

Meeting of the Finance, Planning and Resources Committee

4.00 - 6.00 pm on Tuesday, 6 July 2021
via MS Teams

Agenda

<i>No.</i>	<i>Item</i>	<i>Pages</i>	<i>Presenter</i>
1.	Welcome and Apologies		MC
2.	Declarations of Interest		MC
3.	Minutes from the last meeting	3 - 8	MC
4.	Matters arising	9 - 10	MC
	Core items		
5.	Management accounts to 31 May 2021	11 - 20	RF
6.	Student recruitment update	21 - 30	NL
7.	Group roadmap and KPI targets 2020-25 <ul style="list-style-type: none"> • Review of 2015-20 corporate strategy 	31 - 54	DJ
	Regular review items		
8.	LSBU 2021/22 draft budget	55 - 64	RF
9.	SBC annual performance and value review	Presentation	FM
10.	LSBU student harassment, bullying and sexual misconduct policy and assurance	65 - 86	NL
	Items to note		
11.	Treasury management report	87 - 92	RF
12.	Insurance renewal	93 - 98	RF
13.	Gender pay gap report	99 - 102	MMJ
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Date of next meeting
4.00 pm on Tuesday, 21 September 2021

<i>No.</i>	<i>Item</i>	<i>Pages</i>	<i>Presenter</i>
Members:	Michael Cutbill (Chair), Jerry Cope, Maureen Dalziel, Peter Fidler, Nicki Martin, David Phoenix, Deepa Shah and Maxwell Smith		
In attendance:	Richard Flatman, Kerry Johnson, Deborah Johnston, Nicole Louis, Marcelle Moncrieffe-Johnson, Fiona Morey, James Stevenson and Ralph Sanders		

**Minutes of the meeting of the Finance, Planning and Resources Committee
Held at 4.00pm on Tuesday, 27 April 2021
via MS Teams**

Present

Michael Cutbill (Chair)
Jerry Cope
Peter Fidler
Nicki Martin (until minute 7)
David Phoenix
Deepa Shah (until minute 8)
Maxwell Smith

Apologies

Maureen Dalziel

In attendance

Sanchia Alasia (minute 9 only)
Pat Bailey
Richard Flatman
Kerry Johnson
Deborah Johnston (minute 7 only)
Nicole Louis
Marcelle Moncrieffe-Johnson
Ralph Sanders
James Stevenson

Observers

Duncan Brown
Rashda Rana

1. Welcome and apologies

The Chair welcomed members to the meeting. The above apologies were noted.

2. Declarations of interest

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

3. Minutes of the previous meeting

The committee approved the minutes of the previous meeting, held on 2 March 2021, subject to minor amendments, and their publication as redacted.

4. Matters arising

The committee noted that the incorporation of LSBSU was proceeding as planned.

The committee noted that, following the recent OfS guidance, the university was updating its policy on sexual harassment and misconduct. The revised policy would come to a future meeting of the committee.

All other actions were noted as complete or in progress.

5. **LSBU management accounts to 31 March 2021**

The committee discussed the management accounts to 31 March 2021, noting that this was the first set of management accounts to be produced following the extended IT outage. The committee noted that the Finance team were working through the process of recovering accounting records, which was expected to be complete by May 2021.

The committee noted that the full year forecast was trending towards a surplus of £2m, with an additional £2.2m headroom.

The committee noted the high staff costs, due in part to a low vacancy level during the pandemic, and a £4m in-year pension cost increase. The committee noted that opex was forecast to be £0.6m better than budget.

The priority was now to match invoices and purchase orders and reconcile to Agresso. It was noted that some costs may increase further as the backlog is cleared.

The committee noted the deficit of £2.7m at Lambeth College.

6. **Student recruitment and retention update**

The committee discussed the update on LSBU recruitment and retention. Home applications through UCAS had grown by 10% compared with last year, including approximately 650 applications for the new Croydon campus.

The committee noted the four week extension of the UCAS deadline, which was believed to account for a timing variance against previous year.

The committee noted the impact of the IT outage on the admissions team's ability to process applications. The team were working through the backlog and it was expected that another 1,500 offers would be processed in the next fortnight.

The committee noted the risk associated with international students, particularly relating to LSBU's dependency on India, which was under a red travel ban due to the coronavirus pandemic. The committee noted that markets would be re-prioritised, alongside plans to improve the applicant journey for international students.

The committee noted that retention was favourable to budget, and that student withdrawals and interruptions were down by 2.4% compared with the previous year, with zero university-initiated withdrawals.

7. **Group roadmap and KPI targets, 2020-25**

The committee discussed the update on the implementation of the 2025 Strategy, including the development of a Group roadmap which would detail the specific projects and timelines.

The committee noted that the KPIs for SBA were subject to approval by the SBA Board in October 2021. The institutional KPIs for SBC and SBA would be noted by a future meeting of the committee.

The committee discussed the change from 'POLAR' to 'IMD (index of multiple deprivation)' as the metric by which the proportion of undergraduate entrants from disadvantaged areas would be measured. It was noted that the IMD was seen to be a more reliable measure of deprivation in London, as it was based on more than just postcode data. The executive advised the committee that IMD was a better reflection on whether the university was recruiting from lower socio-economic groups.

Regulatory metrics

The committee noted the update on the external regulatory ratings, frameworks and benchmarks, including each Group entity's current Ofsted rating.

8. **Infrastructure strategic update**

Campus infrastructure

The committee discussed the development of an overarching 'fit for the future' infrastructure plan in order to align with the 2020-25 Strategy.

The committee noted the main challenges in terms of infrastructure design. The infrastructure plan would need to take into account the changing usage patterns post-pandemic, and should build in resilience and sustainability.

The committee noted that the planned increase in business engagement would require additional infrastructure, which would be served by a 'commercial quarter'.

The committee discussed student accommodation provision, noting that in order to arrive at the national average, LSBU would need to provide an additional 358 bed spaces by 2025 to meet growing levels of demand. The mixed quality of the existing accommodation was noted. Further analysis of the student accommodation offer would take place as the infrastructure policy was developed.

The committee noted the next steps, including the development of a 3-5 year capital plan for the remainder of the strategy, based around the availability of capital, and supported the direction set out by the paper.

IT infrastructure

The committee discussed the IT strategic infrastructure report, which set out the progress made since the development of the Group IT strategy in 2020. A more detailed roadmap to cover the next 2-4 years was in development, and would be

taken forward by the new Group Director of IT, who was due to join LSBU on 4 May 2021. The roadmap would prioritise developments within the available budget.

The committee noted that phase one of the network replacement programme was underway, and the deployment of new mobile devices to all permanent staff was almost complete.

The committee noted that issues around IT security and compliance were being addressed through the new IT Security and Resilience Board, which was co-chaired by the COO and the Group Secretary. The Board had been formed in response to the internal audit of IT security in 2020.

The committee thanked Alison Chojna for her hard work as Interim Director.

9. Strategic People and Organisational Development report

The committee discussed the report on progress to date on the People and Culture strategy, and the response to current workforce challenges.

The committee noted the positive response from staff to additional annual leave, with extra flexibility for those staff most affected by the IT outage. The Executive were investigating further ways to reward staff, and were reviewing the university's reward strategy. The committee noted that employee wellbeing was a high priority for the POD team and Executive.

The committee noted that the inclusion strategy was nearing completion, and would be presented to the Board in July 2021.

The committee discussed the portfolio review, noting that the Executive continued to consult with the unions on potential change. The second phase of the programme, which would concentrate on the content of the university curriculum, was within the remit of the Academic Board. The committee noted that a very small number of staff would be affected by the changes. The committee requested to receive further updates on portfolio review as appropriate, to give context for its overview of organisational design.

Group equality statement

The committee discussed the proposed Group equality statement, which had been drafted following a recommendation from the EDI steering group. The committee noted that the statement was intended to be Group-wide.

The committee noted that the statement would be published on the LSBU website and would tie in with the wider inclusion strategy.

Following discussion, as authorised by the Board (minute 9 of 25 March 2021 refers), the committee approved the draft equality statement.

10. Treasury management report

The committee noted the treasury management report, showing total bank

balances at 31 March 2021 of £34.2m and outstanding loans of £33.0m.

11. 2019/20 KPIs – final report

The committee noted the final report on 2019/20 KPIs. The committee noted the work that was underway to improve postgraduate satisfaction, which was below target in 2019/20.

**Date of next meeting
4:00, Tuesday 6 July 2021**

Confirmed as a true record

_____ (Chair)

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FINANCE, PLANNING AND RESOURCES COMMITTEE – TUESDAY 27 APRIL 2021

ACTION SHEET

Agenda No	Agenda/Decision Item	Action	Date Due	Officer	Action Status
4.	Matters arising	Executive to update the policy on student harassment and misconduct, and bring to a future meeting of the committee.	6 July 2021	Nicole Louis	Complete: see agenda item 10.
8.	Infrastructure strategic update	Develop infrastructure roadmaps within budget frameworks	To be reported back to FPR when appropriate.	Paul Ivey, Nicole Louis	Ongoing
9.	Strategic people and organisational development report	Inclusion strategy to be presented to the Board in July 2021.	22 July 2021	Marcelle Moncrieffe-Johnson	In progress
9.	Strategic people and organisational development report	Committee to receive further updates on portfolio review as appropriate.	To be reported back to FPR when appropriate.	Deborah Johnston	Ongoing

**TUESDAY 3 NOVEMBER 2020
ACTION SHEET**

11.	Group-wide and LSBU KPIs	Final report on 2015-2020 strategy KPIs to be brought to the meeting of 2 March 2021.	27 April 2021	Deborah Johnston	Complete: see agenda item 7.
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LONG TERM ACTIONS

Action	Date Due	Officer	Action Status
NSS and Graduate Outcomes to remain as standing matters under matters arising, with updates to be given as appropriate	Ongoing	Deborah Johnston	Ongoing

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	CONFIDENTIAL
Paper title:	May 21 Management Accounts
Board/Committee:	Finance, Planning & Resources Committee
Date of meeting:	6 July 2021
Authors:	Ralph Sanders Group Director of Financial Planning & Reporting
Sponsor:	Richard Flatman CFO
Purpose:	For Noting
Recommendation:	The committee is requested to note the May-21 LSBU Management Accounts

Executive Summary

These are the Management Accounts for both London South Bank University and Lambeth College. The 2 entities have been kept separate as their funding models are distinct.

London South Bank University - Summary position

The University continues to forecast to the budgeted surplus of £2m. There remain risks surrounding both income and expenditure particularly with regard to the potential level of student refunds. However there remains £2.7m in contingency, our staffing forecast feels overstated by £1.5m, our interest charge is potentially overstated by £0.5m and we have only recognised £1.7m of the £6.3m YTD underspend in Operating Expenses. As a result we are increasingly confident in the year end position.

The financial position is due to strong recruitment and re-enrolment. In terms of new students, these have increased by 6.5% as compared to the 2019/20 particularly due to strong Semester 2 recruitment and ongoing apprenticeship enrolments. Continuing student numbers are up 20% as compared to 2019/20. In terms of Full Time Undergraduates, 54% of our continuing students are in Year 2 with 46% in Year 3 which provides a strong platform for next year if we can maintain the levels of student engagement and re-enrolment that we achieved this year.

The key movement this month is the recognition of additional income from Semester 2 recruitment and re-enrolment, and as a result International Income is now forecast to end the year at £17m which is an increase of £2.7m against the budget target of

£14.3m and is £1.9m higher than last years out turn of £15.1m. We have removed £1.3m from our income forecast due to the lack of summer schools this year and have reduced our FT UG Income by £0.7m to allow for £4.7m of in year refunds and so the overall income movement is an increase in income of £0.4m. Our forecast expenditure also reduced by £0.6m this month and so we have been able to increase the Exceptional Items, our contingency, by £1m to £2.7m.

South Bank Colleges - Summary position

This is the Third year that the deficit at Lambeth College will be funded through the release of deferred income received from the ESFA as part of the transaction to acquire Lambeth College. The original budget assumed £2.7m of income release to deliver a neutral position. (this is the £1.7m operating deficit plus £1m of Novated loan costs). We are currently forecasting a grant release of £4.4m primarily due to increased Pension costs at the college. Any reduction in grant income will have a direct impact on the level of deficit and so we continue to monitor the risk of clawback closely.

The College is required to deliver staff savings this year to deliver to budget. Although the College is running behind budget there are a number of high needs individuals who will need specialist support. The College is also expected to contribute an additional £1.5m in pension contributions as a result of the LPFA actuaries report. The impact of the above will lead to the College reporting an operating deficit of £4.4m as compared to the £2.7m budgeted. The deficit would be funded through the release of deferred income from the ESFA but this would leave only £4.4m remaining to cover future deficits.

MAY-21 EXECUTIVE SUMMARY

This Executive Summary reports on the draft financial position of London South Bank University as at 31st May 2021.

