

Meeting of the Finance, Planning and Resources Committee

4.00 pm on Tuesday, 26 September 2017
in 1B16 - Technopark, SE1 6LN

Agenda

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1.	Welcome and Apologies		HM
2.	Declarations of Interest		HM
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	Finance		
5.	Management Accounts to 31 July 2017	11 - 18	RF
6.	Student Recruitment Update	To Follow	NL
7.	Key performance indicators - strategic enablers	19 - 22	RF
8.	Treasury Management report	23 - 28	RF
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9.	Strategic HR report	29 - 34	ME
	Administration		
10.	Committee business plan	35 - 42	HM
11.	Terms of reference and committee membership	43 - 46	HM
12.	Insurance claims (to note)	47 - 52	RF
13.	Any Other Business		

Date of next meeting
4.00 pm on Tuesday, 14 November 2017

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

In attendance: Pat Bailey, Mandy Eddolls, Richard Flatman, Nicole Louis, James Stevenson and Michael Broadway

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	CONFIDENTIAL
Paper title:	Minutes and proposed redactions
Board/Committee	Finance, Planning and Resources Committee
Date of meeting:	26 September 2017
Author:	Michael Broadway, Deputy University Secretary
Executive/Operations sponsor:	James Stevenson, University Secretary
Purpose:	Information
Recommendation:	The meeting is requested to approve the minutes and proposed redactions, marked in grey.

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**Minutes of the meeting of the Finance, Planning and Resources Committee
held at 4.00 pm on Tuesday, 27 June 2017
1B16 - Technopark, SE1 6LN**

Present

Andrew Owen (Chair)
Temi Ahmadu
Jerry Cope
Michael Cutbill
Hilary McCallion
Mee Ling Ng
David Phoenix

Apologies

Neil Gorman
Jenny Owen

In attendance

Pat Bailey
Mandy Eddolls
Richard Flatman
Nicole Louis
Ian Mehrtens
Ralph Sanders
James Stevenson
Shân Wareing
Megan Evans

1. Welcome and Apologies

The Chair welcomed members to the meeting. Chair-designate Hilary McCallion joined the meeting. Apologies were received from Neil Gorman and Jenny Owen.

2. Declarations of Interest

There were no declarations of interest.

3. Minutes from the last meeting

The minutes of the meeting were approved, subject to a minor amendment. There were no redactions.

4. Matters Arising

There were no matters arising from the minutes.

5. **Budget 2017/18**

The committee discussed the proposed budget for 2017/18. It was noted that the surplus is consistent with the updated five-year forecasts.

There was a detailed discussion about staffing costs. The forecast for 2016/17 shows staffing costs at £81.9m, compared to the actual costs of £77.5m. The 2017/18 proposed staffing costs is £84m (£82.5m excluding the £1.5m restructuring fund) which includes a 4% increase for Professional Service groups and an 8% increase for Schools, to provide more flexibility around recruitment. The committee asked for Executive to consider ways on linking increments more closely to performance.

The committee noted that the Executive is reviewing the overall pay and reward package to provide more flexible benefits.

Whilst acknowledging that the income forecast targets are in line with the corporate KPIs, the committee noted the ambitious growth targets in 2019/20. The committee noted that the TEF Silver award could allow for fee inflation.

The committee requested school-level analysis of the budget to come to a future meeting.

The committee recommended the budget for approval to the Board of Governors meeting on 13 July 2017.

6. **Five-year forecasts**

The committee discussed the Five-Year Forecasts, which were in line with those presented at the Board Strategy Day in April 2017. The committee noted that the forecasts do not currently take into account any potential work with Lambeth College or the impact of wider estates development.

The committee recommended the forecasts to the Board of Governors on 13 July 2017 for approval.

7. **Management Accounts to 31 May 2017**

The committee reviewed the management accounts to 31 May 2017, noting the forecast of a £1m surplus in 2016/17.

The committee noted that communications to staff about levels of investment were continuing.

8. **Student Recruitment Update**

The committee noted the student recruitment update. Applications were 17% down on the previous year. The focus now was on conversion and clearing.

The committee noted that the Clearing cycle will open on 3 July 2017. It is anticipated that around 1000 places will be needed via Clearing.

The committee noted that recruitment for commissioned health courses was down on last year but that recruitment had increased for non-commissioned health courses.

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

The committee noted the strategic enablers. The change in the customer service index was due to a change in benchmarking noted at a previous meeting.

10. **Employee Engagement Pulse survey update**

The committee noted a presentation on the results of the Employee Engagement Pulse survey, noting that the overall engagement score of 62% was up on the previous survey. The committee noted the sector comparison and that actions were being taken through Employee Engagement action plans.

11. **Workforce planning**

The committee noted the report, consistent themes around middle-tier management capability and resources and linked to the Roadmaps. Deans and Directors are developing action plans local workforce action plans to address the issues raised.

12. **Chief Operating Officer's report**

The committee noted the report, including: the effective and quick response to the recent ransomware attack. Following the Grenfell Tower fire, a review of fire safety is taking place.

The Executive was reviewing the University's response to recent terrorist incidents.

13. **Financial regulations review**

The committee noted minor changes to the financial regulations, including changes to sections on non-disclosure agreements, memoranda of understanding and anti-money laundering regulations.

14. **Insurance renewals**

The committee noted the insurance renewals for 2017/18 and continued membership of the LUPC.

15. **Any Other Business**

The Chair noted that this would be Temi Ahmadu's last meeting as her term as president was ending. He thanked her for her contribution to the committee.

The committee noted that this was the final committee meeting of the Chair and thanked him for his effective leadership of the committee.

**Date of next meeting
4.00 pm, on Tuesday, 26 September 2017**

Confirmed as a true record

..... (Chair)

**FINANCE, PLANNING AND RESOURCES COMMITTEE - TUESDAY, 27 JUNE 2017
ACTION SHEET**

Agenda No	Agenda/Decision Item	Action	Date Due	Officer	Action Status
5.	Budget 2017/18	To provide school-level analysis of the budget to a future meeting		Richard Flatman	To do
11.	Workforce planning	To provide a progress report on workforce planning to next meeting	26 Sep 2017	Mandy Eddolls	Completed. Part of strategic HR report
12.	Chief Operating Officer's report	Update to governors on fire safety review and response to London Bridge terrorist incident		Ian Mehrtens	Completed. Email sent to Board on 25 August 2017

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	CONFIDENTIAL
Paper title:	Management Accounts (July)
Board/Committee	Finance, Planning and Resources Committee
Date of meeting:	26 September 2017
Author:	Ralph Sanders Director of Financial Planning, Reporting & Registry
Executive/Operations sponsor:	Richard Flatman CFO
Purpose:	To update the FPR Committee on the current financial position of the University and any risks to our future financial performance.
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	Goal 8 Resources & Infrastructure Income Growth of 25% to £170m in the Academic Year 20/21 delivering an operating surplus of 5% and EBITDA of 15%
Recommendation:	FPR is requested to note

Executive Summary

The Year End position is still subject to audit, however the current draft position for the 2016/17 Academic Year is a surplus of £1.8M. This compares to a June Forecast of £1.5M and a budgeted surplus of £1M.

This position will deliver EBITDA at 12.0% which is ahead of both the 11.8% delivered in 15/16 and the target for 16/17 of 11.7%. Our recurring staff cost expressed as a % of income is likely to be 54.3% which is below the 55% target set by the Board of Governors and marginally better than the 54.4% delivered last year.

