69		566
Contribution per Staff FTE		£85,220		£155,891		£115,990		£101,974		£106,535		£67,227		£111,400		£95,777

The above excludes the Admin teams from each of the 7 schools' performance. Apart from The School of Health & Social Care, each school improved its profitability when measured in terms of contribution per student on a year by year basis with a total improvement of almost 15%. The most profitable School on this basis is the School of Arts & Creative Industries which also out performed 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, every school covered their allocated central costs except for the School of Health & Social care which under recovered by less than £100K. Our central costs excluding the Restructuring Provision totalled £3,467 for each Home/EU Full Time Equivalent student and £4,363 for each Overseas FTE student.

8) Student Number Analysis

In 2013 / 14 we lost £3.0M in income from the 1,092 students who Withdrew or Interrupted. In 2014/15 we lost almost £3.7M in terms of the difference between the Fee actually charged and the Fee that would have been charged if the student stayed the whole year. We have withdrawn (including interruptions) a total number of 1,102 students representing 790 FTE. This includes 366 new Home/EU FT UG students and represents 10.5% of this population. Engineering had the highest % drop out of New FT UGs at 15.3%, followed by Business at 14.45% and Arts & Creative Industries at 13.1%. The School of Health & Social Care has the lowest New FT UG drop out rate at 6.3% which is driven by the different levels of support these students receive.

9) Student Withdrawal Analysis

Academic year	Total Students	Total Withdrawals	% of Total Student bodies
11/12	21,127	1,189	5.6%
12/13	19,262	1,020	5.3%
13/14	19,734	1,092	5.5%
14/15	19,349	1,102	5.7%

14/15 'Lost Income'			
Applied Science	£535,000	Engineering	£592,000
Arts and Creative Industries	£440,000	Health & Social Care	£96,000
Built Environment & Architecture	£371,000	Law & Social Sciences	£570,000
Business	£1,076,000	Total	£3,680,000

SMT Area: All

Full Year Outturn Last Year (£)	Description	YEAR TO DATE				Note	Change from 13/14 (£)	Change from 13/14 %
		2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget (£) %				
-134,753,977	Total Income	-140,772,532	-136,467,982	4,304,549	3%		6,018,555	4%
75,156,771	Total Staff Costs	81,457,831	78,186,698	(3,271,132)	(4%)		6,301,059	8%
8,453,650	Total Depreciation	8,758,726	9,599,456	840,730	9%		305,075	4%
44,270,139	Total Other Operating Expenses	46,382,524	42,946,849	(3,435,675)	(8%)		2,112,385	5%
3,775,416	Total Interest Payable	2,961,894	4,672,644	1,710,750	37%		(813,522)	-22%
-3,098,000	Contribution	-1,211,558	-1,000,000	211,558	21%		(1,886,443)	-61%
55.8%	Staff costs as % of income	57.9%	57.3%					
2.3%	Contribution %	0.9%	0.7%					

APPENDIX 2

Draft (*full compliance*) Statement on Internal Control

As the governing body of London South Bank University, we have responsibility for ensuring that there is a process for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives of the University, whilst safeguarding the public and other funds and assets for which we are responsible, in accordance with the responsibilities assigned to the governing body in the Memorandum and Articles of Association, and the Memorandum of Assurance and Accountability with HEFCE.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process linked to the achievement of institutional objectives and designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process has been in place for the year ended 31 July 2015 and up to the date of approval of the financial statements, and accords with HEFCE guidance.

As the governing body, we have responsibility for reviewing the effectiveness of the system of internal control. The following processes have been established:

- We meet a minimum of seven times a year (including 2 strategy days) to consider the plans and strategic direction of the institution;
- The approach to internal control is risk based, including a regular evaluation of the likelihood and impact of risks becoming a reality;
- The Audit Committee provide oversight of the risk management process and comments on its effectiveness;
- We receive periodic reports from the chair of the Audit Committee concerning internal control and we require regular reports from managers on internal control activities and the steps they are taking to manage risks in their areas of responsibility, including progress reports on key projects;
- The Audit Committee receives regular quarterly reports from management;
- Internal audit is outsourced to an external provider. The Audit Committee receives regular reports from the internal auditor, which include their independent opinion on the adequacy and effectiveness of the

institution's system of internal control, governance and risk management processes, together with recommendations for improvement;

- The internal audit programme has been aligned with the University's corporate risk register;
- An organisation-wide register of key corporate risks is maintained, together with individual risk registers for each school and professional service group. Review procedures cover risk to achievement of strategic objectives, operational business matters, and regulatory compliance as well as financial risk;
- The Operations Board meets regularly to consider risk, assess the current exposure and keep up to date the record of key corporate risks facing the University;
- A network of risk champions exists to support risk management activity in all schools and professional service groups; Update training is provided as required to support delivery;
- Formal risk management and internal control procedures have been embedded within ongoing operations.

Our review of the effectiveness of the system of internal control is informed by internal audit, which operates to standards defined in the HEFCE Audit Code of Practice and which was last reviewed for effectiveness by the HEFCE Audit Service in July 2011. The internal auditors submit regular reports, which include their independent opinion on the adequacy and effectiveness of the institution's system of internal control, governance and risk management processes, with recommendations for improvement.

Our review of the effectiveness of the system of internal control is also informed by the work of the executive managers within the institution, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

	PAPER NO: BG.39(15)
Paper title:	Risk – Annual Detailed Review
Board/Committee	Board of Governors
Date of meeting:	21 October 2015
Author:	John Baker, Corporate & Business Planning Manager
Executive sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	To provide the Board with the current corporate risk register.
Recommendation:	To note: <ul style="list-style-type: none"> • the risks and their ratings, • the allocation of risks to corporate objectives

Matter previously considered by:	Operations Board	On: 15 th September 2015
Further approval required?		

Executive Summary

The register is a dynamic document managed within the 4-Risk platform. This record presents all identified Corporate Risks, grouped by Corporate Objective, with impact and likelihood assessments, and related controls and actions; as at 6th October. 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.