1) RAG Status

Income Growth FYF v 19/20 outturn	3.0%
Opex Growth less Asset Write downs	-7.2%

Staff Cost % excluding restructuring	59.6%
Staff Cost Growth excluding restructuring	9.5%

FYF Surplus (Contribution %)	1.2%
EBITDA	10.2%

2) Summary

Contribution Budgeted at £2m The University continues to forecast to the budgeted surplus of £2m. There remain risks surrounding both income and expenditure particularly with regard to the potential level of student refunds. However there remains £2.7m in contingency, our staffing forecast feels overstated by £1.5m, our interest charge is potentially overstated by £0.5m and we have only recognised £1.7m of the £6.3m YTD underspend in Operating Expenses. As a result we are increasingly confident in the year end position.

Enrolled student FTE up 14% vs 19/20 The financial position is due to strong recruitment and re-enrolment. In terms of new students, these have increased by 6.5% as compared to the 2019/20 particularly due to strong Semester 2 recruitment and ongoing apprenticeship enrolments. Continuing student numbers are up 20% as compared to 2019/20. In terms of Full Time Undergraduates, 54% of our continuing students are in Year 2 with 46% in Year 3 which provides a strong platform for next year if we can maintain the levels of student engagement and re-enrolment that we achieved this year.

International Income is at £17m The key movement this month is the recognition of additional income from Semester 2 recruitment and re-enrolment, and as a result International Income is now forecast to end the year at £17m which is an increase of £2.7m against the budget target of £14.3m and is £1.9m higher than last years out turn of £15.1m. We have removed £1.3m from our income forecast due to the lack of summer schools this year and have reduced our FT UG Income by £0.7m to allow for £4.7m of in year refunds and so the overall income movement is an increase in income of £0.4m. Our forecast expenditure also reduced by £0.6m this month and so we have been able to increase the Exceptional Items, our contingency, by £1m to £2.7m.

Other costs reduced by £0.6m In terms of other changes, this month there was a slight increase in Academic Staff costs, a reduction in professional staff costs and a reduction in Operating expenses, primarily related to the summer Schools. As a result our overall costs reduced by £0.6m which enabled us to transfer an additional £1m to Exceptional Items.

Exceptional items increased to £2.7m The university originally budgeted £3m in exceptional items to provide a buffer in this year against the potential staff cost gap. The university has currently allocated £1.3m so there was £1.7m remaining. This month we were able to increase this contingency to £2.7m.

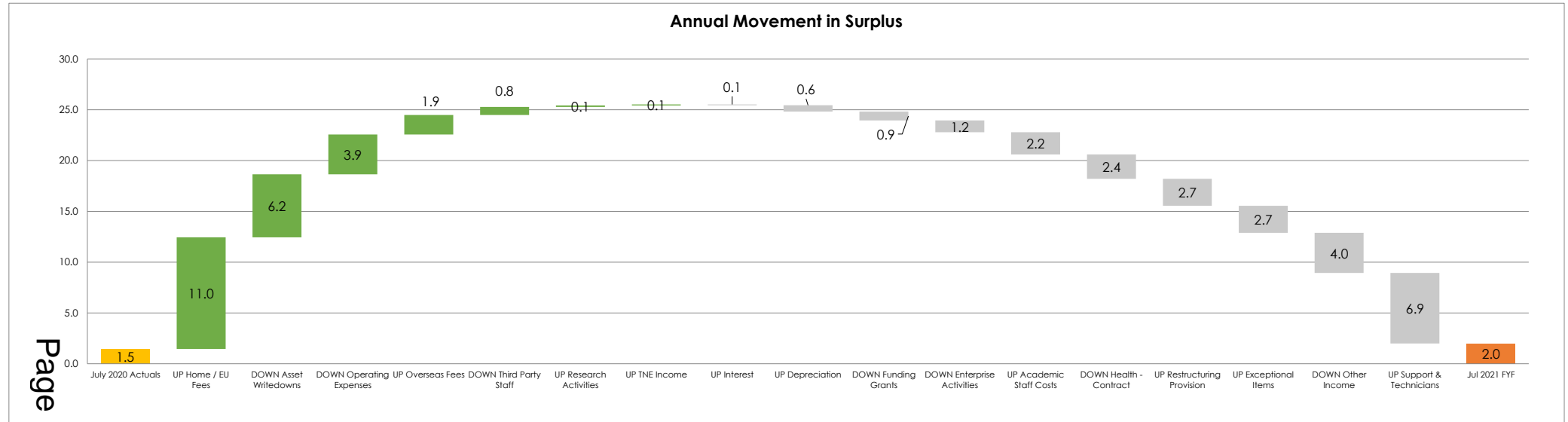
Cash position = £43.7m The cash position for the University as at 31 May is £43.7m and this compares to a balance of £28.6m in April. The increase in cash reserves is due to the final tranche of Tuition Fee income received from Student Finance England in May. The University drew down £10m from the Revolving Credit Facility with Barclays in April whilst we were waiting for the cash transfer from accounts that had notice periods. These funds were returned to Barclays on the 17th May.

3) Table 1: Full Year Forecast vs. Budget

Financial Summary in £'m	CURRENT YEAR BUDGET vs PRIOR YEAR ACTUALS				FULL YEAR FORECAST OUTTURN POSITION					YEAR ON YEAR (Y-T-D COMPARISON)			
	19/20 Actuals	20/21 Budget	Change to 19/20	Change %	Apr 20/21 Forecast Outturn	Monthly move	May 20/21 Forecast Outturn	Variance to 20/21 Budget	Budget variance %	19/20 Actuals	20/21 Actuals	Change to 19/20	Change %
Funding Grants	14.4	13.5	-1.0	-7%	13.5	0.0	13.5	0.1	1%	11.5	11.7	0.1	1%
Health - Contract	2.9	0.6	-2.4	-81%	0.6	0.0	0.6	0.0		3.2	0.8	-2.4	-75%
Home / EU UG Fees	86.2	85.7	-0.5	-1%	97.2	-0.7	96.6	10.8	13%	86.7	99.1	12.3	14%
Home / EU PG Fees	12.6	12.6	-0.0	-0%	13.2	0.0	13.2	0.6	5%	12.5	12.6	0.1	0%
Overseas Tuition Fees	15.1	14.3	-0.8	-5%	14.8	2.2	17.0	2.7	19%	15.1	18.2	3.1	20%
TNE Income	1.9	1.6	-0.3	-18%	2.0	0.0	2.0	0.5	29%	1.9	1.8	-0.1	-5%
Research Activities	6.3	6.1	-0.3	-4%	6.3	0.2	6.5	0.4	7%	5.1	5.2	0.1	2%
Enterprise Activities	7.0	9.3	2.3	33%	7.2	-1.3	5.8	-3.4	-37%	6.5	4.6	-1.8	-28%
Student Related Income	8.6	9.6	1.0	12%	6.5	0.0	6.5	-3.1	-32%	6.9	5.7	-1.3	-18%
Other Operating Income	1.7	0.0	-1.7	-100%	0.0	0.0	0.1	0.1	-1961%	0.3	0.7	0.4	143%
Endowments & Interest	0.3	0.1	-0.2	-63%	0.1	0.0	0.1	-0.0	-36%	0.3	0.0	-0.2	-84%
Income	157.1	153.3	-3.8	-2%	161.4	0.4	161.8	8.6	6%	150.0	160.3	10.3	7%
Academic Staff Costs	43.0	42.1	-0.9	-2%	45.0	0.2	45.2	3.1	7%	35.4	37.2	1.8	5%
Support & Technicians	41.6	44.6	3.0	7%	48.9	-0.3	48.6	4.0	9%	34.5	36.3	1.9	5%
Third Party Staff	3.6	2.0	-1.6	-45%	2.7	0.1	2.8	0.8	41%	2.9	2.5	-0.4	-12%
Restructuring	1.1	2.3	-1.1	99%	1.5	0.0	1.5	3.8	-167%	0.2	0.3	0.1	68%
Depreciation	9.4	10.5	1.1	12%	10.0	0.0	10.0	-0.5	-5%	7.1	8.4	1.3	18%
Operating Expenses	54.8	46.4	-8.4	-15%	45.1	-0.4	44.7	-1.7	-4%	36.4	31.9	-4.5	-12%
Interest Payable	4.4	5.8	1.4	31%	4.5	0.0	4.5	-1.3	-22%	3.7	3.6	-0.1	-4%
Exceptional Items	0.0	2.2	2.2		1.7	1.0	2.7	0.5	23%	0.0	0.0	0.0	
Expenditure	155.6	151.3	-4.4	-3%	159.4	0.4	159.8	8.6	6%	120.1	120.2	0.1	0%
Surplus for the year	1.5	2.0	0.6	38%	2.0	0.0	2.0	-0.0	1%	29.9	40.1	10.2	34%
Surplus as % of income	0.9%	1.3%	41%		1.2%		1.2%			19.9%	25.0%	25%	
Staff costs as % of income	55.4%	56.4%	2%		60.8%		60.6%			48.6%	47.6%	-2%	

4) Forecast Summary

The key movements in the current forecast as compared to the 19/20 final outturn are the £11.0m additional Home/EU Tuition Fees due to the 14% growth in student FTEs and the one off write down of £6.2m of Assets at year end. The University has also reduced its Operating Expenses by a total of £3.9m, and has increased its Overseas Income forecast by £1.9m as compared to last years out turn. Our forecast on 3rd Party staff is £0.8m less than 2019/20, we have £0.1m more Research activity and are forecasting a slight year on year increase in TNE Income. These movements are funding a slight increase in our interest charge and a £0.6m increase in depreciation. This has enabled us to absorb a reduction of £0.9m in Funding grants and a £1.2m reduction in Enterprise activities. UP Academic Staff Costs are £2.2m, DOWN Health Contract is £2.4m, UP Restructuring Provision is £2.7m, UP Exceptional Items is £2.7m, DOWN Other Income is £4.0m, UP Support & Technicians is £6.9m and Jul 2021 FYF is £2.0m.



5) Contribution Analysis

Contribution is on budget. In total the Schools have delivered their Full Year Income Forecast and are currently forecast to deliver £7.5m more than budget and £2.8m more than last year. The biggest year on year increases are in the Schools of Applied Sciences and Engineering who are forecast to increase their contribution by £1.1m each and in Law & Social Sciences which is forecast to increase its contribution by £0.8m. This has enabled £0.7m of investments in the School of the Built Environment & Architecture and £0.4m Investment in the School of Arts & Creative Industries. The Institute of Health & Social Care is forecast to increase its contribution by £0.3m.

Contribution per School across Teaching, Research and Enterprise activities

£'millions	Applied Sciences		Arts and Creative Industries		Built Environment & Architecture		Business		Engineering		Law & Social Sciences		Total All Schools		Institute of Health & Social Care	
	19/20 Actual	May 20/21 FYF	19/20 Actual	May 20/21 FYF	19/20 Actual	May 20/21 FYF	19/20 Actual	May 20/21 FYF	19/20 Actual	May 20/21 FYF	19/20 Actual	May 20/21 FYF	19/20 Actual	May 20/21 FYF	19/20 Actual	May 20/21 FYF
Income	£11.2	£12.8	£11.6	£10.8	£20.5	£21.1	£24.6	£25.3	£19.0	£20.8	£16.3	£17.7	£103.1	£108.4	£36.9	£37.8
Expenditure before space charge	£5.3	£5.7	£5.5	£5.1	£6.6	£7.9	£8.5	£8.6	£9.7	£10.4	£6.3	£7.0	£41.9	£44.7	£16.8	£17.5
Contribution	£5.9	£7.0	£6.0	£5.6	£13.9	£13.2	£16.1	£16.7	£9.3	£10.5	£9.9	£10.7	£61.2	£63.7	£20.0	£20.3
Contribution %age	52.7%	54.9%	52.2%	52.3%	67.9%	62.7%	65.5%	65.9%	49.1%	50.2%	61.0%	60.6%	59.4%	58.7%	54.4%	53.7%

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

£'millions	Applied Sciences		Arts and Creative Industries		Built Environment & Architecture		Business		Engineering		Law & Social Sciences		Total All Schools		Institute of Health & Social Care	
	19/20 Actuals	May 20/21 FYF	19/20 Actuals	May 20/21 FYF	19/20 Actuals	May 20/21 FYF	19/20 Actuals	May 20/21 FYF	19/20 Actuals	May 20/21 FYF	19/20 Actuals	May 20/21 FYF	19/20 Actuals	May 20/21 FYF	19/20 Actuals	May 20/21 FYF
Teaching Income	£10.3	£11.7	£10.9	£10.3	£19.6	£20.2	£23.9	£24.9	£15.0	£16.5	£15.6	£17.3	£95.5	£101.0	£33.7	£36.2
Teaching Staff	£3.9	£4.3	£3.3	£3.6	£5.2	£5.9	£5.1	£5.5	£5.0	£5.2	£5.3	£5.7	£27.8	£30.2	£12.9	£13.9
Teaching Expenditure (excl space charge)	£0.7	£0.4	£1.6	£0.8	£0.8	£0.9	£3.1	£2.9	£0.9	£0.8	£0.8	£0.8	£7.9	£6.7	£2.0	£1.7