The University also ended the year with cash and investments of £48.3M. This is the 4th year in a row that we have ended the year with approximately £50M of liquidity.

We have also met our corporate income target of £144.5M, Research Income is 22% ahead of the comparable position in 15/16, Post Graduate Income is 20% ahead, Overseas and TNE income is 14% ahead, HSC Contract income is 3% ahead.

In terms of next steps

- 1) We are communicating a positive message about the Finances of the organisation in 16/17 and thanking members of the team for delivering ahead of budget in what was a challenging year for us
- 2) We are communicating a cautious message with respect to this year's expenditure and investments given the likely under-recruitment in Home / EU Undergraduates and the delay in Apprenticeship standards being launched.

July Executive Summary

1) This Executive Summary reports on the draft financial position of London South Bank University as at 31 July 2017. The position remains subject to audit.

2) RAG Status

Income Growth	5.2%	Staff Cost Growth	5.1%	Staff Cost %	54.3%	Opex Growth	7.0%	FYF Surplus	1.2%	EBITDA	12.0%
	<i>excluding Hanban</i>		<i>excluding restructuring</i>		<i>excluding restructuring</i>		<i>excluding Hanban</i>				

3) Summary

The current Year End position for the 2016/17 Academic Year is a surplus of £1.8M. This compares to a June Forecast of £1.5M and a budgeted surplus of £1M

This position will deliver EBITDA at 12.0% which is ahead of the 11.8% delivered in 15/16 and the target for 16/17 of 11.7%. Our recurring staff cost expressed as a % of income is likely to be 54.3% which is below the 55% target set by the Board of Governors and marginally better than the 54.4% delivered last year. The University also ended the year with cash and investments of £48.3M. This is the 4th year in a row that we have ended the year with approximately £50M of liquidity.

As well as exceeding the £1M budgeted surplus, we have also met our corporate income target of £144.5M, this represents year on year income growth in excess of 5%. Research Income is 22% ahead of the comparable position in 15/16, Post Graduate Income is 20% ahead, Overseas and TNE income is 14% ahead, HSC Contract income is 3% ahead and each of these 4 income streams has finished the year ahead of budget. These improvements largely offset reductions against budget in Home / EU Undergraduate Fees and Enterprise income.

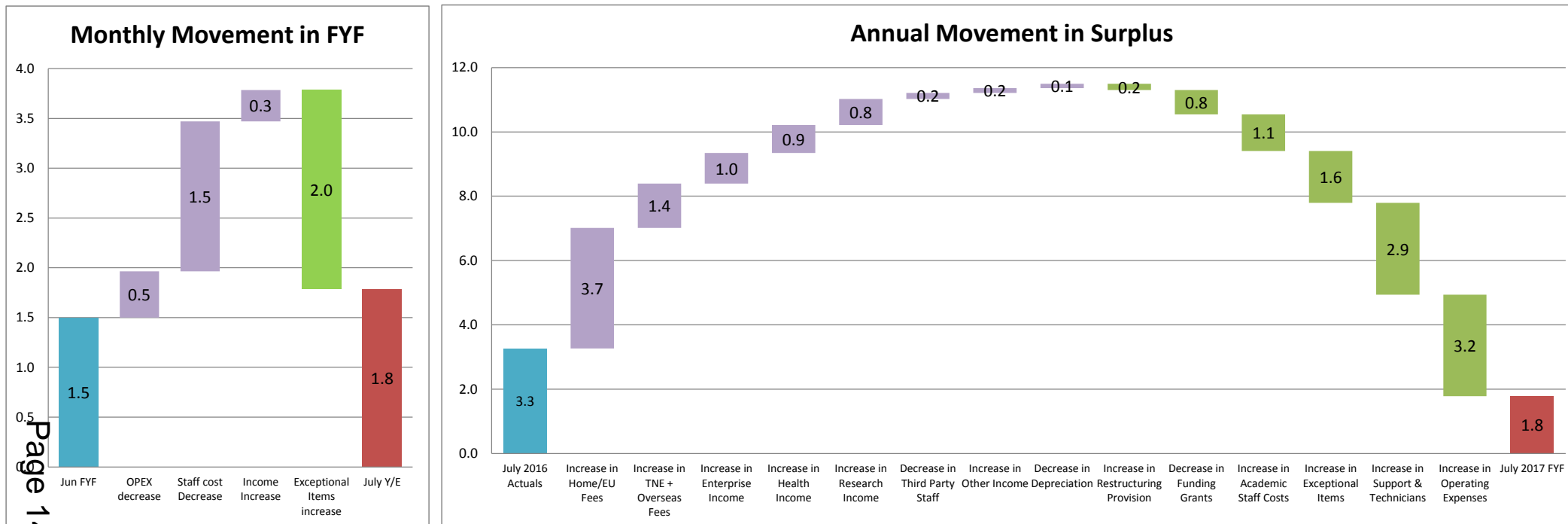
4) Table 1: Full Year Forecast vs. Budget

Financial Summary in £'m	15/16 Actuals	16/17 Budget	Change to 15/16	Change %	Jun 16/17 Forecast	Monthly Move	Jul 16/17 Year End	variance to Budget	Budget variance%	Change to 15/16	Change %
Funding Grants	13.3	12.8	-0.5	-4%	12.9	-0.3	12.6	-0.3	-2%	-0.8	-6%
Health - Contract	25.1	25.5	0.4	2%	26.0	-0.1	26.0	0.4	2%	0.9	3%
Home / EU UG Fees	57.2	60.7	3.5	6%	59.4	0.0	59.4	-1.3	-2%	2.2	4%
Home / EU PG Fees	7.7	8.2	0.5	7%	9.1	0.2	9.3	1.0	13%	1.6	20%
Overseas + TNE Fees	9.8	10.7	0.9	9%	11.2	-0.0	11.2	0.5	5%	1.4	14%
Research Activities	3.7	4.4	0.7	18%	4.1	0.4	4.5	0.1	3%	0.8	22%
Enterprise Activities	7.8	9.9	2.2	28%	8.5	0.2	8.7	-1.2	-12%	1.0	12%
Student Related Income	11.1	11.4	0.4	4%	11.4	0.1	11.6	0.1	1%	0.5	5%
Other Operating Income	1.4	1.3	-0.0	-3%	1.3	-0.1	1.1	-0.2	-14%	-0.2	-16%
Endowments & Interest	0.3	0.2	-0.1	-40%	0.2	-0.0	0.2	-0.0	-1%	-0.1	-41%
Income	137.3	145.3	8.0	6%	144.2	0.3	144.5	-0.8	-1%	7.2	5%
in £'m											
Academic Staff Costs	38.3	42.5	4.3	11%	39.6	-0.2	39.4	-3.1	-7%	1.1	3%
Support & Technicians	33.5	38.1	4.5	14%	36.3	0.1	36.4	-1.7	-4%	2.9	9%
Third Party Staff	2.9	1.6	-1.3	-44%	2.5	0.2	2.7	1.1	68%	-0.2	-7%
Restructuring Provision	-0.2	1.6	1.8		1.5	-1.6	-0.0	-1.6	-101%	0.2	
Depreciation	9.7	9.8	0.1	1%	11.0	-1.4	9.6	-0.2	-2%	-0.1	-1%
Operating Expenses	45.1	45.8	0.8	2%	46.7	1.5	48.2	2.4	5%	3.2	7%
Interest Payable	4.8	4.8	0.0	0%	4.8	-0.4	4.4	-0.4	-9%	-0.4	-8%
Exceptional Items	0.0	0.1	0.1	0%	0.1	1.9	2.0	1.9	2011%	2.0	0%
Expenditure	134.1	144.3	10.2	8%	142.7	0.0	142.7	-1.6	-1%	8.6	6%
Surplus for the year	3.3	1.0	-2.3	-69%	1.5	0.3	1.8	0.8	79%	-1.5	-45%
Surplus as % of income	2.4%	0.7%			1.0%		1.2%				
Surplus per student FTE	£221.1	£71.4			£109.6		£134.1				

There are a number of large movements this year end. The reduction in Restructuring Provision is due to changes in the FRS 102 Holiday Accrual which has covered the cost of this years redundancy provision. The reduction in Depreciation is due to the delay in projected capital expenditure, whilst the large movement in Operating Expenses is due to the demolition costs of Hugh Astor Court and expensing some of our in year infrastructure projects. The increase in Exceptional Items is the write off of some of the costs associated with the St George's Quarter development and will also cover the cost of writing off a number of Fixed Assets following an impairment review.