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

Date: 6th October 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
	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>	
397: Effectiveness of delivery impaired as institution goes through restructuring processes (DP)	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, Dean Health – 1, ExD-HR – 0, US - 0				

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

<i>Reference</i>	<i>Risk title</i>	<i>Changes made</i>
Goal 3: Real World Impact - Teaching & Learning: Ensuring teaching is highly applied, professionally accredited & linked to research & enterprise		
398 (SW)	Low engagement with technological or pedagogic developments	
467 (PB)	UG Progression rate doesn't rise	<p>ESE Phase 1 action implemented: Final changes to phase 1 dashboards implemented and live in system, which is accessible to the 60 pilot users.</p> <p>Progression calculation action implemented: The progression methodology was developed, and the data presented in the School KPI Data set document.</p> <p>Summer school action implemented: Summer school was held during August, and 265 students registered to attend. New Action - Jenny Laws will produce review of success of this initiative once results are entered onto the QL database.</p>
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	<p>Forecasting action progress note: A short term enterprise forecasting system is in now place and discussions planned to implement the equivalent for research. Ability to undertake longer term enterprise forecasting depends on the Cognos Business Development Reporting - currently awaiting a delivery date from ICT. For longer term research forecasting a request for development is with ICT which will extend the current SharePoint system to capture the relevant data and also provide reporting equivalent to enterprise. Action should be complete by end of November.</p> <p>Performance reporting action progress note: PIs: Definitions and sources are complete and we are now in the process of capturing the initial baseline data. However, HEBCI data requires individual project manual analysis as we do not yet automatically tag qualifying income. Action should be complete by end of November.</p>
Goal 6: Access to Opportunity - Internationalisation: Developing a multicultural community of students & staff through alliances & partnerships.		
457 (PI)	International student £income unrealised	<p>International Strategy Action implemented: Final report now being printed for distribution.</p>
Goal 7: Strategic Enabler - People & Organisation: Attracting proud, responsible staff, & valuing & rewarding their achievements.		
1 (DP)	Response to environmental change & reputation	<p>Review of process and functions Action Implemented: The restructure of functions to align with Corporate Strategy has been completed, in time for the 15/16 Academic Year.</p> <p>Reputation dashboard action progress note: Our social media tool is now live and we are in the process of configuring it. Our new approach to media monitoring is also up and running and the first monthly report will be delivered soon.</p>
362 (DP)	Poor Staff Engagement	
397 (DP)	Restructuring impact	Technicians and Student Admin restructuring Actions implemented.

		<p>Your Career Matters action now recorded as complete. Risk impact rating reduced.</p>
<p>Goal 8: Strategic Enabler - Infrastructure: Investing in first class facilities and outcome focused services, responsive to academic needs.</p>		
2 (PI)	Home & EU Recruitment income targets	<p>ICT App for Masters and PHD students implemented: The IT solution is now in place and will go live in September 2015.</p> <p>Partnership Strategy Action implemented: Final paper presented to Ops Board in July 2015.</p> <p>Graduate Attributes Strategy action recorded as complete.</p>
3 (RF)	Pensions deficit	
6 (RF)	Quality and availability of Management Information	BIU External Returns Action recorded as complete.
14 (WT)	Loss of NHS income	
37 (RF)	Estates strategy £ impact	<p>Estates Strategy Working Group Action implemented The Estates Strategy working group report was presented to the July Executive meeting.</p> <p>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.</p>
305 (IM)	Data Security	<p>PWC Audit Findings action progress update Internal Audit progress report records that one finding is implemented and two are in progress.</p> <p>Mandatory training action progress update The current plan is to pilot the content with the Library and LRC staff at the start of October, and then to phase staff rollout towards the end of the month, action re-allocated to Craig Girvan.</p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
398	Academic programmes do not engage with technological and pedagogic developments which support students and promote achievement Risk Owner: Shan Wareing Last Updated: 29/09/2015	<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>	2 3 Medium	Delivery of the Technologically Enhanced Learning Strategy (TEL) through the Learning Pathway Programme.	2 2 Medium	<p>Actively pursue the long term objectives of the TEL strategy through Student Experience Committee.</p> <p>Person Responsible: Shan Wareing To be implemented by: 31/12/2015</p> <hr/> <p>Invest in pilots and subject-specific developments, consistent with local expertise, motivation and market intelligence, to ensure staff & students are able to experiment with appropriately controlled risks.</p> <p>Person Responsible: Shan Wareing To be implemented by: 30/06/2016</p> <hr/> <p>Liaise with legal team to provide assurance on usage of student data within analytics projects.</p> <p>Person Responsible: Grace McCalla To be implemented by: 24/12/2015</p> <hr/> <p>Co-ordinate (with DESEs) School intervention projects using analytics data, and produce report on plans and outcomes.</p> <p>Person Responsible: Lesley Roberts To be implemented by: 31/05/2016</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: 29/09/2015</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>Produce report for Ops Board reviewing success of Summer School Intervention</p> <hr/> <p>Person Responsible: Jenny Laws To be implemented by: 30/11/2015</p> <hr/> <p>Work with Schools & Student Support to establish use of Personal Tutoring system to identify students at risk of non-progression and act as foundation for intervention.</p> <p>Person Responsible: Shan Wareing To be implemented by: 31/05/2016</p> <hr/> <p>Utilise Learner Analytics at Course Level to plan interventions for courses with low completion rates.</p> <p>Person Responsible: Lesley Roberts To be implemented by: 30/04/2016</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 	<p>3 2</p> <p style="background-color: red; color: white; padding: 2px;">High</p>	<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>	<p>3 1</p> <p style="background-color: yellow; padding: 2px;">Medium</p>	<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</p> <p>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</p> <p>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</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
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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: 04/09/2015	<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	

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: 04/09/2015</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>

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: Causes: •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> <p>Effects: •Decreased customer (student) satisfaction •Overall University performance decreases •Low staff satisfaction results •Increased staff turnover •Quality of service delivered decreases</p>	<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: 07/10/2015	<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	

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: 29/09/2015	<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 & Isbu 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	

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 	3 3 High	<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>	3 2 High	

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: 29/09/2015</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>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>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
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. 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 Person Responsible: Warren Turner 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. Continue discussions with NHS partners in NE London (BHR, NELFT and Barts) together with Queen Mary School of Medicine and Dentistry re potential for revitalising the Harold Wood site for the future. Person Responsible: Warren Turner To be implemented by: 31/03/2016</p> <hr/> <p>Grow into new markets for medical and private sector CPPD provision Person Responsible: Warren Turner To be implemented by: 30/06/2016</p> <hr/> <p>Develop opportunities for further International 'in-country' activity in Malaysia, Singapore, Hong Kong, India and Saudi. Person Responsible: Mary Lovegrove To be implemented by: 30/06/2016</p>

Risk Ref	Risk Title	Cause & Effect	Inherent Risk Priority	Existing Controls	Residual Risk Priority	Action Required
						<p>Increase uptake in band 1-4 activity Support Trusts in seeking external (non NHS) funding</p> <p>Person Responsible: Sheelagh Mealing</p> <p>To be implemented by: 30/06/2016</p> <hr/> <p>Improve NSS participation & scores Develop action plans for Departments and School from results of 2014 NSS</p> <p>Person Responsible: Sue Mullaney</p> <p>To be implemented by: 31/08/2016</p>
37	<p>Capital investment ambitions of forward estate strategy undermine financial sustainability</p> <p>Risk Owner: Richard Flatman</p> <p>Last Updated: 04/09/2015</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> <hr/> <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>	<p>3 1</p> <p>Medium</p>	<p>Complete report on the final Student Centre negotiations.</p> <p>Update: the 12 month defects liability period concluded & working through the final defect list. POE was due by Feb 14.</p> <p>Person Responsible: Ian Mehtens</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>Property Committee is a sub-committee of the Board of Governors and has a remit to review all property related capital decisions.</p> <hr/> <p>Capex reporting routines established and embedded into regular updated financial forecasts & management accounts and regular Board reports.</p> <hr/> <p>LSBU Project methodology & Estates & Facilities Dept project controls, including Governance arrangements applied to all Capex projects.</p>		
305	<p>Student & corporate data not accessed and stored securely or appropriately</p> <p>Risk Owner: Ian Mehrtens</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>3 2 High</p>	<p>Responsibility for control over data protection risks at an institutional level allocated to Director of ICT.</p>	<p>3 2 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 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 To be implemented by: 30/05/2015</p>