Teaching Contribution	£5.7	£7.0	£6.0	£5.9	£13.6	£13.4	£15.7	£16.6	£9.1	£10.5	£9.6	£10.8	£59.8	£64.1	£18.9	£20.6
Staff cost as %age of income	37.7%	36.9%	29.8%	35.0%	25.8%	29.1%	20.9%	22.1%	32.4%	31.7%	33.4%	32.8%	28.6%	29.9%	38.1%	38.4%
Contribution %	55.4%	59.3%	54.1%	57.3%	67.9%	66.3%	64.4%	66.4%	58.5%	63.4%	60.6%	62.4%	61.4%	63.5%	55.9%	56.8%
Return on Academic Investment	146.9%	160.5%	181.8%	164.0%	262.6%	228.0%	308.2%	300.7%	180.5%	200.4%	181.3%	190.3%	214.8%	212.1%	146.8%	147.8%
Full Year Student FTE	1,006	1,223	1,113	1,064	2,042	2,192	2,418	3,096	1,410	1,677	1,706	1,929	9,695	11,181	3,650	3,984
Expenditure per FTE	£4,547	£3,902	£4,400	£4,133	£2,947	£3,114	£3,380	£2,703	£4,230	£3,591	£3,554	£3,372	£3,682	£3,299	£4,074	£3,929
Contribution per Stud FTE	£5,700	£5,700	£5,400	£5,600	£6,700	£6,100	£6,500	£5,400	£6,400	£6,200	£5,600	£5,600	£6,200	£5,700	£5,200	£5,200

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

6) Student Number Analysis

The University is doing particular well in terms of student numbers and we are 14% up year on year. There has been particularly strong recruitment in Applied Sciences, Engineering and the Institute of Health & Social Care and these 3 schools are each 100 FTE over target. In terms of continuing students, we have 1,400 FTE more than last year which is growth of 20%. The School of Business has 600 more students than last year and every school apart from Arts & Creative Industries is recording double digit growth.

Enrolment FTE up
13.9% year-on-year

[----- New -----]				
School	MAY-20	MAY-21	Change	% Change
ASC	495	633	138	27.9%
ACI	464	432	-32	-6.9%
BEA	895	879	-16	-1.8%
BUS	1,346	1,419	73	5.4%
ENG	661	775	114	17.2%
HSC	1,628	1,760	132	8.1%
LSS	879	882	3	0.3%
YTD Total	6,368	6,780	412	6.5%

[----- Continuing -----]				
School	MAY-20	MAY-21	Change	% Change
ASC	511	590	79	15.5%
ACI	649	632	-17	-2.6%
BEA	1,147	1,313	166	14.5%
BUS	1,072	1,677	605	56.4%
ENG	749	902	153	20.4%
HSC	2,022	2,224	202	10.0%
LSS	827	1,047	220	26.6%
YTD Total	6,977	8,385	1,408	20.2%

[----- TOTAL -----]				
School	MAY-20	MAY-21	Change	% Change
ASC	1,006	1,223	217	21.6%
ACI	1,113	1,064	-49	-4.4%
BEA	2,042	2,192	150	7.3%
BUS	2,418	3,096	678	28.0%
ENG	1,410	1,677	267	18.9%
HSC	3,650	3,984	334	9.2%
LSS	1,706	1,929	223	13.1%
YTD Total	13,345	15,165	1,820	13.6%

7) Student Withdrawal Analysis

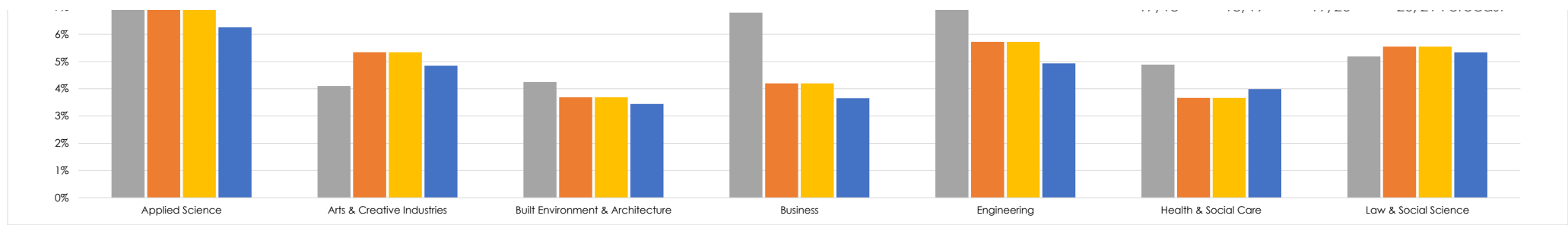
Summary

The University typically withdraws or interrupts over 1,000 students in year costing in excess of £4.5m and by the end of May has typically withdrawn over 800 students. This year we have withdrawn just 486 and have made refunds of £2.6m. This position may be a little understated as we are still working on bringing QL up to date. In terms of Full Time Undergraduates we have billed £92.3m of income and have recognised £90.2m in the forecast and so we are still providing £2.1m for future refunds

Lost Fee Income' in £000K	17/18 Actuals	18/19 Actuals	19/20 Actuals	Forecast 20/21	% change 19/20 vs 20/21	Forecast % income lost by Jul 21	Last 4 year school average	Lost income as at MAY-21	Academic year	YTD withdrawals (incl. interrupted)	Full Year withdrawals (incl. interrupted)
Applied Science	653	603	547	570	4.2%	6.3%	6.5%	407	17/18	882	1,144
Arts and Creative Industries	391	538	325	490	50.6%	4.8%	4.8%	259	18/19	825	1,070
Built Environment & Architecture	601	558	544	570	4.8%	3.4%	4.1%	398	19/20	862	1,037
Business	998	696	851	850	-0.1%	3.7%	5.5%	475	20/21	486	969
Engineering	815	659	561	628	11.9%	4.9%	6.0%	286			
Health & Social Care	482	715	920	1,050	14.1%	4.0%	5.0%	557			
Law & Social Sciences	652	722	569	800	40.6%	5.3%	5.2%	252			
Total	4,592	4,490	4,317	4,958	14.8%	4.4%	5.2%	2,635			

% of total Income lost to drop-outs per year & forecast 20/21





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

8) Income Analysis

Total income £10.3m ahead of YTD Position
 In terms of Income, we have currently billed £160.3m. This is a £10.3m improvement on the £150.0m we had generated at this time last year and represents almost 7% growth. This month we have increased our overall income forecast by £0.4m and are currently forecasting a full year position of £161.8m. In terms of changes this month we increased our Overseas Postgraduate income forecast by £2.2m due to strong Semester 2 activity, we reduced our Full time Undergraduate Tuition Forecast by £0.7m to reflect the full year provision of £4.7m for potential dropouts and we reduced Other Student Related Income by £1.3m to reflect the lack of summer school this year.

Home & EU tuition fees = 115% of budget
 The key driver for the increase in income is Home / EU Tuition fees for Undergraduates and Apprenticeships, this is driven by strong recruitment and re-enrolment. The full year forecast of £90.2m for UG and £6.4m for Apps would represent £10.3m growth as compared to last years full year outturn of £86.3m. In terms of billing, we have currently billed £99.1m against that £96.6m forecast and are carrying a provision of £2.7m for additional student refunds

Overseas tuition fees = 127% of budget
 In terms of Overseas Tuition Fees we have completed Semester 2 enrolment and re-enrolment and have billed £18.2m against a revised forecast of £17m. There may be an element of tuition fee refunds but we would expect the full year forecast to rise to £17.5m by year end. This would represent year on year growth of £2.4m. This is primarily driven by Undergraduate recruitment.

86% of Research income Budget achieved
 The University has currently delivered £5.1m of Research income against a budget target of £6.1m representing 83% of the full year forecast. This is slightly down as compared to the budgeted YTD position of £5.2m and is due to delays in billings for research projects. We are currently forecasting that Research Income will be £0.4m ahead of budget by year end.

70% of Enterprise income budget achieved YTD
 The University has currently delivered £4.6m of income against a budget target of £9.3m representing 70% of the full year forecast. This compares unfavourably to the £6.5m delivered at this time in 19/20. The reduction is due to the delay of Enterprise projects due to Covid 19 and there is a significant reduction in CPPD activity as Health Professionals have not been released from the wards and so the overall Enterprise Forecast has been reduced to £5.8m

9) Staff Cost Analysis

YTD Staff costs have increased by £2.5m and the Pension costs have increased by £4.0m
 Staff costs are one of the key risks to our performance in 20/21. The Scenario 2 budget assumed a rollover position for 20/21 in terms of posts but with staff saving required of £3.8m in the November budget review to balance the forecast reduction in income. There were also a number of Academic posts that were recruited to ensure capacity in stretched Academic areas. These posts were to be funded through reduced Opex if the income was not delivered and so were not included in the staff budget to avoid double counting. Excluding the Restructuring Provision, University staff costs are currently £6.2m over budget YTD whereas the Full Year Forecast assumes that we will end the year £7.9m over budget. This would imply that the staffing forecast contains a number of posts that have not been filled and could be overstated by at least £1.5m.

10) Operating Expense Analysis

YTD Opex are £6.3m better than budget
 In the scenario 2b budget all areas with Operating Expenses had their budget reduced by an average of 2%. YTD operating expenses currently stand at £31.9m as compared to a budget of £38.2m and comparable spend of £36.4m in 19/20. The key areas of Underspend remain in staff related expenditure which may be impacted by the degree of remote working and in student related expenditure particularly with regard to student consumables. We have recognised £1.7m of the current £6.3m underspend. The YTD position will change as Agresso is brought up to date and we will have a clearer position as to the potential level of headroom caused by the underspend in Opex at the end of June. This will then be managed during July with Asset write downs to ensure that we deliver near the targeted level of surplus.

11) Interest Payable

Budget is overstated
 In the scenario 2b budget we had assumed £5.8m of Interest expenses. This was calculated as £1m existing loans, £2.4m FRS102 Interest and £2.4m interest on new loans/overdraft. The current forecast is that the Revolving Credit Facility will only be needed for 1 month and indeed has already been refunded. We have recognised £1.3m of the underspend and there may be further savings against budget of £0.5m to recognise.

12) Exceptional Items

Exceptional items forecast at £2.2m
 The University created £4.5m of 'headroom' in the scenario 2b budget with a proposed £2m surplus and £2.5m of Exceptional items. The University is currently on track to deliver the proposed £2m surplus with £2.7m remaining in Exceptional items

13) Cash Position

**Exceptional items
forecast at £2.2m**

The cash position for the University as at 31 May is £43.7m and this compares to a balance of £28.6m in April. The increase in cash reserves is due to the final tranche of Tuition Fee income received from Student Finance England in May. The University drew down £10m from the Revolving Credit Facility with Barclays in April whilst we were waiting for the cash transfer from accounts that had notice periods. These funds were returned to Barclays on the 17th May.

LONDON SOUTH BANK UNIVERSITY / ENTERPRISES

Management Summary Report from August 2020 To The End Of May 2021

SMT Area: All

Cost Centre: %



Full Year Outturn Last Year (£)	YTD Actuals Last Year (£)	Description	Code	Client	FULL YEAR				YEAR TO DATE				Full year Forecast less Actual YTD (£)		
					2020 Forecast	2020 Budget	Variance - Forecast to Budget		Note	2020 Actuals	2020 Budget	Variance - Actuals to Budget		Note	
					(£)	(£)	(£)	%		(£)	(£)	(£)			%
-157,062,747	-150,031,207	Total Income			-161,848,731	-153,264,959	8,583,772	6%		-160,344,426	-146,252,870	14,091,556	10%	-1,504,305	
87,056,752	72,888,834	Total Staff Costs			98,052,356	86,413,704	(11,638,652)	(13%)		76,378,096	73,917,192	(2,460,904)	(3%)	21,674,260	
9,354,506	7,098,044	Total Depreciation			9,979,000	10,500,000	521,000	5%		8,388,377	7,408,429	(979,948)	(13%)	1,590,623	
54,774,900	36,409,916	Total Other Operating Expenses			44,656,557	46,866,796	2,210,239	5%		31,871,482	38,657,228	6,785,745	18%	12,785,075	
4,416,903	3,706,925	Total Interest Payable			4,499,998	5,799,998	1,300,000	22%		3,574,401	2,838,634	(735,767)	(26%)	925,597	
		Total Exceptional Items			2,660,733	1,670,072	(990,661)	(59%)						2,660,733	
	280	Total Internal Allocations													
-1,459,686	-29,927,208	Contribution			-2,000,087	-2,014,389	(14,303)	(1%)		-40,132,069	-23,431,387	16,700,682	71%	38,131,982	
55.4%		Staff costs as % of income			60.6%	56.4%				47.6%	50.5%				
.9%		Contribution %			1.2%	1.3%				25.0%	16.0%				

MAR-2=1 EXECUTIVE SUMMARY

This Executive Summary reports on the draft financial position of Lambeth College as at 31 March 2021.