5) Forecast Summary

As compared to 15/16 we are now forecasting a £7.2M increase in Income, a £8.6M increase in total Expenses and so a reduction of £1.5M in our annual surplus.



In terms of our year on year position, the University is now likely to finish with a £3.7M increase in Home/EU fees, a £1.4M increase in Overseas and TNE income, a £1.0M increase in Enterprise income, a £0.9M increase in Health Contract income, a £0.8M increase in Research income and a £0.2M increase in Other income. The University has spent £0.2M less on Third Party staff and £0.1M less on depreciation than last year. These income increases and expense reductions have been used to fund an increase of £0.2M in our restructuring provision, a reduction of £0.8M in HEFCE funding grants, a £1.1M increase in academic staff a £1.6M increase in exceptional items related to asset write offs, a £1.1M increase in Support Staff within the Schools and £1.8M increase in support staff with the Professional Functions. The University is also now forecast to increase its Operating Expenses year on year by £3.2M. A portion of this increase is due to the write off of strategic investments and demolition costs.

7) Contribution Analysis

The current forecast contribution for the year is £1.5M behind the 15/16 position. This reduction in target surplus is due to finishing 15/16 in a much better position than anticipated rather than a deliberate reduction in contribution when we set the 16/17 budget. It should be noted that the decisions that we have collectively taken to expense the development stage of our current Estate Development Plan as well as review some of the older assets on our balance sheet have reduced our surplus by over £3M. If we exclude the impact of these decisions we would have generated a surplus that would be at least £1.5M better than that achieved in 15/16

Contribution per School across Teaching, Research and Enterprise activities

	Applied Sciences		Arts and Creative Industries		Built Environment & Architecture		Business		Engineering		Health & Social Care		Law & Social Sciences		Total All Schools	
	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF
Income (M)	£11.3	£11.2	£9.5	£10.5	£16.3	£18.2	£16.6	£17.4	£19.1	£18.5	£32.7	£33.9	£14.6	£14.8	£120.2	£124.5
Expenditure (M)	£5.2	£5.4	£4.2	£5.1	£6.8	£7.0	£7.3	£7.9	£9.2	£9.6	£17.5	£19.7	£6.5	£6.9	£56.8	£61.4
Contribution (M)	£6.1	£5.9	£5.3	£5.4	£9.5	£11.2	£9.2	£9.5	£9.9	£8.9	£15.2	£14.2	£8.1	£8.0	£63.4	£63.1
Contribution %	54%	52%	56%	52%	58%	62%	56%	55%	52%	48%	46%	42%	56%	54%	53%	51%

In 15/16, 5 of the 7 Schools delivered better than budget and the Schools portfolio as a whole finished the year £1M or 2% better than budgeted contribution. In 16/17 6 of the 7 Schools and the School's apprenticeship team finished ahead of budget and delivered an additional £1.5M contribution. Overall the Schools delivered £4.4M of additional income which was used to fund £4.7M of additional Expenses and so we have continued the current strategy of investing in the Schools to deliver a better academic experience for students.

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

Contribution per School across Teaching activity only (excluding TNE)

	Applied Sciences		Arts and Creative Industries		Built Environment & Architecture		Business		Engineering		Health & Social Care		Law & Social Sciences		Total All Schools	
	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF
Teaching Income (M)	£10.8	£10.5	£9.2	£10.1	£15.4	£16.8	£15.5	£16.6	£16.7	£15.6	£28.6	£29.8	£13.9	£14.4	£110.1	£113.8
Teaching Staff (M)	£3.2	£3.0	£2.4	£2.8	£3.9	£3.8	£4.9	£4.9	£4.5	£4.6	£11.6	£12.7	£4.4	£4.5	£35.0	£36.3
Teaching Expenditure (M)	£1.5	£1.7	£1.4	£1.8	£2.0	£1.9	£2.5	£3.0	£2.6	£2.7	£4.0	£4.6	£1.7	£1.9	£15.6	£17.6
Teaching Contribution (M)	£6.1	£5.8	£5.4	£5.5	£9.5	£11.1	£8.2	£8.7	£9.6	£8.3	£12.9	£12.5	£7.8	£8.0	£59.5	£59.9
Contribution %	56%	55%	59%	55%	61%	66%	53%	53%	58%	53%	45%	42%	56%	56%	54%	53%
Student FTE	1,180	1,117	1,043	1,115	1,724	1,841	2,131	2,144	1,671	1,593	3,807	3,889	1,662	1,617	13,218	13,316
Contribution per Stud FTE	£5,200	£5,200	£5,100	£4,900	£5,500	£6,000	£3,800	£4,100	£5,800	£5,200	£3,400	£3,200	£4,700	£5,000	£4,500	£4,500
Return on Academic Investment	191%	191%	221%	197%	242%	289%	167%	178%	215%	181%	111%	99%	178%	180%	170%	165%

The Teaching staffing costs reported above exclude any technicians, administration or research staff and demonstrate that the School of the Built Environment & Architecture is significantly ahead of the School's average when measured in Return on Academic Investment, whilst the School of Health & Social Care is significantly behind the other Schools. In terms of contribution per student, the Schools of the Built Environment & Architecture, Applied Science and Engineering are significantly ahead of the average School position although their costs do not include the cost of centrally funded Labs and Technicians.

8) Student Number Analysis

In terms of Student headcount we recruited 8,247 New Home / EU Students in 16/17 which is 4% ahead of the 15/16 recruitment position and finished the year with 8,873 Continuing Home/ EU students which is 4% ahead of last year. There has been a decline in Overseas student recruitment which was 4% down on 15/16 although we have recruited more Overseas Post Graduate students than last year. In terms of continuing Overseas students we finished the year with more Undergraduates than 15/16 whilst our Full Time Post Graduate population was broadly the same as 15/16.

9) Student Withdrawal Analysis

In 15/16 we refunded £3.6M in income to students who Withdrew or Interrupted, this represented 4.9% of total Tuition Fee income. We had budgeted for £3.5M of refunds in 16/17 but finished the year with £4.2M of refunds. This represents a 17% increase year on year and 5.4% of total Tuition Fee income.