	PAPER NO: BG.40(15)	
Paper title:	Mini Competition for Security Services at LSBU	
Board/Committee	Board of Governors	
Date of meeting:	21 October 2015	
Author:	Carol Rose, Director of Estates and Academic Environment (EAE)	
Executive sponsor:	Ian Mehrtens, Chief Operating Officer	
Purpose:	To seek the approval of the Board to the awarding of a new three year contract for Security Services at LSBU to Vision Security Group Ltd (VSG) in the sum of £5.22m.	
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	<p>Corporate Strategy 2015-2020 ‘Strategically investing in the creation of first class facilities and ensuring that they are underpinned by services which are responsive to academic needs and outcome focused’.</p> <p>‘Ensuring that students are seen as participants in their learning and that the student voice is encouraged and listened to’.</p>	
Recommendation:	To approve the awarding of a new three-year contract to VSG for the provision of Security Services at LSBU with effect from 1 December 2015. The total cost of the three year contract is £5.22m with an option to extend by a further 2 X 1 year periods.	
Matter previously considered by:	Executive	On: 6 October 2015
Further approval required?	No	

Executive Summary

A mini-competition exercise for the provision of security services at LSBU was undertaken under the LUPC Framework for Cleaning and Security by EAE in conjunction with Procurement Services.

London South Bank University

Three companies were invited to bid with two returning their bid on time. Following a tender evaluation exercise it is recommended to award the contract to Vision Security Group Ltd (VSG) who is the current incumbent.

It is recommended that the Board approve the awarding of the contract for a three year period with an option to extend by a further 2 X 1 year periods to the present incumbent, VSG. The cost of the contract is within budget.

Background information

Security cover is provided at the Southwark campus 24 hours per day, 365 days per year and at Havering Campus Monday – Saturday only. The contract of the current provider, Vision Security Group Ltd. (VSG) expired at the end of July 2015 but was extended until the 30th November 2015 to allow the Board of Governors to consider and give approval to the award of a new contract following a tender exercise.

Tender Exercise

In conjunction with Procurement Services, Estates and Academic Environment (EAE) undertook a mini-competition exercise under the London University Purchasing Consortium (LUPC) Framework for Cleaning and/or Security Lot 2: Security. Three companies were invited to bid

- VSG
- ISS Facilities Services Ltd. (ISS)
- CIS Security Ltd.

Only VSG and CIS Security Ltd. returned their bids on time and, therefore, ISS were excluded from the process.

The evaluation on the tender documents were considered by :

- Simon Francis - Head of Estates Services, EAE
- Elizabeth Palicza - Security and Reception Services Manager, EAE
- Neil Robertson - Category Manager, Procurement
- Ernst Weisbrod - Contracts Operations Manager, EAE

The responses were evaluated against set criteria with price weighted at 50% and a range of other evaluative categories earning differing percentages. Following the evaluation, VSG was found to be the most economically advantageous tender. The full evaluation results can be found in the Authority to Award Report (CPU 5) available to the Board.

Strategy

The EAE current Local Delivery Plan states one of the top three challenges for the Service in 2015/16 as being 'To proactively improve current facilities, infrastructure and the university environment with a challenging budget'. To this end, key LSBU stakeholders, including students, academics and other professional services, were consulted during this tender process as part of the development of an improved tender specification with particular focus being given to developing customer focused service level agreements with robust and challenging KPIs.

Regular customer surveys (written and verbal) have been introduced to monitor and review how staff, students and visitors perceive the service.

Benchmarking exercises against other HEI's are carried out periodically to ensure that LSBU is receiving value for money/best value from this and other contracts. The latest Tribal benchmarking survey has indicated that security spend is within the normal range.

Monitoring and ongoing evaluation of the contract

To ensure that the contractor is fulfilling the terms of the contract and providing an effective and efficient service, formal monthly meetings are held between the Security and Reception Services Manager and the on-site Operations Manager. Quarterly contract review meetings are held with the contractors' Area Manager. Performance is discussed and any issues highlighted. In accordance with the terms of the contract, appropriate action would be taken should the required standard not be attained including, as a worst case scenario, the termination of the contract. Any contractor who was not deemed to have provided a first class service would not be included in the re-tender exercise.

Financial breakdown

The total three-year cost of the contract is £5.22m. The 2015/2016 cost of the contract amounts to £1,731,910.52 which is within the EAE 2015/2016 budget allocation for security. The pricing schedule is as follows:

Position/subject	No. of hours p.a.	Total cost exc. VAT	VAT	Total
Operations Manager	1,995.25	£52,521.88	£10504.37	£63,026.25
Shift Team Leaders	10,234.88	£180,414.32	£36,082.86	£216,497.18
Deputy Shift Team Leaders	10,234.88	£133,017.62	£26,603.52	£159,621.14
Control Room Operator	10,234.88	£133,017.62	£26,603.52	£159,621.14
Security Officer (static & patrol)	73,617.47	£934,080.91	£186,816.18	£1,120,897.09
Sustainable vehicle	N/A	£10,206.44	£2,041.28	£12,247.72
Totals	106,317.36			£1,731,910.52

All staff are paid at least the current London Living Wage (LLW) of £9.15. The contract does not include an allowance for an annual uplift in salaries due to annual increases in the LLW so this is reviewed annual in light of the national increase. Any uplift will be factored in to the EAE annual budget as part of the general percentage uplift included for increases in contract costs.

Security Cover

Main Campus

- Static positions and mobile security patrols including opening and closing of buildings 24/7, 365 days of the year
- Monday – Friday morning out of hours reception service (06.00 -08.00) for Borough Road, Faraday, Perry Library, Learning Resources Centre, Technopark, Keyworth Centre, K2, London Road, Caxton House, Student Centre, Clarence Centre
- Monday – Friday evening out of hours reception service (20.00-22.00) to all of the above except for the Student Centre and Clarence Centre
- Saturday and Sunday Reception cover (10.00-19.30) for Perry Library, Learning Resources Centre and London Road

Havering Campus

- Static/mobile cover including opening and closing of buildings Monday – Thursday 07.30 – 20.00, Friday 08.00-20.00 and Saturday 09.30-17.30.
- There is no security cover on Sundays or Bank Holidays.