1) RAG Status

Income Growth FYF v 19/20 outturn	9.8%
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Staff Cost % excluding restructuring	60.5%
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FYF Surplus (Contribution %)	0.0%
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2) Summary

Opex Growth	6.0%
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Staff Cost Growth	10.4%
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EBITDA	6.7%
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Budgeted Contribution at £0

This is the Third year that the deficit at Lambeth College will be funded through the release of deferred income received from the ESFA as part of the transaction to acquire Lambeth College. The original budget assumed £2.7m of income release to deliver a neutral position. (this is the £1.7m operating deficit plus £1m of Novated loan costs). We are currently forecasting a grant release of £4.4m primarily due to increased Pension costs at the college. Any reduction in grant income will have a direct impact on the level of deficit and so we continue to monitor the risk of clawback closely.

Funding Grants may be overstated

Grant income includes additional £1.4 m of additional programme funding as reported in November 2020. This has been reviewed by Senior leadership to ensure that we can deliver in year. An adjustment of (-£474k) of additional AEB income is likely, following indications from the GLA that deferral of delivery into 21/22 may be agreed due to the impact of the lockdown measures introduced in Jan 21. In addition funding reports indicate a further risk of clawback of £179k and £278k on both Innovation Bids and Response Strand 2. The income forecast assumes that this would have been delivered for the year, so there is a high risk of impact on the current deficit position.

Fee Income has been revised down

A re-forecast for the likely full year out turn informed by take up for the 9 month period, was completed in April. Schools income is now assumed to be £261k under budget for the year. Learner Loan Income (budgeted £1.4m) forecast down to £834k for 12m (-ve variance of (-£576)). The effects of this write down is mitigated by a further increase in LA contributions to High Needs of +£271k (now forecast as £1.9m for full year) and a further £157k of Adult High Skills funding received.

Staff costs are ahead of Budget

Staffing costs are currently reported as(-£156k behind the expected profiled expenditure. Once adjusted for the timing of subcontractor costs, (<£456k under budget profile), this budget area is ahead of budget profile by £612k for the 10 month period. This adjusted position supports the overall full year forecast which expects staffing expenditure to exceed budget; currently forecast at being (-£1m) above budget for the 12m period (Total forecast is -£1.9m above staff budget: -£1m above budget once additional subcontractor costs relating to additional grant income received is excluded - £900k). Additional costs of delivery to support High Needs students is a further contributing factor, offset by a corresponding increase in expected levels of funding (+£547k). Note: annual pay increases have not been implemented ytd but this 12m forecast now includes an assumption that a 1% uplift is awarded in line with budget

Opex are under review

Non staffing costs continue to require careful management: forecast outturn for the full year in line with that reported last month -£1.2m above budget(18%). As previously reported procurement exercises have been completed for both electricity and gas, with significant costs savings expected to be fully realised from October 2021 onwards. In addition photocopier contracts have been re-negotiated-new contracts will deliver enhanced service support and expect a minimum of 10% year-on-year savings. Main in-year pressure in this budget area relate to the cost purchases of student IT devices (£717k above available budgets, and limited opportunity to re-sell within the group following increased demand). IT networking contribution of £300k is also budgeted for investment. Much of this expenditure may be capitalised at end of year, but are being financed via TU Grant funding. Finally premises related costs, including increased cleaning costs and reactive maintenance works are expected to add a further >£200k of cost pressure for the full 12m budget.

Cash position = £7.5m

The cash position as at 31 May is £7.5m, this is an increase of £0.1m as compared to April. The intention is to keep this balance in excess of £1.5m to provide the college with sufficient working capital

3) Table 1: Full Year Forecast vs. Budget

Financial Summary in £'m	CURRENT YEAR BUDGET vs PRIOR YEAR ACTUALS				FULL YEAR FORECAST OUTTURN POSITION					YEAR ON YEAR (Y-T-D COMPARISON)			
	19/20 Actuals	20/21 Budget	Change to 19/20	Change %	Apr 20/21 Forecast Outturn	Monthly move	May 20/21 Forecast Outturn	Variance to 20/21 Budget	Budget variance %	19/20 Actuals	20/21 Actuals	Change to 19/20	Change %
Funding Grants	22.3	21.9	-0.4	-2%	24.5	0.3	24.8	2.9	13%	20.0	19.5	-0.4	-2%
Transaction Unit Grant	4.9	2.7	-2.2	-45%	4.6	-0.2	4.5	1.8	66%	0.0	0.0		
Tuition Fees & Education Contracts	0.6	2.1	1.6	283%	1.3	-0.0	1.2	-0.9	-41%	0.5	1.0	0.6	115%
Enterprise Activities	0.2	0.1	-0.1	-49%	0.0	0.0	0.0	-0.1	-90%	0.2	0.0	-0.2	-95%
Student Related Income	0.0	0.0	0.0	28%	0.0	0.0	0.0	-0.0	-90%	0.0	0.0	-0.0	-87%
Other Operating Income	0.9	1.0	0.1	8%	1.3	0.0	1.3	0.3	27%	0.4	3.0	2.6	671%
Endowments & Interest	0.0	0.0	-0.0	-100%	0.0	0.0	0.0	0.0		0.0	0.0	0.0	
Income	28.9	27.8	-1.1	-4%	31.6	0.1	31.8	3.9	14%	21.0	23.5	2.5	12%
Academic Staff Costs	9.5	9.5	0.1	1%	9.4	-0.0	9.4	-0.2	-2%	7.9	7.7	-0.2	-2%
Support & Technicians	4.6	5.5	1.0	21%	4.8	0.0	4.8	-0.7	-13%	4.0	4.0	-0.0	-0%
Third Party Staff	3.7	2.9	-0.7	-20%	5.1	0.0	5.1	2.1	73%	2.7	3.0	0.4	13%
Restructuring / Pension Costs	1.7	-0.3	-2.0	-117%	2.2	0.0	2.2	2.5	-871%	0.2	0.7	0.5	207%
Depreciation	1.3	1.4	0.1	10%	1.3	0.0	1.3	-0.1	-9%	0.0	1.1	1.1	
Operating Expenses	7.7	7.8	0.0	1%	8.0	0.2	8.2	0.4	5%	5.3	6.4	1.1	21%
Interest Payable	0.5	1.0	0.5	96%	0.9	-0.0	0.9	-0.1	-12%	0.6	0.7	0.1	12%
Exceptional Items	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0	
Expenditure	28.9	27.8	-1.1	-4%	31.6	0.1	31.8	3.9	14%	20.7	23.6	2.9	14%
Surplus for the year	0.0	0.0	-0.0	-100%	0.0	0.0	0.0	0.0		0.3	0.0	-0.4	-114%
Surplus as % of income	0.0%	0.0%		-100%						1.6%	-0.2%		-112%
Staff costs as % of income	67.2%	63.6%		-5%	68.0%		67.6%			70.0%	65.3%		-7%

Full Year Outturn Last Year (£)	YTD Actuals Last Year (£)	Description	Code	Client	FULL YEAR				YEAR TO DATE				Full year Forecast less Actual YTD (£)		
					2020 Forecast (£)	2020 Budget (£)	Variance - Forecast to Budget (£) %		Note	2020 Actuals (£)	2020 Budget (£)	Variance - Actuals to Budget (£) %		Note	
(28,936,878)	(21,039,919)	Total Income			(31,784,953)	(27,723,710)	4,061,243	15%		(23,545,872)	(21,307,856)	2,238,016	11%		(8,239,081)
19,458,003	14,737,036	Total Staff Costs			21,482,677	17,707,917	(3,774,760)	(21%)		15,385,876	14,853,453	(532,424)	(4%)		6,096,800
1,272,961		Total Depreciation			1,274,135	1,400,000	125,865	9%		1,061,779	1,166,667	104,887	9%		212,356
7,702,441	5,327,459	Total Other Operating Expenses			8,162,432	7,750,083	(412,349)	(5%)		6,428,851	6,486,666	57,814	1%		1,733,580
503,286	643,161	Total Interest Payable			865,710	865,710		%		721,425	721,425		%		144,285
(187)	(332,264)	Contribution			()	()		71%		52,060	1,920,354	1,868,295	97%		(52,060)
(187)	(332,264)	Contribution After Internal Allocations		SC	()	()		71%		52,060	1,198,929	1,146,870	96%		(52,060)

	INTERNAL
Paper title:	LSBU Group Recruitment Update – S1 21/22 Entry
Board/Committee(s)	Financial Planning and Resources Committee
Date of meeting(s):	6 July 2021
Authors:	Mehmet Tarhan - Head of Recruitment Planning and Operations Karen McLernon - Head of Performance Analysis
Executive/Operations sponsor:	Nicole Louis – Chief Customer Officer
Purpose:	For information
Recommendation:	The committee is requested to note the update on LSBU Group recruitment.

Executive Summary

Recruitment

- For LSBU, recruitment outlook is generally positive with performance tracking in line with the targets set by the university at an institutional level. We have currently secured 58.5% of the end-of-cycle target of 7k, and this is comparable with last year (59% of the 2020 target last year to date).
- In UGFT courses, domestic and international FAs are performing on a like-for-like basis year-on-year (2.8k vs 2.8k). However, the EU pipeline has halved from 600 to 300 FAs, following a fall in demand from mainland-EU students, and this is reflected across the sector.
- The university has started receiving deposits from international students, following a delay in deposit processing due to the cyber-incident. At present 118 international students have paid deposits. We expect around 200 overseas students to progress to LSBU through the university's OnCampus partnership with Cambridge Education Group. These, plus the 118 committed students fulfils 80% of the overseas enrolment target (of 400 students in September).
- University clearing preparations are ongoing and operations will commence from 5th July, with applications being accepted both online and via telephone. Our pre-Clearing lead generation campaign has seen 250 leads register their interest in LSBU, compared to around 210 last year. Outbound activities to convert these leads into applicants will commence from 5th July.
- Lambeth College applications have continued to increase and have grown by 74% overall, from 3.65K to 6.36k year-on-year. By cohort, the 16-18 applications stand at 1.6k compared to 1.2k year-on-year which is an increase of 33.5%, while the Adult applications have nearly doubled from 2.5k last year to 4.8k and accounts for the bulk of the growth.
- Applications from group institutions into LSBU for the current year have grown in volume and so far exceed the amount generated in totality last year, with circa 190 applications received so far from Lambeth College, UTC and UAE, compared to 140 in total last year. However the offer rejection rate is high across the subsidiaries at 44% and LC applications for health related courses is also high at 34% reducing the potential for intra group enrolments.

Retention

- May YTD withdrawals and interruptions stand at 2.2% and 2.6% respectively. They remain significantly lower than last year in terms of both absolute numbers and proportion of students, particularly for UG students.
- YTD lost income due to withdrawals and interruptions currently stands at £3.1 million, 27% lower than last year (£4.2 million).

S1 21/22 Recruitment – LSBU

1. Overall position

Based solely on records within QL, the university has secured 3.9k versus 4.7k FAs last year (-15%). The gap has narrowed from -25% in previous weeks, following strong results from the June UCAS reply deadline. Alongside the 3.9k FAs in QL, a further 160 FAs are being progressed outside of QL (due to the cyber-incident) and adding these into the mix narrows the overall gap across LSBU to within -13% year-on-year (4.1k vs 4.7k FAs). Recruitment performance is therefore broadly in line with the targets set by the university, which for September 2021 are around -10% lower year-on-year (from 7.7k to 7k FAs), in light of the anticipated fall in recruitment following the cyber-incident. Based on the 4.1k FAs achieved overall (QL and non QL), we measure 58.5% against our target of 7k FAs, which is comparable with last year to date (59% towards target or 4.7k versus 7.7k FAs). Overall LSBU targets are achievable at this stage, but individual areas (such as Croydon) may not achieve targets in full.

2a. UGFT specific trends

In UGFT provision, the university has achieved 3.1k FAs overall compared to 3.4k the previous year (-8.8%). However, when removing EU students from the mix, recruitment is flat year-on-year measuring at 2.8k FAs versus 2.8k FAs last year. Domestic and non-EU international recruitment is performing on a like-for-like basis, while our EU pipeline has halved from 600 to 300 FAs year-on-year (-50%). All Schools at LSBU have seen EU numbers fall but Health, Engineering and Built Environment are the least affected areas, while the Arts, Applied Sciences, Business and the Social Sciences, are the most impacted areas. The fall is attributable to Brexit, which has led to a reduction in students applying from Europe and has seen EU applications fall -47% at LSBU, -49% amongst Competitors, and -57% across the Sector as of mid-June.