Academic year	FY Withdrawals
13/14	1,092
14/15	1,102
15/16	1,025
16/17	1,183

'Lost Fee Income' in £000K	15/16	16/17 % change	% T Inc		15/16	16/17 % change	% T Inc		
Applied Science	£478	£552	15.5%	6.0%	Engineering	£600	£834	39.0%	6.4%
Arts and Creative Industries	£432	£429	-0.7%	4.6%	Health & Social Care	£132	£221	67.4%	6.4%
Built Environment & Architecture	£523	£612	17.0%	4.2%	Law & Social Sciences	£668	£642	-3.9%	4.8%
Business	£747	£899	20.3%	5.7%	Total	£3,580	£4,189	17.0%	5.4%

10) Income Analysis

All of the Schools increased their income as compared to last months forecast. Some of this increase was due to the release of provision for refunds particularly against Post Graduate income. The biggest driver in the Schools however was an increase in Research and Enterprise income as we finalised the claims for the year. There was an increase in student related income which was driven by the success of the residence team. The income reduction in FUNI was due to a provision that we took with regards to our HEFCE funding grant.

11) Staff Cost Analysis

In terms of staffing we are now likely to finish the year with a cost of £78.5M. This is slightly higher than the £77.5M that we have been forecasting all year. This is due to the FRS 17 pension adjustment, the staffing costs associated with expensing some of our strategic investments and additional 3rd party staff in areas such as ICT that have been brought in to finish off some of our strategic projects. In terms of the restructuring provision this will total £600K for the year, we have also taken a charge of £1.7M for the Holiday accrual under FRS 102. However we have released last years holiday accrual and this has covered both of these costs and the LPFA pension adjustment.

This year we have increased our expenditure on Academic Staff by 3% and our expenditure on Support and Technicians by 8.5%. The increase in support costs includes growth within the Schools and Professional Functions. In terms of Third party staff this has increased in the schools which is primarily driven by the seconded staff within the School of Health & Social Care. Overall there has been a reduction of third party staff in the professional functions and there could be significant VAT savings if we transfer this activity to our in-house recruitment company

12) Operating Expense Analysis

In terms of Operating Expenses, we finished the year with an increase of £3.1M as compared to 15/16. This is higher than the £1.6M increase that we have been forecasting. The increase is due to the £1M of costs associated with the demolition of Hugh Astor Court as well as expensing some of our ICT infrastructure projects and expensing investments in Technical labs and Student PCs. This action is why the Maintenance, Equipment and Computing lines are significantly over budget. Student Recruitment costs were over budget due to increased Overseas Agent fees as a result of beating our overseas recruitment targets, Bursaries and Scholarship costs were also significantly ahead of last year as we invest in individual students.

13) Budget Analysis

There are 32 distinct areas of the University that have separate budgets and each area is expected to deliver to their Budget. Numbers in red on page 8 indicate either a shortfall in income against budget or additional costs that are being incurred. 6 of the 7 Schools are forecast to deliver on or ahead of budget, as are 15 areas within the Professional Functions whilst 8 areas within this grouping are expected to finish the year in a deficit position.

LONDON SOUTH BANK UNIVERSITY / ENTERPRISES

Management Summary Report from August 2016 To The End Of July 2017

Full Year Outturn Last Year (£)	Description	FULL YEAR				16/17 vs 15/16	
		2016 Actuals (£)	2016 Budget (£)	Variance - Actuals to Budget (£) %		Year On Year Change (£) %	
-137,327,251	Total Income	-144,478,035	-145,283,689	(805,654)	(1%)	7,150,783	5%
74,501,119	Total Staff Costs	78,499,118	83,774,882	5,275,763	6%	(3,997,999)	(5%)
9,749,153	Total Depreciation	9,619,774	9,810,653	190,879	2%	129,378	1%
45,052,241	Total Other Operating Expenses	48,204,964	45,826,848	(2,378,116)	(5%)	(3,152,723)	(7%)
4,755,431	Total Interest Payable	4,368,590	4,777,152	408,562	9%	386,841	8%
	Total Exceptional Items	2,000,000	94,755	(1,905,245)	(2,011%)	(2,000,000)	
-3,269,308	Contribution	-1,785,588	-1,000,000	785,588	79%	(1,483,720)	(45%)
54.4%	Recurring Staff costs as % of income	54.3%	56.6%				
2.4%	Contribution %	1.2%	0.7%				

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Agenda Item 7

	CONFIDENTIAL
Paper title:	Key Performance Indicators – Strategic Enablers
Board/Committee	Financial Planning & Resources Committee
Date of meeting:	26 th September 2017
Author:	John Baker – Corporate & Business Planning Manager
Executive/Operations sponsor:	Richard Flatman – Chief Financial Officer
Purpose:	To present the latest performance figures for the KPIs for Strategic Enablers for the 16/17 cycle, as at July 31 st 2017. (Performance figures for the other goal KPIs are provided for information).
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	The indicators help to track institutional progress across all sections of the Corporate Strategy.
Recommendation:	The Committee is requested to note this report.

Executive Summary:

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

Financial outturn figures have been provided (*for KPIs 8,9,17 & 20 - 22*) to reflect the data in the management accounts pack for September Ops board. (*NB: These are provisional pending the external audit process*).

Where no new results have been received, the 16/17 column remains grey, and the 15/16 column indicates the most recent institutional performance against this metric.

A direction of travel indicator is provided after the result column to show the direction of travel from the result in the previous year.

The Committee is requested to note the report.