Halls of Residence

- McLaren House, Dante Road and David Bomberg House 365 day night cover 20.00-08.00.

Security foot patrols during daylight hours focus on patrols of public areas of the roads and thoroughfares between the buildings and periodic patrolling of main communal areas within buildings. During late evenings, night times and early mornings, security staff assist with the locking down/opening up routines. Security staff also respond to reactive call-outs at Southwark Campus and the Halls of Residence and also respond to alarm or reported incidents at Havering Campus during the contracted hours.

Student Experience

EAE is committed to ensuring that the University is a safe and secure environment in which students can study and socialise. The provision of a comprehensive security service in an area in which there are high incidents of crime is seen as essential and the formulation of an appropriate and well researched tender specification reflects this commitment.

Conclusion and Recommendation

Following a fully compliant mini-competition exercise, VSG were found to have submitted the most economically advantageous tender. They are the current security providers at LSBU and have provided an efficient and effective security service throughout the duration of their contract.

It is recommended, therefore that the Board of Governors give approval to the awarding of the security contract to VSG for the period 1st December 2015 to 30th November 2018 with an option to extend for a further 2 X 1 year periods.

	PAPER NO: BG.4F(15)	
Paper title:	Report on decisions of Committees	
Board/Committee	Board of Governors	
Date of meeting:	21 October 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.

Summary of Committee decisions

Audit Committee – 24 September 2015

The committee approved:

- the revised internal audit plan for 2015/16. The plan covers: management information: data quality; risk management; value for money; HR system implementation; research and enterprise contracts; and information security.
- the Internal Audit Charter for the financial year 2015/16;
- the full compliance statement on in the review of effectiveness of internal controls for inclusion in the annual report;
- the assumptions used for the FRS17 report; and
- the draft public benefit statement for inclusion in the annual report and accounts;
- the draft corporate governance statement for inclusion in the annual report and accounts;

The committee noted:

- that Steve Balmont was chairing his first meeting as Chairman of the committee. The committee thanked Andrew Owen for his service to the committee;
- the internal audit progress report;
- the internal audit report on risk management (low risk rating);
- the internal audit report on the Change Portfolio (medium risk rating);
- the internal audit draft annual report, 2014/15. The committee noted the draft annual internal audit opinion for 2014/15, “except for one area (Data Security), the University has adequate and effective arrangements to address the risk that management’s objectives are not achieved in respect of risk management, control and governance, and value for money processes”;
- the finance continuous auditing report for May to July 2015;
- the corporate risk register;
- the review of the effectiveness of internal controls;
- a detailed analysis of debtors;
- the anti-fraud, bribery and corruption report.
- the speak up reporting line. The committee noted the appointment of Safecall to provide an independent reporting line for issues raised under the speak up policy. The speak up line would be publicised as part of wider internal communications to staff around the LSBU Value of “integrity”;
- its terms of reference;
- its business plan for the year; and
- that an internal audit of international applications would be carried out by Penningtons.

	CONFIDENTIAL
	PAPER NO: BG.42(15)
Paper title:	Health and Safety Forward Plan 2015/16
Board/Committee	Board of Governors
Date of meeting:	21 October 2015
Author:	Dr. Markos Koumaditis and Ed Spacey (Health, Safety and Resilience Team)
Executive sponsor:	Mandy Eddolls, Executive Director of Organisational Development and HR
Purpose:	To provide an outline of planned strategic health and safety initiatives
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	Corporate Strategy 2015-2020: 1. People and Organisation - High standards of Health and Safety help to deliver an appropriate environment within which staff feel valued and proud of their university. 2. Student Experience – the student voice is listened to.
Recommendation:	The Board of Governors notes the positive progress achieved by the Health, Safety and Resilience Team, and approves the forward plan.

Matter previously considered by:	NA	
Further approval required?	NA	On:

Executive Summary

The Board considers the proposed approach to Health and Safety and endorses the planned initiatives and campaigns.

Health and Safety Forward Plan 2015/16

1.0 Background and Purpose

The University's health and safety performance has significantly improved over the last 18 months. Systems, processes, data management, training provision, risk assessment and the approach to supporting the health and safety needs of Schools and Professional Service Groups went through a fundamental review in May 2014. Areas where the University may previously have been at or below basic compliance in accordance with the requirements of the Health and Safety at Work etc Act 1974 have been radically improved.

Notable activities and successes have been:

- A new, more concise Health and Safety Policy;
- Major improvements to Fire Safety through new Fire Risk Assessments and Training;
- National recognition - Finalist in the prestigious Emergency Planning Society "Resilience Team of the Year" Awards 2015;
- The introduction of Mandatory Health and Safety Training;
- Leading LSBU to achieve formal accreditation as an Institution of Occupational Safety and Health (IOSH) Training Provider;
- Improved customer focus and relationships across all areas of LSBU;
- 25% improvement in the external health and safety audit of the Academy of Sport 2015 from a score of 52% to 77%.

1.1 This report aims to facilitate the engagement of the Board of Governors in considering future health and safety initiatives, rather than just monitoring past performance.

2.0 Current Arrangements

The quality of health and safety reporting has been improved by the use of performance data. The data dashboard system provides a strategic overview of accident and incident data, including volume, trend, comparative analysis and distribution across School and Professional Service Groups. However this is, inevitably, a lag indicator of past performance. Similarly the Annual Health and Safety Report is about past performance.

3.0 New Approach

Having led the organisation to develop a solid foundation in health and safety, the next stage is to build this into all aspects of policy, practice, learning development and promote the well-being of staff. It is proposed that the Board of Governors should receive a quarterly report on planned activities and future initiatives. This will be in addition to the existing reporting arrangements and monitoring of past performance data.

Recommendations

- 1. That the Board of Governors supports the proposal to receive quarterly reports on future health and safety initiatives and planned activities.**
- 2. That the Board of Governors draws on its expertise to provide advice and guidance on future direction as required.**
- 3. That the Board of Governors notes the initiatives and campaign for 2015/16 attached as Appendix A.**

Initiatives and Campaigns for 2015/16

1.0 Health and Safety Policy Annual Review

The University's health and safety policy was issued on 20 February 2015, and will be fully reviewed. The policy is the foundation of our approach to all health and safety issues, and needs to continue to evolve and be widely publicised. A number of different communication methods will be used to promote the revised document, building on the positive feedback from previous innovative techniques used e.g. adding notifications to staff payslips.

1.1 Mandatory Training

A major new programme of mandatory health and safety training was introduced for all staff in June 2015, with expected completion of 100% by December 2015. The Health, Safety and Resilience Team will continue to monitor and publicise completion rates and regularly make data available to the Operations Group. In addition, the team will be planning the content and delivery mechanisms for new mandatory training for 2016.

1.2 Contractor Management

A detailed report on the current arrangements is provided at Appendix B. Systems and processes will be further reviewed and strengthened. The principles of the "Contractors Handbook" used as a pilot within Estates and Academic Environment will be expanded across London South Bank University. A new awareness raising campaign will take place across all Schools and Professional Service Groups to promote effective management practice. A structured system will be recommended to deal with compliance assurance, monitoring and reporting.