The next checkpoint in the UCAS calendar is the mid-July end of cycle reply deadline. Heading into this checkpoint, we are currently working to convert a pipeline of 1.2k students who have not yet responded to their offers. The active offer-holder pot measures -22% behind last year and reflects the reduced number of offers made this cycle (14.5k overall versus 15.7k last year to date at UGFT level). The lower offer counts this year, are partially driven by the ongoing application backlog that teams are contesting with (caused by the cyber-incident); at present teams are working to make decisions on 1.3k applications. In the last week of June before the start of the Clearing process, late UCAS applications are often made and we do expect to see the backlog increase slightly, before it falls. To support processing additional resource is being brought into the team from week commencing 28th June.

Academic call-backs are supporting the conversion of offer-holders in the run up to the Clearing, Confirmation and Enrolment period. In the last fortnight, teaching staff have conducted over 700 calls to eligible offer-holders, which are supporting recruitment outcomes. In addition to this, offer-holders are receiving regular communications and text message prompts in the lead up to key deadlines, and we are creating opportunities for applicants to engage with current students through our Unibuddy platform (a peer-to-peer messaging service). Recruitment projections based on in-cycle data suggests that the university will generate between 3.4-3.6k Pre-Clearing FAs at UGFT level, by mid-July. The benchmark set in last year's Main Cycle is around 3.7k FAs and therefore on current trends we expect to go into Clearing between -8% to -2.7% last year (mainly driven by falling EU numbers).

2b. Croydon Campus

The Pre-Clearing projection for Croydon stands in the region of 100 FAs, making the Clearing gap to fill 230 FAs (against Croydon's target of 330 FAs). The campus has received 700 applications, but the offer rate stands at 40% (which is significantly lower than our institutional UGFT offer rate of 65%). With over half of applications rejected (mainly as part of the nursing interview process), to boost numbers at the new campus teams are now working to transfer late applicants from full Southwark courses to

Croydon. We are also considering ways to direct applicants towards Croydon entry as part of the Clearing process.

3. Apprenticeship specific trends

The university has received 220 Apprenticeship applicants so far, compared to 200 last year to date. The university is also recruiting with employers for 52 Apprenticeship positions. Access to Wozzad has been intermittent in recent weeks leading to periods of downtime, which has blocked teams from progressing several outstanding applications. At present, the university has recruited 65 FAs across Apprenticeship courses (compared to 105 last year, or -38%). This creates a gap to fill of 625 FAs by the end of year, versus the Apprenticeship target of 690 FAs for September. Three new apprenticeship courses are expected to be validated with planned intakes of circa 100 students overall for September 2021, which may support the fulfilment of Apprenticeship targets this year.

There is currently low risk to achieving the apprenticeship target at the moment with the only significant risk being COVID-19 and a return to more severe lockdowns. This would have an impact on businesses' ability to recruit apprentices. The majority of applications for apprenticeships are received during August and the projections so far indicate that the target will be achieved. Some of the large business clients are indicating a return to large numbers of apprentices. For example, WSP had 6 apprentices with LSBU last September due to COVID. This year they are promising 29. This picture is similar with the majority of businesses LSBU work with who were unable to support apprenticeships in 2020.

4. Postgraduate specific trends

As anticipated, our direct application routes have been more impacted from the cyber-incident, as they are more dependent on QL than undergraduate applications which go through UCAS. For much of the calendar year to date, teams have been processing direct applications in parallel across multiple QL and non-QL platforms, however an exercise has now taken place to import a large number of missing FAs records into QL. This increases the completeness of our recruitment data on QL and based on this the university has recruited 740 FAs overall across its postgraduate courses which compares with 1k last year (-27%). A fortnight ago, the year-on-year gap measured at -47%, and this will continue to narrow as we continue to reconcile our QL and non-QL systems together, but it should be noted that future data imports will have a smaller impact on numbers as we have actioned the bulk of the backlog with our initial reconciliation exercise. Based on [projections using in-cycle data](#), we can identify the areas that are performing in line with target and the areas which have the largest gaps to target. Using this information marketing campaigns teams are able to progress individual areas in terms of advertising and promotion through our external partners, in order to generate applications over the Clearing period and mitigate against the impact of the outage.

5. Overseas (non-EU) specific trends

Overseas application processing is running behind last year with 1.7k applications in progress compared to 680 the previous year across all levels. This follows the cyber-incident and ongoing issues causing intermittent access for application processing teams, which has contributed to the backlog. The Non-EU application deadline has been set as July 22nd, to allow teams to process offers and issue a CAS on time. At present 118 deposits have been submitted from international students, and teams are now seeking to start CAS issuance for this group.

The 'LSBU On-Campus' pipeline is expected to generate close to 200 international enrolments for 21/22 entry; these are students on the International Foundation Programme delivered by Cambridge Education Group. These 200 students alone account for half the overseas enrolment target of 400 students this year, there are 77 from the Jun cohort that have been given unconditional offers with the remaining students awaiting completing in August

While the On-Campus outcomes are positive, and more so because many of these students are already based in the UK, there remain risks over international recruitment more broadly due to the ongoing Covid-19 pandemic. Several key recruitment markets particularly around South-East Asia have been placed on higher alerts, and teams are both monitoring these regions closely and conducting market research to understand how competitors are reacting to the pandemic (for instance, offering delayed starts or dual delivery), which will inform local action at LSBU. Recent announcements from the UK government look to have increased confidence in the UK market as we are starting to see an increased volume of applications coming in, with approximately 100 being received each day.

6. Clearing Operations

The operation will start on time from 5th July, with applications accepted both online and via telephone. Core activities, such as the inbound application hotline, will operate on-site at the Faraday Wing in a socially distant manner spread across multiple rooms and floors. Last year, the university followed a hybrid approach splitting the hotline between operators working on-site and remotely, which did not prove to be perfectly effective in capturing leads (as applications fell from 4k in 2019 to 2.9k in 2020, and the large variance is partly attributed to the hybrid hotline model, which saw several calls drop). The Clearing and Confirmation tariff is in place, and individual meetings with Schools are now taking place to outline operational plans with Academic Clearing leads. The campaign will run until 30th September, and we will track our recruitment performance and progress to target throughout the campaign, to inform date setting for the closure of Clearing. Our Clearing 'register your interest' form has so far generated more than 250 leads (compared to around 210 last year). Outbound activities, to convert these pre-Clearing leads, will commence 5th July when applications open.

S1 21/22 Recruitment – LSBU Group

1. Lambeth College

Lambeth College applications have continued to increase and have grown by 74% overall, from 3.65K to 6.36k year-on-year. By cohort, the 16-18 applications stand at 1.6k compared to 1.2k year-on-year which is an increase of 33.5%, while the Adult applications have nearly doubled from 2.5k last year to 4.8k and accounts for the bulk of the growth. The college has brought forward its interview and enrolment processes and is now focused on enrolling students early to ensure commitment and secure increased attendance in Sept. Since last month another 1.3k students have been invited to interview, with a total of 4.9k being invited compared to 2.8k this time last year. 2.2k students have been offered places compared to 590 and 130 have now accepted (this is believed to be higher as there is still work to be done on the data within ProSolution). The Student Journey Project Lead is focusing on new initiatives to improve student engagement through the pipeline and increasing conversions, by reviewing activities, introducing new initiatives and then defining those which bring the most return.

2. Intra-Group Recruitment

Applications from group institutions into LSBU for the current year have grown in volume and so far exceed the amount generated in totality last year, with circa 190 applications received so far from Lambeth College, UTC and UAE, compared to 140 in total last year. The current pipeline shows a significant drop off between levels of applications and firm acceptances, driven by i) a high rejection rate of applications from Lambeth College to health related courses (34%) and a high offer rejection rate of 44% across all three institutions. This indicates that for many applications, LSBU is not the firm first choice. Details of the current intra-group pipeline are included as an appendix.

Student Withdrawals and Interruptions - May 2021 update

Executive Summary

- May YTD withdrawals and interruptions stand at 2.2% and 2.6% respectively.
- They remain significantly lower than last year in terms of both absolute numbers and proportion of students, particularly for UG students:

Table 120/21 YTD Withdrawals and Interruptions comparison with 19/20

		Headcount			Proportion of students		
		19/20	20/21	Change	19/20	20/21	Change
Withdrawals	UG	406	262	-144	3.4%	2.0%	-1.4%
	PG	103	83	-20	2.9%	2.8%	-0.1%
	Total	509	345	-164	3.3%	2.2%	-1.1%
Interruptions	UG	453	280	-173	3.8%	2.2%	-1.7%
	PG	218	134	-84	6.2%	4.6%	-1.6%
	<i>Not known</i>	<i>1</i>	<i>1</i>	<i>0</i>			
	Total	672	415	-257	4.3%	2.6%	-1.7%
Grand Total		1181	760	-421	7.6%	4.8%	-2.8%

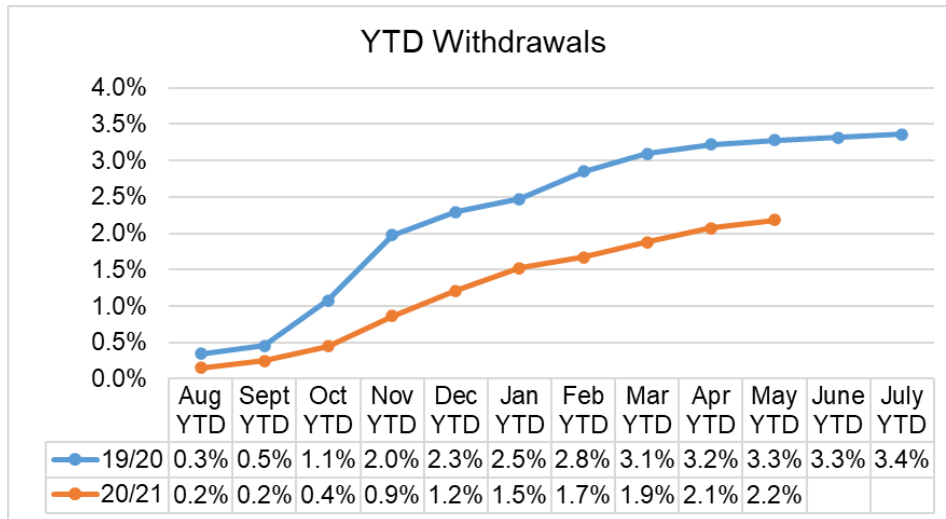
- YTD lost income due to withdrawals and interruptions currently stands at £3.1 million, 27% lower than last year (£4.2 million). The year-on-year reduction in withdrawn and interrupted student headcount is higher 36%. Average lost income per student has therefore increased in 20/21; this is because, on average, a higher proportion of the full year fee has been refunded this year.

Caveats

- The headcount figures may need to be revised upwards following final exam board decisions which will occur at the end of June and the end of August (for resit students). The boards have the ability to withdraw students due to lack of academic attainment and/or not attempting assessments.
- Proportional figures are based on the total student headcount as at November 2020, pending the recovery of the MIKE business information tool following the IT incident last December. This means that the withdrawal and interruption rates may be slightly overstated from not including January starters in the student population.

Withdrawals

Figure 1: YTD Withdrawals

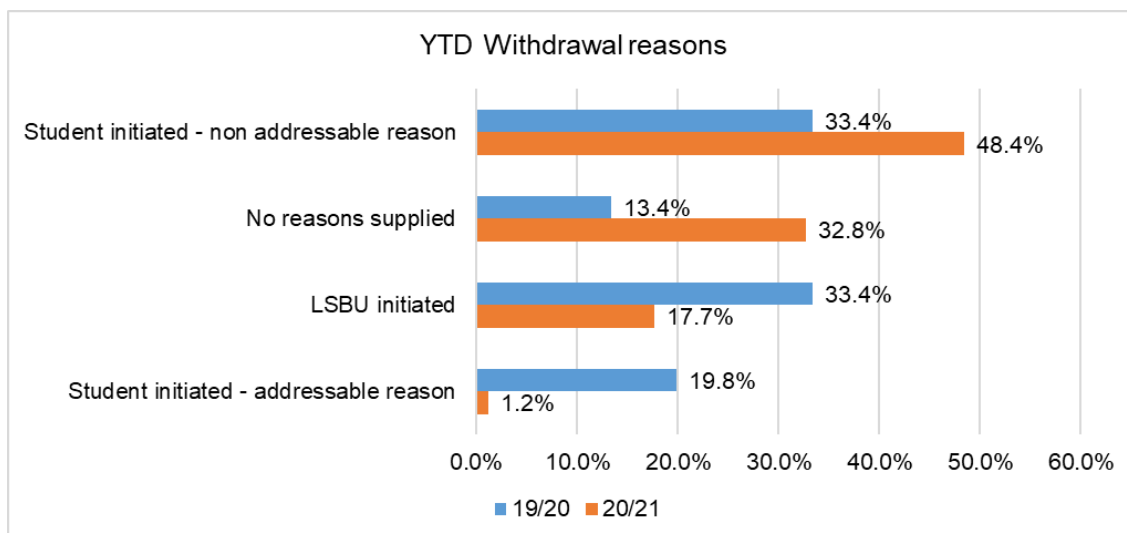


Withdrawals are lower than last year across all schools. APS, ACI and BUS have a slightly higher proportion of students that withdrew compared to LSBU overall. For more detail by schools, please refer to table 2 in the appendix.