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		Report Date		14th September 2017		Benchmark	Past Performance Baselines			Target	Result	DoT	Ambition		16/17 Rating Criteria		
Out comes	#	Corporate Strategy Goals	20/20 Success Measures	#	Key Performance Indicators	Competitor Group 12/13 average	13/14	14/15	15/16	16/17			20/21	Exec. Lead	Green	Amber	Red
Student Success	1	Teaching and Learning	Top 50% of universities for graduate employment / starting salaries.	1	Graduate level employment &/or Further study (EPI population)	n/a (local indicator)	49%	68%	76.0%	77%	82.1%	↑	80%	PVC (SE)	77 % +	72 - 76 %	<72 %
	2	Student Experience	Top quartile of all universities in NSS	2	NSS scores – overall satisfaction (First Degree respondents)	81.7%	80%	82%	82%	84%	82%	→	89%	DVC	84 % +	82 - 83 %	< 82 %
				3	International Student barometer (% recommending LSBU)	not available	72.40%		77%	78%	77%	→	81%		78% +	74 - 77%	< 74 %
				4	PGT experience (% satisfaction)	not available	77%	74%	74%	76%			82%		76 % +	73- 75 %	< 73 %
				5	Student Staff Ratio	21.2	17.2:1	16.4:1	17:1	17.5:1			18:1		<=17.5	17.5 - 18.5	> 18.5
Real World Impact	3	Employability	95% students in employment / further study (EPI)	6	DHLE Positive Outcomes; employment or further study (EPI)	88.5%	85.5%	90.2%	90.8%	92%	94.6%	↑	95%	PVC (SE)	92 % +	90 - 91 %	<90 %
			Top 10 UK universities for student start ups	7	Number of Student start ups	47.86	1	30	50	70		150	PVC (R&E)	70 +	63 - 69	< 63	
	4	Research & Enterprise	Top 50% UK for Research & Enterprise Income	8	Research Income (non Hefce)	£6.1	£1.8	£2.0	£1.9	£2.6	£2.7	↑	£6.0 m	PVC (R&E)	£2.6 m +	£2.35 - 2.60 m	<£2.35 m
				9	Enterprise Income	not available	£8.4m	£8.1	£7.8	£9.9	£8.7	↑	£15.0 m		£9.9 m +	£9.3 - 9.9 m	<£9.3 m
Access to Opportunity	5	Access	Top London Modern for LPN recruitment	10	% recruitment from low participation neighbourhoods	6.4%	7.4%	7.7%	8.4%	7.5-8.5%	9.2%	↑	9.0%	CMO	8.2% +	7.7 -8.1 %	<7.7 %
				11	% FT UG students (excluding HSC contract) recruited before Clearing	not available	73.6%	71.8%	71.8%	72%	71.1%	↓	90%		72 % +	69 - 71 %	< 69 %
				12	First Degree Completion (at or above benchmark)	-3.13%	-9.5%	-7 %	-5.8%	-4%			+3%		>=-4 %	-5 to -7 %	<-8 %
			Exceed expectations on completion	13	Year 1 progression	not available	69.9%	73.1%	77.2%	79%			85%	DVC	76 % +	74 - 75%	<74%
				14	Good Honours	62.2%	61.0%	61.2%	66.4%	63-67%			63 - 67%		63-67%	68-70%	<60%
				15	PGT completion	not available	54.8%	61.5%	58.7%	65%			85%		65% +	61-64%	< 60%
			International	4	QS Stars	16	QS Star Rating	not available	2 (prov.)	3 stars	3 stars	3	4 stars	↑	4	VC	3
17	Overseas student income (millions)	£29.5m				£9.3 m	£11.2	£9.8	£10.7	£11.2	↑	20m	PVC (R&E)	£10.7 m +	£9.8 - 10.6 m	<£9.8 m	
Strategic Enablers	7	People and Organisation	Rated as a good employer	18	Appraisal completion %	not available	37%	90%	91%	95%			95%	EDHR	95 % +	90 - 94 %	< 90 %
				19	Average Engagement Score as as %	70%	-		58%	62%	62%	↑	75%	EDHR	62%	58 - 61 %	< 58 %
	8	Resources & Infrastructure	Grow our income by 25% to £170m annually, deliver an operating surplus of 5% and an EBITDA margin of 15%	20	Surplus as % of income	9.6%	2.3%	0.9%	2.4%	0.7%	1.2%	↓	5.0%	CFO	0.7 % +	0.4 - 0.6 %	< 0.4%
				21	Income (£m)	£188.2m	£134.8m	£140.8m	£138.2	£144.5m	£144.5	↑	£170.0m		£144.5 m +	£140 - 144 m	< £140 m
				22	EBITDA margin (EBITDA expressed as % of income)	9.20%	11.4%	9.2%	11.8%	11.7%	12.0%	↑	15.0%		11.7% +	11.3 - 11.6%	<11.3%
				23	Student satisfaction ratings with facilities & environment (FD)	82.7%	83.0%	87.7%	90.0%	90.0%	87.2%	↓	90%		90 % +	86 - 89 %	< 86%
24	ICS Service Index %	-	-	68%	76%	78%	66%	↓	80%	78% +	75-77%	<75%					
League Tables	Overall	Top London Modern university (excl UAL)	25	Times - League table ranking	92.3	122/123	120 / 127	120 / 128	115			80	VC	115 or higher	116 - 119	120 or lower	
			26	Guardian – League table ranking	87.1	112/116	111 / 119	107 / 119	102	92 / 121	↑	86		102 or higher	103 - 106	107 or lower	
			27	Complete University Guide – League table ranking	85	120/123	119 / 126	115 / 127	110	108 / 129	↑	93		110 or higher	111 - 114	115 or lower	

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Board/Committee:	Finance, Planning and Resources Committee
Date:	26 th September 2017
Paper title:	Treasury Management Report
Author:	Natalie Ferer – Financial Controller
Executive sponsor:	Richard Flatman – Chief Financial Officer
Purpose:	To update committee on Treasury management activity
Aspect of the Corporate Plan to which this will help deliver?	Financial management/stability
Recommendation:	<ul style="list-style-type: none"> a) That the committee notes this report on treasury management activity. b) That the committee approves an update to the bank mandate – see section 4.1. c) That the committee approves the opening of an account with Revolut – see section 4.2.

1. Executive Summary

- 1.1 At 31st July 2017 the university's total balances held in its current accounts, deposit and fixed term accounts and loans outstanding were as follows:

	£'000
Current Accounts	20,915
Deposits and fixed term accounts	27,211
Loans outstanding (creditors)	(25,609)

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

2. Cash Balances and term deposits

- 2.1 Details of the University's bank and deposit balances are shown below. The University is investigating placing funds on deposit with Royal London to

widen our portfolio, spread our investments over a wider range of institutions, and give the option of investing in an ethically screened fund. The University is also investigating ethical banks, again to improve the University's exposure to ethical savings. Any changes will be subject to the necessary credit rating checks (see section 2.4) and FPR/Board approval.

Bank / Title	Type of Account	Previous Month's Balance £'000	31 st July 2017	
			Balance Currency '000	Balance Sterling £'000
		£'000	€'000	£'000
NatWest [LSBU's Main Trading Account]	Business Current Account	-		42
	Corporate Cash Manager Plus	18,780		11,842
	Euro Currency Account	2,631	2008	1,798
NatWest [Charitable Funds]	Corporate Cash Manager Plus	1,718		1,721
HSBC	Business Current Account	6		6
	Euro Currency Account	740	842	754
Lloyds TSB	Corporate Special Account	2		2
	Fixed term deposits maturing February 2018	5,116		5,116
		5,568		5,568
Bank of Scotland	3 Month Fixed Term Dep.	5,879		5,879
	Corporate Instant Access	198		198
Federated Investors LLP UK	Sterling Liquidity Fund 3	2		2
	Sterling Cash Plus GBP	5,287		5,285
Barclays	Business Account	11		11
	FBCA	3,398		3,408
Scottish Widows Bank Plc	Deposit Account	5,126		5,127
		234		234
NatWest [Access Fund Account]	Corporate Cash Manager Plus	468		468
NatWest [SBUEL]	Corporate Cash Manager Plus	764		665
Total Funds at Bank		55,928		48,126

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

Bank	Account	Funds held at	Maturity date	Interest
------	---------	---------------	---------------	----------

		31/7/17 £'000		rate %
Natwest	CCMP	11,842	No notice	0.20***
Natwest	Euro current account	1,798	No notice	-
Natwest	Charitable funds	1,721	No notice	0.20***
Lloyds TSB	Fixed Term Deposit	5,116	14 February**	0.35
Lloyds TSB	Fixed Term deposit	5,568	14 February**	0.35
Bank of Scotland	Commercial call	5,879	Notice	0.15
Federated Investors	Liquidity fund	5,287	No notice	variable*
Barclays	FIBCA	3,408	No notice	0.25
Scottish Widows	Deposit Account	5,127	No notice	0.01

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

**The Lloyds deposits have been rolled forward since 31 July – see section 2.5.

***Interest rate is not known – 0.2% is an estimate.

2.3 The figure for interest income for the year is £153k. This is lower than budget due to lower interest rates.

2016/17 Actual £'000	2016/17 Budget £'000	2017/18 Budget £'000
153	185	110

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

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

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

Bank	S&P	Moody's	Fitch	Band	Maximum deposit in line with TMP £'000	Funds held at 31/7/17 £'000
Natwest	BBB+	A3	BBB+	Band 2	25,000	16,535
HSBC	AA-	Aa2	AA-	Band 1	10,000	761
Lloyds TSB	A	A1	A+			10,686
Bank of Scotland	A	A1	A+			6,078
Federated Investors	AAAm	N/A	AAA			5,287
Barclays	A-	A1	A			3,418
Scottish Widows	A	A2	B+			5,361
TOTAL						48,126

Scottish Widows is merging its licence with Lloyds, so going forward they should not be regarded as completely separate banks for the purpose assessing counterparty risk. The University currently has combined deposits of £15 million with these institutions. As funds are taken off deposit to fund our estates development, we will run down the balances held with either Scottish Widows or Lloyds in order that we keep the overall balance within policy.