1.3 Occupational Health and Wellbeing

This will be a new responsibility of the Health, Safety and Resilience Team. Work will commence to review and evaluate the current occupational health service provision, its performance and service standards, usage levels, ease of referral, and the effectiveness with which the provider enables and promotes reasonable adaptation. Existing contract monitoring arrangements will be reviewed. In addition, measures will be considered for promoting increased usage of the Employee Assistance Programme.

1.4 Stress Management

The Health and Safety Executive promotes the importance of having mechanisms in place to identify and effectively manage occupational stress. An LSBU stress survey has been designed in consultation with Trade Unions. This can be completed electronically, and is currently being piloted for feedback across a number of teams. The results of the pilot system will be reported to the Health and Safety Joint Committee in November 2015, with

the aim of then rolling out a new system across the University. A toolkit approach for the management of stress will also be introduced.

1.5 Healthy Workplace Awards

The Health, Safety and Resilience Team have been working with colleagues across the organisation to research and co-ordinate evidence for a bid to achieve a prestigious Mayor of London Healthy Workplace Award. A formal bid will be submitted in November 2015 on behalf of LSBU.

1.6 Health and Safety Accreditation for LSBU

Building on the positive transformation of health and safety, research will take place this quarter to prepare to complete a nomination for a recognised international health and safety award during 2016. This may be “The Royal Society for the Prevention of Accidents Occupational Health and Safety Award” or equivalent.

1.7 Working with the Students Union

To ensure that safety principles are embedded throughout the campus, regular meetings with the Chief Executive of the Students Union have been planned. The meetings will also be used to reflect the voice of the student in our approach.

1.8 Risk Assessment and University Fieldwork Trips

In order to help ensure the safety of staff and students on University trips abroad, the Health, Safety and Resilience Team are planning a new campaign to raise awareness of the importance of undertaking robust risk assessments. This will involve providing information, additional support and undertaking informal workshops.

1.9 Fire Safety

The last year has seen major improvements to fire safety awareness across the campus. It is imperative that this subject continues to be high profile. Therefore the forward plan should include the following:

- a) To expand the number of staff who are trained to operate an evacuation chair in the event of an emergency. (An evacuation chair is used to facilitate the safe exit of an individual who cannot use the staircase in an emergency). This will include encouraging more fire wardens to volunteer for this duty, in addition to using the existing trained individuals from staff and security.
- b) To analyse and monitor the number of fire alarm activations, and propose strategic measures to the Fire Strategy Group for reducing the number of false alarms as appropriate.
- c) To continue to regularly review Fire Risk Assessments and Fire Procedures for each and every LSBU Building.

Contractor Management

1.0 Background and purpose

This report describes the health and safety arrangements in place for managing contractors.

2.0 Strategy

London South Bank University recognises that it has a “legal responsibility to ensure contractors provide a service without endangering employees, students or visitors.” The University’s health and safety policy of 20 February 2015 specifically refers to contractors and their associated responsibilities. The policy can be found at www.lsbu.ac.uk/staff-hs.

- 2.1 The mandatory staff health and safety training includes the health and safety policy, so that all staff are made aware of the policy and their responsibilities. All new staff also attend an induction session with the Health, Safety and Resilience Team, which briefly describes the policy to them and how to access it.
- 2.2 The University has a duty to supervise any contractor we commission, and to take sufficient steps to ensure a competent contractor is appointed for the tasks required. This includes contractors undertaking roles outside of construction or maintenance projects. The Health, Safety and Resilience Team provide information, support, guidance and training for the specific needs of Schools and Professional Service Groups. This includes the management of contractors.
- 2.3 All Schools and Professional Service Groups hold Health and Safety meetings. The Head of Health, Safety and Resilience proposed that the new School Executive Administrators also meet as a forum where health and safety issues can be considered and best practice issues shared across the organisation. The effective management of contractors will be considered as a standing item at such meetings.

3.0 Accidents and Incidents

The health and safety policy makes it clear that any accident involving contractors needs to be reported and recorded. A process is in place so that this data is included within the university electronic accident reporting system. A data dashboard of all accident statistics and trends is provided to the Operations Group on a quarterly basis. There is a separate category for any non-staff/non-student accident.

- 3.1 Accidents involving contractors working on construction or maintenance projects may be more likely to lead to serious injuries, and in response the Health, Safety and Resilience Team undertook a project to create a new “Contractors Handbook”. This was designed to help minimise the probability of accidents occurring.

4.0 Contractors Handbook

A Contractors Handbook was produced in July 2015, working in partnership with Estates and Academic Environment. This has been successfully piloted and used by Estates and Academic Environment since 1 August. It is monitored by the Head of Estates Operations and the Estates and Academic Environment Senior Management Team.

- 4.1 All Estates projects have required contractors to attend a formal detailed health and safety induction briefing prior to commencement of any works. During this induction, contractors are required to produce documentary evidence of professional competence in the form of a recognised Construction Skills Certification Scheme Card. This process operates in conjunction with security procedures, so that failure to attend induction or provide evidence of professional competence prevents a security pass being issued. 190 contractor staff have been inducted by the Health, Safety and Resilience Team since August 2015.
- 4.2 The handbook sets out detailed guidance on a range of topics, which include the need for contractors to supply Risk Assessment and Method Statements in advance. It further covers site specific issues ranging from asbestos, use of plant and machinery, use of harnesses, ladders, scaffolding, road traffic hazards, personal protective equipment, accident reporting, manual handling, and a requirement for “toolbox talks”. These are explanatory briefings that contractor site managers are required to provide to their teams. The handbook also includes information for projects which fall under the Construction (Design and Management) Regulations 2015, information regarding Control of Substances Hazardous to Health Regulations (COSHH) and a structured Permit to Work system.
- 4.3 Monitoring of site standards is carried out by site audits supplied to the Head of Technical Services. The handbook will be further reviewed by the end of December 2015-in order to include additional information regarding waste management.
- 4.4 The pilot has been very successful to date and received encouraging feedback from project managers. The November 2015 report to the Health and Safety Joint Committee intends to further promote, endorse and embed this approach across London South Bank University.

	CONFIDENTIAL
	PAPER NO: BG.43(15)
Paper title:	Board Strategy Day draft report
Board/Committee	Board of Governors
Date of meeting:	21 October 2015
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	Jerry Cope, Chairman of the Board
Purpose:	To update the Board on key outcomes of the Board strategy day of 1 October 2015
Recommendation:	The Board is requested to note the report

Introduction

As part of its annual plan the Board holds a strategy day twice a year. The following notes are a record of the strategy day held on 1 October 2015.