First Degree year 0 (4.6%) and year 1 (4.3%) students are more likely to withdraw compared to year 2 and above students (0.5%). The proportion of First Degree year 1 students that withdrew is lower than last year (5.7% in 19/20).

A slightly higher proportion of full-time students withdrew compared to part-time students (2.3% compared to 1.9%). Last year a slightly higher proportion of part-time students withdrew compared to full-time students (3.3% compared to 3.0%).

Figure 2: YTD Withdrawal Reasons

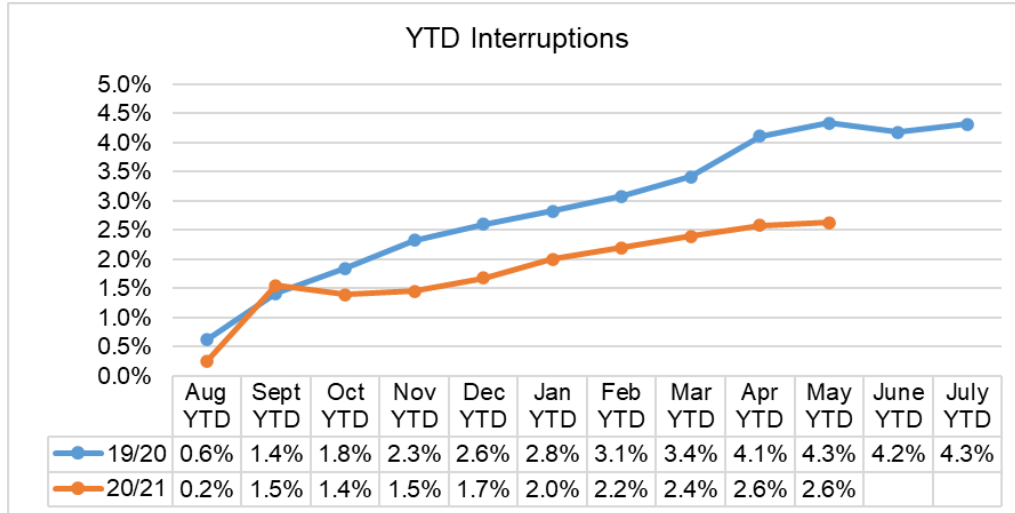


LSBU initiated withdrawals are significantly lower than in the previous year as these have been paused during the pandemic. Student initiated – non addressable reasons are significantly higher than last year (detailed reasons show majority of students withdrawing stating ‘other reasons’). The proportion of records with ‘no reasons supplied’ has reduced as QL is being updated following the cyber incident in

December 2020, but there remains a sizeable processing backlog which distorts the statistics in figure 2 above.

Interruptions

Figure 3: YTD Interruptions



Interruptions across all schools are lower than last year. APS has the highest proportion of students that interrupted (4.5%) which is significantly higher than LSBU’s overall interruption of 2.6%. The highest proportion of interruptions within the School of Applied Sciences is amongst PG students. For more detail by schools, please refer to table 3 in the Appendix.

A higher proportion of PG students (4.6%) interrupted compared to UG students (2.2%).

Interruptions amongst part-time students (1.9%) is lower than last year (3.6%).

In April 19/20 there was a sharp increase in the proportion of interruptions due to 79 Nursing Apprentices interrupting their studies to support the NHS frontline during the peak of the Covid-19 pandemic. This exceptional event has not recurred; therefore, the trend of interruptions has remained steady in 20/21.

Appendix 1

School	A p p	Firm Accept	Insuranc e	Offer No Decisi on	Offer Declined	Reject ed	Withdra wn	Grand Total
Lambeth College	9	29	9	4	33	48	11	143
Group B Subjects allied to Medicine	6	8	2	3	5	41	5	70
Group C Biological Sciences		2	1		6	2		11
Group F Physical Sciences	1	1			1			3
Group H Engineering		9	2		5			16
Group I Computer Sciences		1			6			7
Group K Architecture Build & Plan					1			1
Group L Social Studies	2	3				1	3	9
Group N Business & Admin studies		3	1	1	5	2		12
Group W Creative Arts & Design		2	3		4	2	3	14
South Bank Engineering UTC		9	5		12		1	27
Group F Physical Sciences					1			1
Group H Engineering		7	3		9		1	20
Group I Computer Sciences			1					1
Group L Social Studies			1					1
Group M Law		1						1

Group N Business & Admin studies					2			2
Group W Creative Arts & Design		1						1
University Academy of Engineering South Bank		5	3		6		1	15
Group H Engineering		5	3		4			12
Group I Computer Sciences					2		1	3
Grand Total	9	43	17	4	51	48	13	185

Agenda Item 7

	INTERNAL
Paper title:	Group Roadmap and KPIs
Board/Committee:	Finance, Planning and Resources
Date of meeting:	06 July 2021
Author(s):	Karen McLernon, Head of Performance Analysis
Sponsor(s):	Deborah Johnston, Pro Vice Chancellor (Education)
Purpose:	For Review
Recommendation:	An update on the 21/22 Group Roadmap and KPI targets is submitted for the Committee's review.

Executive summary

Following the April report on the strategy implementation process and the 2025 KPI framework, this paper provides an update on:

- The results of the review of 38 Strategic Deliverables and resultant Group Roadmap and priorities for the year 2021/22;
- Group and Institutional KPI targets, including SBC Board-approved targets for Lambeth College.

Group Roadmap and KPIs

1. Group Roadmap Development and 2021/22 Priorities

As outlined in the April FPR report, it became necessary to further review and prioritise the strategic deliverables contained in the 2025 Group Strategy in light of the ongoing Covid pandemic and impacts of the IT incident before defining the Group Roadmap.

The 38 deliverables were reviewed with their Executive Sponsors during the course of May and June in order to:

- Capture progress to date
- Determine their relative priority and urgency by assigning a 'speed up', 'sustain' or 'slow down' categorisation
- Group related deliverables into themes to streamline the number of items that need to be tracked and reported
- Define the activities for 2021/22 and main milestones for the outer years of the Strategy
- Capture funding requirements.

In addition, the Strategy, Performance and Planning team linked the prioritised deliverables to the strategic outcomes they support and the related indicators in the 2025 KPI framework.

As a result of the review, the 'Student support and customer service' deliverable has been split into a Student support deliverable and a separate Student customer service deliverable. Going forward we will therefore reference 39 individual strategic deliverables.

1.1. Speed up / Sustain / Slow down Categorisation

The categorisation in view of relative priority and urgency identified:

- **Seven** deliverables to be **sped up**.
 - Four of these sit within one of the main 2021/22 themes, Business Relationships, see section 1.2.
 - The other three deliverables are under the People, Culture and Inclusion strategic pillar and constitute critical enablers towards achieving the Group's overall strategic ambition.
- **Five** deliverables to be **slowed down**. These sit within the Estate and Group-wide Teaching & Learning Excellence themes. The formulation of the Estates strategy is dependent on other elements of the strategy, such as technology.
- The remaining 27 deliverables categorised as sustain, i.e. continuing at the current pace of activity.

See Appendix 1 for a diagram of the categorisations.

1.2. Themes

The review identified **nine thematic groupings** that encompass 28 individual deliverables. There are also 11 deliverables that are more discrete.

Of the nine themes, the following four have the highest priority in the 2021/22 Roadmap:

- Curriculum & Educational Pathways
- Business Relationships
- Student Support
- LSBU 2025 (previously referred to as Target Operating Model or TOM)

The schematic below shows the thematic groupings: the four main themes are indicated by block colours and the other five thematic groups through coloured fonts on white background, for example People & Culture in blue. The 11 discrete deliverables are shown in black font on white background.

Main themes	Curriculum & Educational Pathways	Business Relationships	Student Support	LSBU 2025		
Sponsor	DJ	PI	NL	MMJ		
Strategy Pillar	<i>Access to Opportunity</i>	<i>Student Success</i>	<i>Real World Impact</i>	<i>Technology and Estates</i>	<i>People, Culture and Inclusion</i>	<i>Resources, Market and Shape</i>
Deliverables	Employer relationships	Professional and technical curriculum	Research centres	Environmental sustainability and literacy	People	Brand and reputation
	Global	LSBU social capital programme	Industry partnerships	Technology enabled flexibility	Leadership and management	Student recruitment
	Educational pathways	Technology enabled teaching	Research informed teaching	Cloud focused	Organisational shape and size	Group operating model
	Local partnerships	Industry links embedded in education	Research infrastructure	Software as a service	Dynamic culture	Fundraising and philanthropy
	Public engagement	Academic development programme	Enterprise subsidiaries	Industry standard facilities	Inclusivity	Planning and budgeting
	Development of the Group	Student support	Centre for pedagogy and adult learning research centre	High quality estate		Capital investment plan
		Wellbeing	Employer-led skills centres			
		Advice and guidance				
		Student customer service				

Future reporting will be by theme in order to streamline the number of items to be tracked and reported.

1.3. Roadmaps

Roadmaps for the four main themes are shown in Appendix 2 of the report, covering the 2025 vision of success, 2021/22 planned actions and link to the strategic outcomes and KPIs supported by the activities. It is worth noting that delivery of 2021/22 planned actions is dependent on funding allocations and availability.

Other notable 2021/22 proposed actions, dependent on funding, include -

- Group-wide Teaching & Learning Excellence theme: Group-wide Teaching & Learning conference to be held in January 2022
- Development of the Group: London South Bank Technical College readiness to open to students in 2022/23 (funded initiative)
- Technology theme: development of the "LSBU Next Generation Learning Environment" vision
- Global: launch of new TNE partnerships in the MENA region (Dubai) and Central Asia (Tashkent)
- Enterprise subsidiaries: LSBU and Croydon Innovation Centre launch in December 2021

Executive workshops will be held in August / early September with the aim of finalising the 2021/22 implementation plans and ensuring cross-organisational alignment.

In parallel to the development of the Group Roadmap strategy implementation plans, LSBU Schools and PSGs are currently preparing their 2021/22 BAU Roadmaps and SBC is finalising its 2021/22 Operational Plan.

2. Group and Institutional KPIs

The development of the 2025 KPI framework is nearing completion in preparation for the first reporting cycle following the end of the 2020/21 academic and financial year. The main achievement since the April FPR / May Board reports has been the approval of SBC's institutional targets out to 2025 by the SBC Board.

Group Goals and Institutional Outcomes KPI schedules are included in Appendices 3a-d below. Indicators that are also **regulatory metrics** have been marked as such in the schedules. 2020/21 results have become available for a limited number of LSBU indicators, e.g. certain league tables, and have been included in the relevant schedules.

Other updates since the last FPR and Board reports include:

- Group Goals
 - The definition of the proxy **REF metric** was agreed by the University Research Committee (URC) in May 2021. The metric will be piloted based on 2020/21 research outputs (which are expected to be limited given the 31

December 2020 cut-off point for inclusion of research papers in the REF 2021 exercise). The metric will be formally reported for the first time after the end of the 2021/22 Academic Year, at which point REF 2021 results will have been published, allowing for the setting of benchmarked annual REF progress targets.