2.5 Deposits maturing

The fixed term deposits with Lloyds, totalling just over £10 million, have been rolled forward to mature on 14 February 2018. According to the current estate plans, the University will not need this cash during this period, so it was possible to roll it forward.

<i>Banks</i>	<i>Deposit (£M)</i>	<i>Rate (%)</i>	<i>Term (Days)</i>	<i>Maturity Date</i>
Lloyds	5.1	0.35		14 February 2018
	5.6	0.35		14 February 2018

The University now subscribes to the Finalysis UK Banking Market Review. This shows that there are a few options available to the University that will return slightly higher rates than we are obtaining at present. Subject to credit rating checks, we will consider setting up accounts with other institutions, thereby enabling us to take advantage of higher rates.

Example higher rates include:

Lloyds bank	£50k - £5m	3 months	0.22%	Band 1
		6 months	0.36%	
		9 months	0.44%	
		12 months	0.65%	
Close Brothers term deposit	Not specified	12 months	1.10%	Band 1 (not rated by S & P)

3. Loans

3.1 The University's Loan Balance at 31st July 2017 is £25.6m.

Lender	31 st July 2016 £'000	31 st July 2017 £'000	Term	Interest rate	Security
Allied Irish Bank (GB)	4,245	3,868	26.5 years to 2027	6.67% Fixed	Dante Road halls of residence
Barclays Bank	4,819	4,508	25 years to 2032	5.67% fixed	David Bomberg House
Barclays Bank	5,000	5,000	To April 2029	5.25 % fixed	K2 Building
Barclays Bank	7,993	7,653	23.25 years to 2032	5.54% fixed	K2 Building
Barclays Bank	4,677	4,380	23 years to 2032	0.225% over Libor	K2 Building
Salix	200	200			
Total loans	26,934	25,609			

The majority of these loans are at fixed rates for varying terms and penalties apply for early repayment. The exception is the variable rate K2 loan with Barclays.

4. Bank Mandates

4.1 It is requested that the post of Chief Marketing Officer be added to the list of posts in the Financial Regulations that can be set up as bank signatories. It is also requested that Nicole Louis, the current post holder, be added to the University's bank mandate as a B signatory.

4.2 The University offers cash to participants in research projects and this is currently managed through the issue of petty cash. Projects that require the payment of research participants in cash is increasing, leading to an increased cost of accounting for these transactions as well as an administrative burden on Academic staff running the research project. A number of alternatives to cash have been investigated but have not been adopted due to concerns around cost, administration and financial controls.

The company Revolut has been identified as an alternative to cash for research participant payments. Revolut can be used to send transfers to participant's bank accounts without the need for the University to gather and save bank account details. The bank details are entered by the participant – eliminating the need to verify bank details and payment limits can be set at a low amount according to the project underway. Transfers between the University's current account and each Revolut account will be made in line with normal rules for applying for expense advances and the Researcher will be required to account for payments by maintaining records of payments which the Finance team will use for reconciliation purposes.

It is proposed that the Financial Controller may delegate authority to operate a Revolut account for individual payments with a maximum value of £200 with no more than £1000 being available at any one time. Account operators will be required to reconcile transactions when £1000 has been utilized or within 1 month of a payment being made, whichever is the sooner.

It is recommended that the Board approve the setting up of an account with Revolut in line with the proposal above.

5. Recommendations

- 5.1 The Committee is requested to note this Treasury Management Report.
- 5.2 The Committee is requested to approve an update to the bank mandate to:
 - a) Add the post of Chief Marketing Officer to the list of posts that can be authorised signatories per the Financial Regulations;
 - b) Add Nicole Louis as a B signatory for all the University's bank accounts
- 5.3 The Committee is requested to approve the setting up of an account with Revolut in line with the proposal above.



CONFIDENTIAL	
Paper title:	Executive Director of HR Report
Board/Committee	Finance, Planning and Resources Committee
Date of meeting:	26 September 2017
Author:	Mandy Eddolls, Executive Director of HR
Executive/Operations sponsor:	Mandy Eddolls, Executive Director of HR
Purpose:	Discussion
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	Goal 8 People and Organisation
Recommendation:	The committee are asked to note the report.

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

Executive Summary

1.0 Workforce Planning

1.1 With the predicted shortfall in income from the 2017 intake and re-enrolments workforce planning will be the key focus of the next quarter.

1.2 In the short term, the levels of spend on staffing costs will need to undergo a fundamental review. This will include an immediate review of staff costs that are more easily curtailed:-

- Contract staff
- Consultant spend
- Temporary staff spend.

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

- 1.3 A temporary halt has already been placed on the advertisement for new posts, and offers not issued even if a potential candidate has been identified following a recruitment process. It is possible that we may lose some candidates in the hiatus but is prudent whilst we see how the situation unfolds.
- 1.4 It is possible that this will not recoup enough spend. The next obvious (and legally robust) step would be to run a voluntary redundancy programme prior to any review of permanent contracts.
- 1.5 However, the shape of the challenge is sufficient to possibly require a more fundamental shift in the mix of skill sets we currently have with less emphasis on the traditional undergraduate teaching and this will shape any potential reorganisation, rather than simply 'salami slicing' the current workforce.
- 1.6 It is likely that the biggest scope for reduction in the short term is in the PSG staffing, which will need to be reviewed quickly. We have a reasonable degree of turnover and this would help ameliorate any form of forced reduction in the workforce.
- 1.7 Following work last year, we now have good data on the shape of the workforce and further work is underway to review operational effectiveness. This current challenge will be factored into these reviews, which are taking place now and will complete over the next two months.
- 1.8 As the profile of student recruitment in some schools has changed, there may also be a requirement to consider the skills and expertise balance to align with new requirements.
- 1.9 A longer term project to have an objective methodology for reviewing teaching performance will also start this quarter, dove-tailing with the work in Shan's area, particularly around the DEL strategy.
- 1.10 However, a more expeditious route may need to be taken with those staff who, having reviewed our on-going needs and their line managers view of their performance and potential, may not be who we need in the future. HR is fully resourced to undertake any such expeditious requirements

2.0 Industrial Relations

- 2.1 The restructure of the Business School has been successfully concluded with only one compulsory redundancy. 21 staff were appointed to new positions, 15 took enhanced redundancy and there are in the region of 5 new positions to be recruited to. Consultation with UCU was initially difficult but relations with staff were more positive and contributed to a constructive transition. Smaller scale restructures are taking place in the School of Arts and Creative Industries, Marketing and International.
- 2.2 The national pay award of 1.7% on the 51 point spine (with extra loading to of between 1.72 and 2.43% on the bottom 15 points) has been agreed effective from 1 August 2017. London Weightings will also be increased by 1.7% and payment is scheduled for September salaries.

3.0 HR Operations

- 3.1 The HR IT system is now live and working well. We have just launched employee self-service annual leave, access to sickness records, online expenses and time sheets within My Workplace. These newest additions will improve the employee experience.
- 3.2 We continue working with Payroll in integrating our Payroll/HR processes with the customer at the heart of our service.