Board strategy day notes – 1 October 2015

Present

Board of Governors (all day):

Jerry Cope (Chairman), David Phoenix (Vice Chancellor), Shachi Blakemore, Carol Hui, Douglas Denham St Pinnock, Neil Gorman, Hilary McCallion, Kevin McGrath, Mee Ling Ng, Abdi Osman (SU President), Andrea Smith (Student Governor) and James Smith.

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

Craig Barker, Dean of Law & Social Science
Janet Bohrer, Director of Academic Quality Development Office
Charles Egbu, Dean of Built Environment & Architecture
Sally Grimley, Head of Student Life Centre for Rob McGeechan, Director of Digital Technology Transformation
Gurpreet Jagpal, Director of Enterprise
Janet Jones, Dean of Arts & Creative Industries
Raymond Lee, Dean of Applied Sciences
David Mba, Dean of Engineering
Mike Molan, Pro Vice Chancellor (Enhancement), Dean of Business
Jenny Owen, Director of Education and Student Experience, Arts and Creative Industries
Lesley Roberts, Head of Skills for Learning
Tony Roberts, Head of Technical Services
Warren Turner, Dean PVC Health & Social Care

Members of the Executive (all day):

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

With: Michael Broadway, Governance Manager (*all day*)
Joanne Vas, Governance Assistant (*for sessions 1 and 2*)

Apologies:

Temi Ahmadu, Students' Union Vice President Academic
Shushma Patel, Director of Education and Student Experience, Engineering

Steve Balmont, Independent Governor
Stephen Barber, Reader and Programme Manager, Business
Rob McGeechan, Director of Digital Technology Transformation
Andrew Owen Independent Governor and Vice Chair of the Board

Joint Meeting of the Board of Governors and the Academic Board

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

Higher Education Green Paper – Potential Implications (session 1)

2. The Vice Chancellor updated on the delivery of the corporate strategy over the past 12 months. The Executive considered that, in light of the changing external environment, the goals in the corporate strategy were still appropriate.
3. The Higher Education Green Paper was due to be published on 15 October 2015. It is expected to cover:
 - a) marketisation of higher education and opening up to private sector providers;
 - b) the regulatory framework; and
 - c) the Teaching Excellence Framework (TEF).
4. The meeting noted that this would provide opportunities and challenges for LSBU. The meeting requested an update on the Green Paper after publication and its implications for LSBU.

Student experience (session 2)

5. An update was provided on projects to improve the student experience and deliver the student success aspects of the Corporate Strategy. Student engagement is important to deliver the projects. These included:
 - a) the learning pathway;
 - b) developing graduate attributes in line with LSBU values;
 - c) personal tutors for first year students;
 - d) the creation of central 'hubs' within each School; and
 - e) using learner analytics to identify and help students who may be at risk of withdrawing by appropriate interventions.

Meeting of the Board of Governors

Shape of University (session 3)

6. The Board discussed four key areas for the University's future development:
 - a) Size of the University
 - b) Courses offered (subject mix)
 - c) The mix of student level (undergraduate/postgraduate full time/part time)
 - d) The further education – higher education interface.

7. It was reaffirmed that in line with the corporate strategy it was recognised that LSBU should aim to be:
 - a) An outstanding educator;
 - b) At the forefront of particular academic disciplines through research and enterprise activity; and
 - c) A civic university addressing issues that are important for the local community.

8. The Board would discuss the section from the presentation on opportunities for organisational development at a future Board meeting.

Estates master plan (session 4)

9. The 10-15 year estates master plan was presented to the Board for discussion. This prioritised the 35 year estates master plan as presented to the Board at its strategy day of 23 April 2015. It was noted that the Southwark campus was in the middle of three major development zones which presented opportunities for the University.

10. The Board agreed that the following should be priorities for the estate:

1. St Georges Quarter – budget approx. £100m	Funded by disposal of Perry Library, Dante Rd & New Kent Rd
2. Redevelop Technopark – budget approx. £150m	Funded by London & Regional Properties (developing the adjacent Skipton Street site) or investment partner
3. Residences on Faraday – budget approx. £120m	Funded by debt finance

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|----|---|---|
| 4. | Refurbish London Road – budget approx. £20m | Funded by annual £20m capital provision |
|----|---|---|
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11. The St George's Quarter development would include a new academic building to house new library and new spaces for one of the Schools. It would be a new focal point at heart of campus and provide a presence on Borough Road and London Road. A business case would be developed for approval in Spring 2016.
 12. The sale of the Perry Library to L&R would help fund the St George's Quarter development. The Board authorised the Chief Operating Officer to continue to negotiate with L&R. The business case for the sale of Perry Library would be brought to the Board for approval.
 13. In addition, the University had the opportunity to enter into a Nominations Agreement with Delancey for up to 275 flats on the Elephant One site for rental as international student accommodation. A business case would be developed for approval before Christmas 2015.

Conclusions

14. The Chair welcomed the day's presentations which were at the right aspirational level and thanked everyone for their contributions.
15. The Board agreed that the joint meeting with the Academic Board had been helpful for all participants. Feedback from all participants on the joint meeting would be sought.

	PAPER NO: BG.44(15)	
Board/Committee:	Board of Governors	
Date:	21 October 2015	
Paper title:	Annual Conflicts of Interest Declarations	
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors	
Board sponsor:	Jerry Cope, Chairman of the Board of Governors	
Purpose:	To authorise declared interests of governors and Executive members	
Recommendation:	That the Board authorises the interests of its members.	
Matter previously considered by:	Annually by the Board	Nov 2013
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	The Register of Interests is published on the University's website	

Executive summary

1. Under the Companies Act 2006, governors have a duty to avoid a "situation" in which they have, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of LSBU, unless this has previously been authorised by the Board. Following a declaration process during October 2015 the Register of Interests has been updated and is attached for noting by the Board. Declarations have been made by governors and the Executive. Additions to and deletions from the register are highlighted in red.
2. The Board are requested to review existing interests and authorise new interests. Please note, that any new interests or changes to the authorised interests will need to be approved by unconflicted members of the Board.

3. When authorizing interests, unconflicted governors will need to consider whether to attach any conditions to the authorisation, for instance to not disclose confidential LSBU information.
4. Governors will continue to have a duty to inform the University Secretary if their interests change throughout the year.
5. Governors will also continue to have a duty to declare any conflicts of interest with items on the agenda at each meeting.
6. The Board is requested to authorise the declared situational conflicts of its members.