- Following the publication of the first set of sector KEF results on March 2021, the **KEF metric** has been defined as LSBU's rank in Cluster J, with a 2024/25 target of maintaining overall #1 rank and to be ranked first in 5 of the 7 KEF perspectives within the cluster.
 - The **Social Capital indicator** is proposed to be developed by a post-doctoral researcher in the School of Law and Social Sciences, giving consideration to social capital within the LSBU Group, in a technical and professional education context and including the identification of student activities we would be measuring.
- **LSBU Outcome KPIs**
 - The **priority student outcomes metrics** that are critical to the institution from a regulatory and/or reputational and financial perspective have been identified as:
 - Progression of Undergraduates from Y1 to Y2 (as a more stringent internal proxy for the external Continuation measure)
 - BME Awarding gap
 - Graduate Outcomes results (high-skilled employment or further study)
 - National Student Survey - Teaching related question areas

2025 Strategic Outcome	Strategic KPI	Related regulatory metrics			Financial impact
		OfS B3	TEF	APP	
Progression - Enable excellent educational outcomes and progression (at or above benchmark)	Y1-2 Progression rate %, FT UG students	✓ Continuation	✓ Continuation	✓ Non-continuation	Retention => Income
Learning experience - Provide an excellent learning experience, with top quartile results	NSS - Teaching related question areas % agree score	x	✓	x	League tables => Recruitment
Close awarding gaps - Close awarding gaps at all educational levels	BME awarding gap (FT students)	x removed in 2020 Quality & Standards consultation	(✓) tbc	✓	No direct impact
Employment and further study Be in the top quartile for students progressing to employment or further study at all levels of education	GO Graduate level employment or PG study % (EPI cohort)	✓	✓	✓	League tables => Recruitment

- Improvement of these student outcomes metrics is supported by the main 2021/22 Roadmap themes and actions outlined above.
- Targets for these metrics will be cascaded to LSBU Schools based on their current performance and relevant sector / subject benchmarks.

- Targets for the remaining Outcome KPI will be cascaded after the priority student outcomes metrics.
- SBC Outcome KPIs
 - Indicators have been aligned as far as possible between the 2025 KPI framework and the College KPI dashboard
 - Targets out to 2025 were approved by the SBC Board in May
 - A small number of metrics remain to be defined in conjunction with university metrics (for example Entrecomp alignment)

SBA targets remain unchanged from the April FPR / May Board report.

Appendices

Appendix 1: Strategic Deliverables categorisation

Appendix 2: 2021/22 Roadmaps for the four main deliverables themes

Appendix 3: KPI schedules

- 3a) Group Goals
- 3b) LSBU Outcome KPIs
- 3c) SBC Outcome KPIs
- 3d) SBA Outcome KPIs

Appendix 1: Strategic Deliverables categorisation

Main themes	Curriculum & Educational Pathways	Business Relationships	Student Support	LSBU 2025
Sponsor	DJ	PI	NL	MMJ

Speed up	Employer relationships	Local partnerships	Industry partnerships	Employer-led skills centres
	People	Leadership and management	Inclusivity	

Sustain	Educational pathways	Professional and technical curriculum	Industry links embedded in education	Student support	Wellbeing	Advice and guidance	Student customer service
	Organisational shape and size	Group operating model	Academic development programme	Technology enabled teaching	Technology enabled flexibility	Cloud focused	Software as a service
	Dynamic culture	LSBU social capital programme	Fundraising and philanthropy	Global	Public engagement	Development of the Group	Research centres
	Research infrastructure	Enterprise subsidiaries	Brand and reputation	Student recruitment	Planning and budgeting	Capital investment plan	

Slow down	Research informed teaching	Centre for pedagogy and adult learning research centre	Environmental sustainability and literacy	Industry standard facilities	High quality estate
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Appendix 2: 2021/22 Roadmaps for the four main deliverables themes

Theme	Strategic Deliverables	2025 vision of success	2021/22 actions	Key Strategic Outcomes related to theme	Outcome KPIs* (* denotes regulatory metric)
Curriculum & Educational Pathways	Professional and technical curriculum	Working with students as partners to support the learning experience, we will design an inclusive curriculum that complements the careers pathways and skills approach	<ul style="list-style-type: none"> Curriculum reviews completed Focus on getting L4 live for 22/23 Changes to curriculum embedded Teaching sabbaticals Workshop Summer 2021 then full scoping by Autumn 2021 with Deans and SBC faculty leads Approval process (currently in draft) to be implemented Preparation completed for L4/5 launch in Sept 2022 	Employment and further study - Be in the top quartile for students progressing to employment or further study at all levels of education	Graduate Outcomes results*
	Educational pathways	Identifiable pathways established that provide learners with clear routes to their career goals, irrespective of level		Progression - Enable excellent educational outcomes and progression (at or above benchmark)	Y1-2 UG Progression*
	Industry links embedded in education	Increase in intra-Group progression delivered		Learning experience - Provide an excellent learning experience, with top quartile results	NSS - Teaching related question areas*
				Increase in intra-Group progression - Establish career based pathways so delivering a 100-fold increase in intra-Group progression	Progression to LSBU through progression pathways
Business Relationships	Employer relationships	Embed employer relationships in the Group supporting 10,000 apprentices and enabling all students to have a work based opportunity	<ul style="list-style-type: none"> Develop and implement B2B framework, systems and processes (Sep-21) Business relationship exploitation – create and launch campaigns to promote innovation networks and services (Sep-21) Roll out training for academics and academic industrial placement programmes, to ensure academic community are aware and equipped to work with industry partners (Dec-21) Wider Group B2B environment to be achieved by Sep 2022 Focus on Health in 21/22. Expansion and refinement of current STEM and Health key partnerships and joint working with industry teams to design pathways and learning 	Employment and further study - Be in the top quartile for students progressing to employment or further study at all levels of education	Graduate Outcomes results*
	Local partnerships	South London Innovation Partnership growth. Shared Intelligence vision for SBI achieved, real engagement in delivery with local authorities, a South London innovation ecosystem with the LSBU group as a founding and leading partner		Research and enterprise income - Significantly increase research and enterprise activity across the Group generating £50m of research and enterprise income per annum	£50m of Research & Enterprise income
	Industry partnerships	Deep and connected STEM and Health partnerships focussed on long term development of operational delivery and skill development			
	Employer-led skills centres				
Student Support	Student support	To provide exceptional administrative and student focussed services, in both a proactive and reactive manner, to ensure that we meet the complex and diverse needs of our students. Such services will be a key enabler in aiding student retention, progression and satisfaction	<ul style="list-style-type: none"> Implement End-to-End (E2E) student support model (dependent on LEAP release 3) Implement integrated customer service model, inc. organisational structure, SLAs and service standards 	Close awarding gaps - Close awarding gaps at all educational levels	BME awarding gap*
	Wellbeing			Progression - Enable excellent educational outcomes and progression (at or above benchmark)	Y1-2 Progression*
	Advice and guidance	The Group removes barriers to student success through the delivery of personalised support pathways where targeted services and interventions are designed around our students and their lives and needs		Employment and further study - Be in the top quartile for students progressing to employment or further study at all levels of education	Graduate Outcomes results*
	Student customer support	The Group is known for expert and innovative student support provision which mitigates links between disadvantage and		Deliver excellent services to students - Deliver excellent services to our students, with sector leading (top quartile) satisfaction levels	NSS - Organisation and Management question area
LSBU 2025	Organisational shape and size	Organisational design delivering greater value for money and supporting transition to outcomes and values led organisation	<ul style="list-style-type: none"> Service Partnership Model for Apprenticeships, P&OD, Marketing, Brand & Communication Transformation Management and Governance in place Schools transformation Services with a clear Group remit identified and scoped. Design completed for those where funding is agreed 	Employee experience - Give our employees a first class employee experience, with scores in the top third of the sector	Staff engagement score
	Group operating model			Generate 5% surplus - Generate 5% surplus on income	Surplus %
				Effective in managing change - Be effective in managing change, with a majority of staff agreeing that change is managed well	Staff Survey question on managing change

Appendix 3a: Group Goals

Items in blue have been updated since the Apr-21 FPR / May-21 Board report

Pillar	#	Goal	Subset	2018/19 Actual	2019/20 Actual	2020/21 Actual	2020/21 Target	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 Target
Access to Opportunity	1	Progress against UN SDGs		101-200	101-200	101-200	101-200	101-200	<100	<100	<100
	2	Positively impact 1 million lives		153k	TBC		175k	350k	550k	750k	1 million
Student Success	3	Increase social mobility		7	6		Top 10	Top 10	Top 10	Top 10	Top 10
	4	Increase in students' social capital (KPI to be defined)		N/A	N/A	N/A					100%
Real World Impact	5	£5bn of economic impact (cum.)		£956m	£958m		£1bn	£2bn	£3bn	£4bn	£5bn
	6a	Impactful and high quality research	REF	2014 REF: 2.52	Mock REF: 2.97	N/A	N/A	TBC	TBC	TBC	TBC
	6b		KEF	N/A	Overall rank 1 in Cluster J		TBC	TBC	TBC	TBC	Overall rank 1 in Cluster J and ranked first in 5 of the 7 KEF perspectives
Technology & Estates	7	At least 20% of all teaching delivered using digital platforms or industry standard facilities		N/A	N/A						100%
	8	Environmental sustainability		43%	42%		50%	55%	60%	70%	75%
People, Culture & Inclusion	9	A highly engaged workforce		66%	73%		70%	72%	73%	74%	75%
	10a	Closing of the Gender and Ethnicity Pay Gap	Gender	5.1%	5.2%						0
	10b		Ethnicity	10.2%	12.2%						0
Resources, Market & Shape	11	Delivering financial sustainability	EBITDA	11.2%	12%						12.5%
	12	Highly effective internal services		N/A	2	N/A	5	10	15	20	27

Appendix 3b: LSBU Outcome KPIs

Items in blue have been updated since the Apr-21 FPR / May-21 Board report

Pillar	#	Outcomes	Outcome KPIs	Regulatory measure	2018/19 Actual	2019/20 Actual	2020/21 Actual	2020/21 Target	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 Target	
Access to Opportunity	1	Embed employer relationships	Multi-touch relationships with employers (KPI to be defined)		N/A	N/A	N/A						
	2a	Recruit hard to reach groups	Access: Proportion of FT UG entrants from disadvantaged groups	Care Leavers	1.8	2.0		1-3	1-3	1-3	1-3	1-3	
				IMD Quintiles 1&2	58.2	60.7		55-60	55-60	55-60	55-60	55-60	
	2b		Retention: Y1-2 Progression rate of FT UG students from disadvantaged groups	Care Leavers	61.0	82.3							
				IMD Quintiles 1&2	71.3	79.4		73	74	76	78	80	
3	Embrace internationalisation	Student and Staff Global Education Profiler (GEP) scores		N/A	N/A		first survey to be run in late 2021						
4	Increase in intra-Group progression	Progression to LSBU through progression pathways (including International)		33	27		100	500	1000	1500	2700		
Student Success	5	Employment and further study	GO Graduate level employment or PG study (EPI cohort)	✓	87.7 (DLHE)	69.5 (Graduate Outcomes)	64.9	72	75	78	82	85	
	6a	Learning experience	NSS - Teaching related question areas	PTES - Teaching measure	80.4	77.8		80	81	82	84	86	
				PRES - Overall satisfaction (biennial survey)	75	72		75	77	78	79	85	
					71	N/A		81	N/A	83	N/A	85	
	7a	Progression	Y1-2 Progression (FT UG students) target 85% by 2025		✓*	73.5	80.3		78	80	82	84	85
						66.7	68.3		70	74	78	82	85
						0	55.1		60	65	70	80	83
	7b		PGT completion target 85% by 2025										
	7c		Apprenticeship achievement rates	✓									
8	Close awarding gaps	BME awarding gap (FT students)	✓	15.7	13.7		13	11	9	7	5		
9	Deliver excellent services to students	NSS - Organisation and Management question area (all respondents)		72.3	69.7		73	75	77	79	82		
Real World Impact	10	Research and enterprise income	£50m of Research & Enterprise income		14.6	13.3		15.3	20	25	35	50	
	11	Employer reputation score	Employer reputation in QS Survey (points out of 100)		2	1.8	3.2	2	3	5	7	10	
	12a	Research informed teaching	R & E informed teaching: % of Research & Teaching academics		26.3	25.5		25	28	30	35	40	
	12b		Alignment to EntreComp framework (KPI to be defined)		N/A	N/A	N/A						
	13a	GPA and rankings	QS & THE World University Rankings Top 500	QS		701-750	751-800	801-1000	751-800	701-750	651-700	601-650	<501
				THE		+1001	+1001		+1001	801-1000	601-800	<601	<501
13b		REF impact measure of 3.0 in 2021 and 3.2 in 2027			2014 REF: 2.83	Mock REF: 3.38	N/A	N/A	3	3	3	3	
					2014 REF: 2.52	Mock REF: 2.97	N/A	N/A	2.8	2.8	2.8	2.8	
14	Research pipeline	PGR Completions		30	50		35	40	45	50	60		
Fit for the Future - Technology & Estates	15	Estate utilisation	Room utilisation rate		20	TBC		25	30	35	40	50	
	16	Student satisfaction with infrastructure	NSS - Learning Resources question area		84	82		83	84	86	87	88	
	17	Staff satisfaction with IT services	Staff Survey question on IT services		N/A	48		55	60	70	80	90	
	18	Employer satisfaction with facilities	Employer feedback (via employer boards) (KPI to be defined)		N/A	N/A	N/A						
	19	Reduce carbon footprint	Carbon usage (tons of CO ₂ emissions / tCO ₂ e) Reduction compared to 2019/20 figure		5352	4227		-5%	-10%	-15%	-20%	-25%	
Fit for the Future - People, Culture & Inclusion	20	Inspire our staff effectively	Staff Surveys questions on leadership		39	50		55	60	65	70	75	
	21	Effective in managing change	Staff Survey question on managing change		42	57		60	65	70	75	80	
	22a	Inclusive workforce	Ethnicity Grade 10+ (% difference)		15	15		12	10	7	3	0	
	22b		Gender Grade 10+ (% difference)		4	10		3	2	1	0	0	
	23	Employee experience	Staff Survey average score		57	61		65	70	73	78	80	
Fit for the Future - Resources, Market & Shape	24	Group income of £250m	Income split by UG domestic, PG domestic, International (inc. TNE) and Apprenticeship.	UG Domestic			77.9 (inc. Apprenticeships)	74.6				70	
				PG Domestic			11.3	12.0				15	
				International			26.6	22.1				20	
				Apprenticeship			N/A	5.6				20	
				Other Income (inc. R&E)			41.3	39.1				75	
				Total Income £m			148.5	157.1		153.3			200
	25	Generate 5% surplus	Surplus %		1.6	0.9		1.3	1	2	3	5	
	26a	Brand and reputation	Top 50% in all domestic rankings	Guardian		68	93		85	77	70	65	61
				Times		86	123		114	105	92	79	66
				CUG		87	89	108	83	81	75	70	65
26b		Brand recognition survey (KPI to be defined)		N/A	N/A	N/A							
27	Philanthropic income	Alumni income		TBC	TBC		1.5	3	5	10	15		

* Progression is an internal metric that is used as a proxy for the regulatory Continuation measure. Progression has a stricter definition than Continuation.