4.0 Intranet

- 4.1 In the last 6 months there have been over 200,000 visits to the intranet, 13,000 keyword searches and 1800 document downloads.
- 4.2 Our social media platform, Yammer, continues to be used by large numbers of colleagues across the organisation. 1350 signed up and 1000 regularly using their accounts.

5.0 Equality, Diversity and Wellbeing

- 5.1 I am delighted to inform you that following an assessment process LSBU will be included in the first annual Best UK Employers for Race Listing 2017, which will be announced on 31st of October 2017.
- 5.2 Moreover, after submitting our application and completing the Disability Confident Self-Assessment criteria we are now Disability Confident Employer badge holders, up until 08/08/2019. We aim to ensure in 2017/18 we achieve the Disability Confident Leader status.

- 5.3 Good progress is made in our Race Equality Charter submission. We are undertaking quantitative and qualitative data gathering for both students and staff using new software, surveys and secondary research. We aim to achieve accreditation in 2018.
- 5.4 LSBU took part in London Gay Pride 2017 with a double-decker bus for a 3rd year in a row. Over 150 staff, students and friends marched for LGBT equality and this was our most successful community event to date.
- 5.5 We are working with the Centre for Accessible Environments (CAE) to develop standards which will ensure future accessibility across campus.
- 5.6 A project bid has been made to the HEFCE Catalyst Fund for £49K of funding. The aim is to work in partnership with the student union, local multi agency organisations and another local University campus to create a unified community approach in order to challenge hate crime and online harassment. This builds on the success previously reported of obtaining £43K from HEFCE catalyst funding for a Student Safeguarding Project.
- 5.7 There is a sense of a real shift in equality, diversity and inclusion across the University, and a feeling of optimism among staff. The EDI Steering Group has helped significantly in driving forward our approach.

6.0 Appraisals

- 6.1 The 2017/18 appraisal programme was launched on line for all staff groups in June 2017. The deadline to complete appraisals is 29 September and to date 53.5 % of staff have started or completed the process.

7.0 Leadership Development

- 7.1 The Leadership Academy has expanded introducing six new management development modules, targeting new and middle managers. 119 delegates attended since May 2017, of which 70 were at grades 7 and 8.
- 7.2 The first Managers Forum took place last July. 117 delegates attended, with over 90% reporting that they found the event positive and relevant to their roles.
- 7.3 A 360 feedback tool based on LSBU leadership attributes has been developed and launched. To date, 22 senior managers have requested 360 feedback. 8 internal staff are trained to facilitate 360 feedback sessions.

8.0 Career Pathways

8.1 Work has started to scope and map out PSG career pathways beginning with P&O, followed by LLR and SSE in September.

9.0 Employee Engagement

9.1 The Pulse survey launched last April and showed a positive increase in our engagement score, rising from 58% to 62%. Meetings have taken place with Deans, Directors and Champions to review local results and update action plans.

9.2 The staff conference and staff awards took place in May. 677 staff attended, with 24 stands, and 52 presentations, workshops and tours showcasing and celebrating LSBU work. 98% rated the conference as excellent or good.

10.0 Compulsory Training, Central Induction and Apprenticeships

10.1 Compulsory Training compliance has increased since July 2016 – H&S by 14%, DP/FOI by 23%, EDI by 29%.

10.2 Central Induction was introduced in September 2016, and runs monthly. All new starters are invited to attend. An Academic induction is being developed to launch soon.

10.3 The Chartered Manager Degree Apprenticeship for LSBU staff launched in July. Deadline for applications is by mid-August.

6 Sept 2017

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	CONFIDENTIAL
Paper title:	Committee Work Plan
Board/Committee	Finance, Planning and Resources Committee
Date of meeting:	26 September 2017
Author:	Michael Broadway, Deputy University Secretary
Executive sponsor:	James Stevenson, University Secretary and Clerk to the Board of Governors
Purpose:	Information
Recommendation:	The meeting is requested to note the paper for information.

Executive Summary

The Finance, Planning and Resources committee meets five times a year. The committee's work plan for 2017/18 is attached.

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Finance, Planning and Resources Committee plan, 2017/18

Agenda Item	Consider By	Date	Decision By	Date	Lead Officer
26 September 2017					
Regular items					
Committee business plan			Finance, Planning and Resources Committee	26 Sep 2017	James Stevenson
Insurance claims			Finance, Planning and Resources Committee	26 Sep 2017	Richard Flatman
Treasury management report			Finance, Planning and Resources Committee	26 Sep 2017	Richard Flatman
Terms of reference and membership			Finance, Planning and Resources Committee	26 Sep 2017	James Stevenson
Key performance indicators - strategic enablers			Finance, Planning and Resources Committee	26 Sep 2017	Richard Flatman
Management accounts	Operations Board	18 Sep 2017	Finance, Planning and Resources Committee	26 Sep 2017	Richard Flatman
Strategic HR report			Finance, Planning and Resources Committee	26 Sep 2017	Mandy Eddolls
Student recruitment update			Finance, Planning and Resources Committee	26 Sep 2017	Nicole Louis

Agenda Item	Consider By	Date	Decision By	Date	Lead Officer
14 November 2017					
Regular items					
Annual report and accounts	Executive Audit Committee Finance, Planning and Resources Committee	25 Oct 2017 9 Nov 2017 14 Nov 2017	Board of Governors	23 Nov 2017	Richard Flatman
Gift Acceptance Policy review	Executive	1 Nov 2017	Finance, Planning and Resources Committee	14 Nov 2017	Nicole Louis
Students' union draft accounts	Executive	1 Nov 2017	Finance, Planning and Resources Committee	14 Nov 2017	Steve Baker
Chief Operating Officer's report			Finance, Planning and Resources Committee	14 Nov 2017	Ian Mehrtens
Key performance indicators - strategic enablers			Finance, Planning and Resources Committee	14 Nov 2017	David Phoenix
Management accounts	Operations Board	17 Oct 2017	Finance, Planning and Resources Committee	14 Nov 2017	Richard Flatman
Student recruitment update			Finance, Planning and Resources Committee	14 Nov 2017	Nicole Louis

Agenda Item	Consider By	Date	Decision By	Date	Lead Officer
Strategic ICT update			Finance, Planning and Resources Committee	14 Nov 2017	Ian Mehrtens
27 February 2018					
Regular items					
Annual report on fundraising			Finance, Planning and Resources Committee	27 Feb 2018	Nicole Louis
School information sheets			Finance, Planning and Resources Committee	27 Feb 2018	Pat Bailey
Chief Operating Officer's report			Finance, Planning and Resources Committee	27 Feb 2018	Ian Mehrtens
Key performance indicators - strategic enablers			Finance, Planning and Resources Committee	27 Feb 2018	David Phoenix
Management accounts	Operations Board	23 Jan 2018	Finance, Planning and Resources Committee	27 Feb 2018	Richard Flatman
Strategic HR report			Finance, Planning and Resources Committee	27 Feb 2018	Mandy Eddolls
Student recruitment update			Finance, Planning and Resources Committee	27 Feb 2018	Nicole Louis
Non-regular items					