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Register of Interests 2014/15

INDEPENDENT GOVERNORS

Steve Balmont					
Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
The Law Debenture Pension Trust Corporation plc	Pensions	Director (paid)	2000		25/11/2010
<p>Note: The Law Debenture Pension Trust Corporation plc, of which Steve Balmont is a director, and Safecall Ltd, which provides an independent speak up line to the University, are both subsidiary companies of Law Debenture plc. As Chairman of the Audit Committee, Steve Balmont is the independent governor contact for issues raised through the reporting line provided by Safecall. Mr Balmont has confirmed that he has no day-to-day influence, control or contact with Safecall or any of its employees.</p>					
Civil Service Motoring Association		Principal Representative of Pension Scheme			25/11/2010
GSK		Principal Representative of Pension Schemes			25/11/2010
Taylor Wimpey		Principal Representative of Pension Scheme			25/11/2010
Kelda Water		Principal Representative of Pension Scheme			25/11/2010
Lloyds Register		Principal Representative of			25/11/2010

		Pension Scheme			
Low & Bonar Plc		Principal Representative of Pension Scheme			25/11/2010
Citigroup (Thomson Regional Newspapers)		Principal Representative of Pension Scheme			25/11/2010
Syngenta		Principal Representative of Pension Scheme			03/10/2012
DHL		Principal Representative of Pension Scheme			03/10/2012
Mitcham RUFC Limited	Sporting	Director	c1996		25/11/2010
PriceWaterhouseCooper LLP	Financial Services	Principal Representative to Three Trusts			24/11/2011
Western Power Distribution Group	Electricity distribution	Principal Representative of Pension Scheme			21/11/2013
Arjo Wiggins	Paper manufacturer	Principal Representative of Pension Scheme	2006		08/07/2014
EDF Energy Generation	Electricity generation	Principal Representative of Pension Scheme	2014		08/07/2014
Johnson Service Group Plc	Textile services and facility management	Principal Representative of Pension Scheme	2014		08/07/2014
Superannuation Arrangements of University of London	Pension Scheme for 49 Higher	Principal Representative of Pension Scheme	2014		08/07/2014

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	Education Institutions				
UK Power Networks	Electricity distributor	Principal Representative of Pension Scheme	2014		08/07/2014
Mercedes-Benz UK Limited	Manufacture and sale of motor vehicles	Principal Representative of Pension Schemes	2014		20/11/2014
Monarch Airlines	Airline	Principal Representative of Pension Scheme	2014		20/11/2014
Morgan Advanced Materials PLC	Engineering and ceramics	Principal Representative of Pension Schemes	September 2015		

Shachi Blakemore

Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
Buzzacott LLP	Accountancy	Employee (paid)	2005		21/11/2013
Croydon College	Further Education	Member of Audit Committee	2012		21/11/2013

Jerry Cope

Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
t-three Group	Leadership Consultancy	Director (paid) and shareholder	2006		20/11/2014
Postal & Logistics Consulting Worldwide	Logistics	Director and	2008		20/11/2014

	Consultancy	shareholder			
NHS Pay Review Body	Government body	Chair	2011		20/11/2014
Douglas Denham St Pinnock					
Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
Owengate Capital Ltd	Financial trading	Owner/director (paid)	1988		19/07/2012
Owengate Ltd	Financial trading	Owner/director	Pre1995	Dormant company	19/07/2012
Owengate Equipment Finance	Financial trading	Owner/director	Pre1995	Dormant company	19/07/2012
Council for the Defence of British Universities	Higher Education	Member	2012		21/03/2013
Owengate Environmental Ltd	Environmental systems integration and finance	Owner/director	2014		22/05/2014
Owengate Green Technology Ltd	Licensing, financing, manufacturing & maintaining green technology	Owner/director	July 2015		
AqSorp Investments Ltd	Licensing, financing, manufacturing & maintaining	Owner/director	July 2015		

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	green technology				
AqSorp Ltd	Licensing, financing, manufacturing & maintaining green technology	Owner/director	July 2015	AqSorp Ltd has employed Mercian Ltd to manufacture green technology – Mercian retains LSBU Emeritus Professor Martin Chaplin	
Neil Gorman					
Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
HED llp	Higher Education Data	Chairman	July 2014		20/11/2014
Oakham School	School	Trustee	Sept 2013		20/11/2014
Carol Hui					
Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
Heathrow Airport Limited	Airport	Director and employee	March 2009		14/05/2015
Robert Walters plc	International	Non-Executive	January 2012		14/05/2015

	Recruitment Consultancy	Director			
Action for Blind People	Charity for blind and visually impaired people	Director and Trustee	July 2011		14/05/2015
Hilary McCallion					
Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
Hilary McCallion Consultancy Limited	Healthcare Consultancy	Owner and director (remunerated)	April 2013	Provision of service to NHS and possibly Educational bodies	18/07/2013
Bucks New University	HE	Visiting Professor			18/07/2013
King's College, London	HE	Visiting Professor			18/07/2013
London South Bank University	HE	Daughter is a student – Children's Nursing			21/11/2013
Dementia UK	Charity	Trustee	December 2013		20/11/2014
Bethlem Museum of the Mind	Museum, art, archives provision	Trustee	June 2012		20/11/2014

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Kevin McGrath

Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
National Education Trust	Charity	Trustee	2005		
Amlaps Intcas ltd	Education – linking student and educational institutions	Non-executive director	2012		
Phoenix High School	School	Governor	2012		

Mee Ling Ng

Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
Habinteg Housing Association Ltd	Housing	Director	July 2011		18/07/2013
Mulan Foundation Network	Charitable Trust	Trustee	Nov 2011		21/11/2013

Andrew Owen

No interests to declare

James Smith					
Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
Conservatoire for Dance and Drama	Higher Education Institution	Chair of Board of Governors	2011		19/07/2012
Carbon Trust	Provision of services to accelerate the move to a low carbon economy	Chair of the Board	2010		19/07/2012
Science Museum Group		Trustee	2011		19/07/2012
South Bank University Enterprises Ltd	Enterprise subsidiary of LSBU	Chairman	2012		19/07/2012
Grantham Institute		Chair of the advisory board			03/10/2012
EPSRC transition pathways		Chair of the advisory board			03/10/2012
Association for Black Engineers UK		Chair of the advisory board			03/10/2012
UCL Energy Institute		Member of the advisory board			03/10/2012
Liverpool School of Tropical Medicine		Vice president			03/10/2012
Museum of Science and Industry	Museum	Chair of advisory board	March 2013		21/11/2013

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Imperial College Energy Futures Lab		Member of the advisory board			21/11/2013
The Energy Institute	Learned Society	Member of Finance Committee	June 2013		20/11/2014
Science Council	Learned Society	Chair of strategy board for equality and inclusion	November 2013		20/11/2014

VICE CHANCELLOR AND CHIEF EXECUTIVE

Professor David Phoenix					
Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
Higher Education Funding Council for England (HEFCE)	HE	Teaching & Quality Committee Member	2013		20/03/2014
Academy of Social Science		Policy Group member	2013		20/03/2014
Government Equalities Office	Government	Ambassador	2010		20/03/2014
Million+	Think tank	Chair			
Kings College	NHS Trust	Visiting Professor			20/11/2014
SiChuan University	University	Chair			20/11/2014
University of Central Lancashire	University	Visiting professor			20/11/2014
University Academy of Engineering South Bank	Secondary School	Member			20/11/2014
South Bank Engineering UTC Trust	Secondary School	Member			20/11/2014
Science Museum Group	Museums	Trustee	2015		14/05/2015
British University in Egypt	HE	Trustee	Oct 2015		

STUDENT GOVERNORS
Abdi Osman

 No interests to declare

EXECUTIVE MEMBERS

Pat Bailey – Deputy Vice Chancellor					
Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
Harper Adams University	HE	Member of Board of Governors	2010		20/11/2014
Mandy Eddolls –Executive Director of Organisational Development and HR					
Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
Anderson Eddolls HR Services Ltd	HR Consultancy	Director	2013	Company moribund at present. Husband also a director of the company	

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Bron Afon Housing Association	Community housing provider	Independent Board member	12 October 2015		
Susan Braithwaite	Development coach	Friend		Occasional provider of Exec coaching. Decision to continue services and to sign the purchase order does not rest with Mandy.	
Richard Flatman – Chief Financial Officer					
Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
South Bank University Enterprises Ltd	Commercial arm of LSBU	Director	2002		25/11/2010
London Knowledge Innovation Centre	Incubator	Director	2007		25/11/2010
London Strategy Ltd	Dormant	Director	2002		25/11/2010
South Bank Engineering UTC Trust	Secondary education	Director	Nov 2014		

		(intention to become)			
Paul Ivey – Pro Vice Chancellor (Research and External Engagement)					
Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
Collaborate CIC	Public Sector partnerships	LSBU Board representative	November 2014		
South Bank University Enterprises Limited	Commercial arm of LSBU	Director	2014		
London Higher Access HE	HE Access	Vice Chair (designate)	May 2015		
Emirates Aviation University	Higher Education	Visiting Professor	2010		20/11/2014
Ian Mehrtens – Chief Operating Officer					
<i>No interests to declare</i>					
James Stevenson – University Secretary					
Organisation with which connected	Sector	Relationship with organisation	As of date	Notes	Date authorised by Board
South Bank University Enterprises Limited	Commercial arm of LSBU	Company Secretary	2011		21/11/2013
South Bank Engineering UTC Trust	Secondary education	Director	Nov 2014		20/11/2014

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Shân Wareing – Pro Vice Chancellor (Education and Student Experience)

No interests to declare

	PAPER NO: BG.45(15)	
Paper title:	Board composition, succession planning and Academic Board membership	
Board/Committee:	Board of Governors	
Date:	21 October 2015	
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors	
Board sponsor:	Jerry Cope, Chairman of the Board	
Purpose:	To update the Board on its membership, succession planning and membership of the Academic Board	
Recommendation:	<p>That the Board notes:</p> <ul style="list-style-type: none"> • the Board membership for 2015/16; • succession planning to fill the two vacancies; and • Academic Board membership for 2015/16. 	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A

Executive Summary

There are currently two vacancies for independent governors. These vacancies have been advertised on Sunday Times online and Guardian online. There was a good selection of candidates. The Nomination Committee will meet on 21 October 2015, ahead of the Board meeting to discuss candidates.

There are currently two staff governor vacancies on the Board. These will be recommended by the Academic Board.

The Academic Board membership was revised following the governance effectiveness review. This included five nominated positions. All positions on the Academic Board have been now been filled.

Attachments:

- Board membership, 2015/16
- Academic Board membership, 2015/16

Current Board composition and membership

The Board is composed of up to 13 independent governors, the Vice Chancellor, 2 student governors and 2 staff governors. Its current membership is:

Independent Governors

Jerry Cope Chairman of the Board
Andrew Owen Vice Chair of the Board
Steve Balmont
Shachi Blakemore
Douglas Denham St Pinnock
Neil Gorman
Carol Hui
Hilary McCallion
Kevin McGrath
Mee Ling Ng
James Smith
2 vacancies

Vice Chancellor

David Phoenix

Student Governors

Abdi Osman SU President
Andrea Smith Chair of Student Council

Staff Governors

2 vacancies – to be recommended by the Academic Board

Academic Board membership

Holders of Senior Posts (4)	Vice Chancellor (chair)	Dave Phoenix
	Deputy Vice Chancellor	Pat Bailey
	Pro Vice Chancellor (Education and Student Experience)	Shân Wareing
	Pro Vice Chancellor (Research and External Engagement)	Paul Ivey
Senior Academic Staff and Professors (8)	Deans (x7)	Craig Barker Charles Egbu Janet Jones Raymond Lee David Mba Mike Molan Warren Turner
	Nominated professor (x1)	Shushma Patel
Academic and Research staff (2)	Nominated academic staff member (x1)	Jenny Owen
	Nominated research staff member (x1)	Stephen Barber
Non-teaching staff (4)	Director of Research and Enterprise	Gurpreet Jagpal
	Director of Academic Quality Development	Janet Bohrer
	Director of Student Support and Employability	[Not in post]
	Nominated member of professional staff	Lesley Roberts
Technician (1)	Nominated member of technical staff	Tony Roberts
Students (2)	Students' Union President	Abdi Osman
	Students' Union Vice President (Education)	Temi Ahmadu

	PAPER NO: BG.46(15)
Paper title:	Board plan for recurring and compliance matters for 2015/16
Board/Committee	Board of Governors
Date of meeting:	21 October 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 its business plan for the financial and academic year
Recommendation:	The Board is requested to note the plan

Introduction

The Board's business plan is based on its primary responsibilities and the Matters reserved to the Board.

The plan covers recurring and compliance matters for 2015/16. Significant investments or ad hoc items will be discussed as required.

The Board is requested to note its annual business plan.

Board plan for recurring and compliance matters for 2015/16

Item	Meeting				
	21/10/15	26/11/15	17/3/16	19/5/16	14/7/16
Key items for discussion					
Vice Chancellor's Report (including student recruitment)	✓	✓	✓	✓	✓
CFO's report with management accounts summary	✓	✓	✓	✓	✓
KPI results for previous year; KPI targets for next year		✓			
KPI report with management commentary		✓		✓	
Budget					✓
Compliance items					
HEFCE annual accountability return		✓			
HEFCE annual accountability return - mid year return - 5 year forecasts					✓
HEFCE Grant Settlement				✓	
HEFCE Risk Assessment				✓	
Health and Safety annual report					✓
Equality and Diversity review				✓	
Risk – annual detailed review	✓				
Risk appetite annual review				✓	
Corporate Risk Register	✓	✓	✓	✓	✓
Student Complaints report		✓			
National Pay negotiations				✓	
Board Strategy Day report	✓			✓	

Item	Meeting				
	21/10/15	26/11/15	17/3/16	19/5/16	14/7/16
Annual declaration of interests	✓				
Reports on decisions of committees	✓	✓	✓	✓	✓
SU elections results and report				✓	
Board composition, succession planning and regulations for appointments	✓				
Year end items					
Annual Report and Accounts		✓			
External audit findings		✓			
External audit letter of representation		✓			
External audit management letter		✓			
Audit Committee Annual Report to Board		✓			