Agenda Item	Consider By	Date	Decision By	Date	Lead Officer
Compliance with CC20	Executive Finance, Planning and Resources Committee	13 Sep 2017 26 Sep 2017	Board of Governors	15 Mar 2018	Nicole Louis
1 May 2018					
Regular items					
HEFCE grant settlement					Richard Flatman
Corporate roadmaps	Executive	18 Apr 2018	Finance, Planning and Resources Committee	1 May 2018	David Phoenix
HEFCE grant settlement	Executive	18 Apr 2018	Finance, Planning and Resources Committee	1 May 2018	Richard Flatman
Treasury management report			Finance, Planning and Resources Committee	1 May 2018	Richard Flatman
Key performance indicators - strategic enablers			Finance, Planning and Resources Committee	1 May 2018	David Phoenix
Management accounts	Operations Board	17 Apr 2018	Finance, Planning and Resources Committee	1 May 2018	Richard Flatman
Student recruitment update			Finance, Planning and Resources Committee	1 May 2018	Nicole Louis
26 June 2018					

Agenda Item	Consider By	Date	Decision By	Date	Lead Officer
Regular items					
Five year forecasts	Executive Finance, Planning and Resources Committee	6 Jun 2018 26 Jun 2018	Board of Governors	12 Jul 2018	Richard Flatman
Budget, 2017/18	Executive Finance, Planning and Resources Committee	6 Jun 2018 26 Jun 2018	Board of Governors	12 Jul 2018	Richard Flatman
Insurance renewals	Executive	13 Jun 2018	Finance, Planning and Resources Committee	26 Jun 2018	Richard Flatman
Student's union financial update			Finance, Planning and Resources Committee	26 Jun 2018	Steve Baker
Chief Operating Officer's report			Finance, Planning and Resources Committee	26 Jun 2018	Ian Mehtens
Key performance indicators - strategic enablers			Finance, Planning and Resources Committee	26 Jun 2018	David Phoenix
Management accounts	Operations Board	19 Jun 2018	Finance, Planning and Resources Committee	26 Jun 2018	Richard Flatman
Strategic HR report			Finance, Planning and Resources Committee	26 Jun 2018	Mandy Eddolls

Agenda Item	Consider By	Date	Decision By	Date	Lead Officer
Student recruitment update			Finance, Planning and Resources Committee	26 Jun 2018	Nicole Louis

	CONFIDENTIAL
Paper title:	Terms of Reference
Board/Committee	Finance, Planning and Resources Committee
Date of meeting:	26 September 2017
Author:	Michael Broadway, Deputy University Secretary
Purpose:	Information
Recommendation:	The meeting is requested to note its Terms of Reference.

Executive Summary

The purpose of the committee is to review financial and resourcing issues decisions across the institution. The committee reviews financial information and reviews financial performance, as well as performance against the corporate strategy.

No changes are recommended to the terms of reference.

The committee will undertake a review of its effectiveness during the year.

The committee is requested to note its terms of reference and membership for the year.

Membership:

Hilary McCallion – Chair

Sodiq Akinbade

Jerry Cope

Michael Cutbill

Peter Fidler

Mee Ling Ng

Jenny Owen

David Phoenix

Finance, Planning and Resources Committee

Terms of Reference

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

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

1. Remit

1.1 The remit of the committee is to:

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

2. Membership

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

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

2.3 The chair shall be an independent governor.

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

3. Reporting Procedures

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

Approved by the Board of Governors on 14 May 2015.

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	CONFIDENTIAL
Paper title:	Insurance Claims
Board/Committee	Finance, Planning & Resources Committee
Date of meeting:	26th September 2017
Author:	Penny Green - Head of Procurement Antonia Goodyer – University Solicitor
Executive/Operations sponsor:	Richard Flatman - Chief Financial Officer
Purpose:	For information and to report the extent to which the University’s insurance policies were relied upon in the 2016/17 period.
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	
Recommendation:	The Committee is requested to note this report.

Previously considered	FP&R	
Further approval?	N/A	

Executive Summary:

This paper is presented to Committee for information and to report the extent to which the University’s insurance policies were relied upon in the 2016/17 period.

The University remains a member of the London Universities Purchasing consortium for insurance purposes, with Zurich Municipal being the principal insurer. The claims experience in 2016/17 is summarised in Appendix 1 and is considered to be low.

The Committee is requested to note the report.



1. BACKGROUND

- 1.1 The University's Financial Regulations require that the University Secretary and Chief Financial Officer ensure;
 - 1.1.1 That appropriate insurance cover is provided for all aspects of the University's activities;
 - 1.1.2 The verification of insurance of any incidents which may give rise to a claim;
 - 1.1.3 The submission of a full claim where appropriate.
- 1.2 The University is a member of the London Universities Purchasing Consortium (LUPC) and retains the brokerage services of Arthur J Gallagher as part of a LUPC group insurance arrangement.
- 1.3 Effective from 1 January 2010 the insurance claims process has been administered by the University Governance, Information and Legal Team.
- 1.4 The University's claims record is reviewed annually with the appointed broker and insurers as part of the annual policy renewal process.

2. INSURANCE POLICIES

- 2.1 Insurance policies held by the University are renewed annually with effect from 1 August. A detailed report is submitted to Financial, Planning & Resources Committee each year in advance of renewal.
- 2.2 For the period 1 August 2016 to 31 July 2017 the University maintained the following insurance policies:



Policy	Insurer	Covers maintained	Claims in 2016/17 period
All Risks Policy	Zurich Municipal	Material damage Works in Progress Business Interruption Money Public Liability Employers Liability Libel & Slander Motor Engineering Fidelity Guarantee Personal Accident Travel Computer Engineering inspection	Yes
Professional Indemnity	Royal Sun Alliance	Professional Negligence Governors Liability	No
Terrorism Policy	UM Services Ltd	Property reinstatement Contents Business Interruption	No
Business Travel (for non-domicile employees)	AIG	All risk travel cover for University Employees living and operating outside of UK territorial limits.	No
Fine Arts Policy	Blackwell Green	Cover for the Sarah Rose Art Collection.	No
Medical Malpractice	Newline Group	Cover for students and staff in practice placement based teaching or providing support for learning and assessment in practice settings	No
Special Contingency	Hiscox		No



3. UNIVERSITY EXPOSURE TO RISK UNDER 2014/2015 CLAIMS

- 3.1 Although unsettled claims were carried forward to 2017/2018 in the following All Risks categories – Public Liability (3 cases) and Employers Liability (3 cases) – the University carries no excess for these types of claim, so the insurer Zurich effectively carries all the risk exposure.
- 3.2 A full breakdown of claims for 2016/17 is detailed in Appendix 1

4. DECLARED LOSSES WITHIN POLICY EXCESS

- 4.1 The University is also required to declare to its insurers the incidence of insured perils which fall within policy excess and do not result in the submission of a claim.
- 4.2 There were no incidents falling into this category during 2016/17.



APPENDIX 1

LSBU POLICY WITH ZURICH MUNICIPAL NHE-01CA07-0013

CLAIMS SUMMARY - 1 AUGUST 2016 TO 31 JULY 2017

Insured risk	Excess Value	Claims brought forward from last period	New claims in this period	Claims carried forward to next period	Value of payments made on claims open in this period
Material damage	£20K	1	0	0	£30
Works in Progress					
Business Interruption					
Money					
Public Liability	Nil	3	2	3	NIL
Employers Liability	Nil	3	2	3	£2,645
Libel & Slander					
Professional Negligence	£2,500				
Governors Liability					
Motor	£100	0	0	0	NIL
Engineering					
Fidelity Guarantee					
Personal Accident					
Travel					
Computer					
Engineering inspection					
Fine Arts Policy					
Medical Malpractice					
Special Contingency					

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