Appendix 3c: SBC Outcome KPIs - Targets approved by SBC Board in May

Pillar	#	Outcomes	Outcome KPIs	Regulatory measure	2018/19 Actual	2019/20 Actual	2020/21 Target	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 Target	
Access to Opportunity	1a	Embed employer relationships	All students have access to work-related learning opportunities		85 of those in scope	90 of those in scope	90 of those in scope	70 scope widened to All	80	90	100	
	1b		All students have access to high-quality careers advice and guidance (IAG)		N/A	N/A	N/A	85	90	100	100	
	2a	Recruit hard to reach groups	Number of learners that come through the Gateway Centre	BME	1280	1250		1400	1500	1550	1600	
	2b			Care experienced	167	165		165	170	175	175	
	2c			Age 50+	321	393		450	470	490	500	
	2d			Disabled	375	630		640	650	660	670	
	2e		Retention of disadvantaged students	BME	95.3	95.5		96	97	97	97	
	2f			Care experienced	90.8	93.7		94	95	96	96	
	2g			Age 50+	97.4	97.1		98	98	98	98	
	2h			Disabled	94.9	93		95	96	97	98	
	2i		FSM	94.5	94.2		95	96	96	97		
	4a	Increase in intra-Group progression	SBC learners progressing to LSBU		33	45		50	60	80	100	
	4b		SBC internal progression through Levels and from the Gateway College to LSB Technical College			51						
	4c		% growth in the number of people accessing level 3 and 4 courses	16-19yo	309	305		380	450	600	700	
	4d			Adults	672	593		550	650	800	100	
	Student Success	5a	Employment and further study	100% positive destinations	16-19yo	63	85	90	90	96	98	100
5b		Adults			N/A	61	80	80	85	90	96	
6g		Learning experience	QDP Satisfaction survey - Teaching related		86	88	90	92	93	94	95	
7a		Progression	Student achievement in the top 10% of GFE colleges	16-19yo	No	N/A	N/A	40	25	15	10	
7b				Adults	No	N/A	N/A	15	10	10	10	
7c			Apprenticeship overall achievement in the top 10% of GFE colleges		No	N/A	N/A	50	40	20	10	
7d			Increase number of students leaving the college with level 2+ English and maths qualifications	16-19yo	19	24	28	30	35	40	45	
7e			Adults	6	6.5	7	8	10	15	20		
8		Close awarding gaps	No awarding gap > 3% for any group	BME, Care experienced, Age 50+, Disabled, FSM	✓				≤3	≤3	≤3	≤3
9		Deliver excellent services to students	QDP Satisfaction survey - Student Services questions		84							
Real World Impact	10	Research and enterprise income	Pedagogy Research Centre contact with SBC (KPI to be defined)		N/A	N/A	N/A					
	11	Employer reputation score	Employer Satisfaction Survey		N/A	N/A	N/A	75	85	90	95	
	12a	Research informed teaching	Curriculum content clearly aligned to local LMI (curriculum content % vs employer demand %) (KPI to be defined)									
	12b		Alignment to EntreComp framework (KPI to be defined)		N/A	N/A	N/A					
	13a	GPA and rankings	Industry awards and professional accreditation (number held)		0	0	1	2	4	6	8	
13b		Participation in Group research projects (number of staff)		0	0	0	5	10	15	20		
Fit for the Future - Technology & Estates	16	Student satisfaction with infrastructure	QDP Satisfaction survey - Learning Resources questions		77			80	90	92	95	
	17	Staff satisfaction with IT	Staff Survey question on IT services		N/A	51		55	60	70	80	
	18	Employer satisfaction with facilities	Employer feedback (via employer boards) (KPI to be defined)		N/A	N/A		77	80	85	95	
Fit for the Future - People, Culture & Inclusion	20	Inspire our staff effectively	Staff Surveys questions on leadership		0.33	0.42	0.45	0.48	0.53	0.58	0.63	
	21	Effective in managing change	Staff Survey question on managing change		0.34	0.49	0.52	0.55	0.58	0.6	0.63	
	22a	Inclusive workforce	Ethnicity gap senior management team vs all staff		N/A	15		12	8	6	<3	
	22b		Gender gap senior management team vs all staff		0	5		3	<3	<3	0	
23	Employee experience	Staff Survey average score		55	61	65	68	72	73	78		
Fit for the Future - Resources, Market & Shape	24	Group income of £250m	Income			23.5 excl. TU grant	25.1	26.1	26.5	27	28	
	25a	Generate 5% surplus	Surplus %			-14.5 excl. pension reval	-6.8 excl. pension reval					
	25b		ESFA Financial health rating	✓	Inadequate (2017)	Requires Improvement	Requires Improvement	Requires Improvement	Good	Good	Outstanding	
	26a	Brand and reputation	Ofsted rating	✓	Requires Improvement	Requires Improvement	Good	Good	Good	Good	Outstanding	
	26b		Market share									

Appendix 3d: SBA Outcome KPIs – subject to approval by SBA Board

No change to targets since the April FPR / May Board reports. Indication of regulatory metrics has been added in blue

Pillar	#	Outcomes	Outcome KPIs	Subset	Regulatory	2018/19	2019/20	2021/22	2022/23	2023/24	2024/25
					measure	Actual	Actual	Target	Target	Target	Target
Access to Opportunity	1	Embed employer relationships	All students across all year groups have access to work-related learning opportunities (inc. virtual work experience or project work)					70%	80%	90%	100%
	2	Recruit hard to reach groups	Conversion of Year 11 to 6th form, for all learners					45%	50%	55%	60%
	3	Embrace internationalisation	Volume of international partnerships					10%	15%	20%	25%
	4	Increase in intra-Group progression	SBA learners progressing within group, including within SBA					50%	55%	60%	65%
Student Success	5	Employment and further study	100% Positive destinations		✓			100%	100%	100%	100%
	6	Learning experience	Internal Student Satisfaction Survey - teaching questions			N/A	N/A	80%	83%	86%	90%
	7a	Progression	Progress above national average	UAE	✓	-0.53	N/A due to Covid-19	0-0.1	0.1-0.5	0.2-0.6	0.3-0.7
				UTC	✓	N/A	N/A due to Covid-19	0-0.1	0.1-0.5	0.2-0.6	0.3-0.7
	7b		Attainment above national average	UAE	✓	41.3	N/A due to Covid-19	42	43	44	45
				UTC	✓	34.1	N/A due to Covid-19	40	41	42	43
	8a	Close awarding gaps	No Progress gap for disadvantaged pupils	UAE	✓	-0.72	N/A due to Covid-19	-0.5	-0.4	-0.3	-0.2
				UTC	✓	N/A	N/A due to Covid-19	-0.5	-0.4	-0.3	-0.2
	8b		No Attainment gap for disadvantaged pupils	UAE	✓	-2.1	N/A due to Covid-19	-2	-1.8	-1.6	-1.4
				UTC	✓	0.4	N/A due to Covid-19	0	0	0	0
	9	Deliver excellent services to students	Internal Student Satisfaction Survey - Student Services questions			N/A	N/A	80%	83%	87%	90%
	Real World Impact	10a	Research and enterprise income	Number of research projects engaged with by SBA			N/A	N/A	3 projects	5 projects	7 projects
10b			Increase lettings revenue (enterprise income)					£5,000	£10,000	£15,000	£20,000
11		Employer reputation score	UTC stakeholder survey			N/A	N/A	80%	83%	87%	90%
12a		Research informed teaching	Published research relating to best pedagogic practice, with support from LSBU (number of publications)					3 projects	5 projects	7 projects	10 projects
12b			Alignment to EntreComp framework (KPI to be defined)								
13a		GPA and rankings	Citations and press coverage of SBA research and innovation					Press coverage x1	Press coverage x2	Press coverage x3	Press coverage x4
13b		Number of in-house research projects and PD opportunities					100% staff access high quality CPD offer	100% staff access high quality CPD offer	100% staff access high quality CPD offer	100% staff access high quality CPD offer	
Fit for the Future - Technology & Estates	16	Student satisfaction with infrastructure	Internal Student Satisfaction Survey - Learning Resources questions			N/A	N/A	80%	83%	87%	90%
	17	Staff satisfaction with IT	Staff Survey question on IT services			N/A	64%	70%	77%	83%	90%
	18	Employer satisfaction with facilities	Access to industry standard facilities for UTC learners			N/A	N/A	100% positive	100% positive	100% positive	100% positive
Fit for the Future - People, Culture & Inclusion	20	Inspire our staff effectively	Staff Surveys questions on leadership			42%	52%	80%	83%	87%	90%
	21	Effective in managing change	Staff Survey question on managing change			48%	74%	80%	83%	87%	90%
	22a	Inclusive workforce	Ethnicity gap senior team vs all staff			not currently measured		TBC	TBC	TBC	TBC
	22b		Gender gap senior team vs all staff			not currently measured		TBC	TBC	TBC	TBC
	23	Employee experience	Staff Survey average score			58%	67%	80%	83%	87%	90%
Fit for the Future - Resources, Market & Shape	24	Group income of £250m	Income			£8417k	£8456k	TBC	TBC	TBC	TBC
	25	Generate 5% surplus	Surplus %			-3.3%	-7.9%	TBC	TBC	TBC	TBC
	26	Brand and reputation	Ofsted rating	UAE	✓	Good (2017 inspection)		Good+	Good+	Good+	Good+
				UTC	✓	Requires Improvement (2019 inspection)		Good+	Good+	Good+	Good+
27	Philanthropic income	Alumni fundraising income					Increase fundraising income	Increase fundraising income	Increase fundraising income	Increase fundraising income	

	CONFIDENTIAL
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Board/Committee:	Finance, Planning and Resources Committee
Date of meeting:	6 July 2021
Author(s):	Richard Duke, Consultant (Former Director of Strategy & Planning)
Sponsor(s):	Deborah Johnston, Pro Vice Chancellor (Education)
Purpose:	For Review
Recommendation:	Consider in light of progress against 2020-25 Strategy

Executive Summary

This report is split into three sections:

1. Overall summary of performance of 2015-20, including LSBU's achievements, contextual sector changes, performance assessment and areas of learning, to form recommendations for the operationalisation of the 2020-25 Group Strategy
2. Detailed overview of performance against the eight outcome areas of the 2015-20 Strategy
3. Assessment of LSBU performance against other London Moderns over the period of the 2015-20 Strategy.

Appendix A details performance against each of the 2015-20 KPIs over the five-year period.

The report's focus is the University, as the KPIs used to evaluate performance were designed as University KPIs.

2015-20 Overview

The five years of the 2015-20 Corporate Strategy saw significant change for LSBU as well as the sector.

At the beginning of the 2015-20 Strategy, LSBU characteristics included

- Low reputation for academic quality and ranked a few places from the bottom of all domestic ranking tables, as well as not appearing in any reputable international rankings
- Research was not part of the culture and was not of a significant scale
- Recorded financial surpluses for a number of years
- Low levels of staff engagement

It ends the period of the strategy with:

- A significantly improved reputation, with improvement across all domestic rankings, albeit with a decline in performance in the last year of the strategy. Annual inclusion in both the QS and THE rankings and placed in the top 200 in the world for the Times Higher Impact Ranking. Alongside this was the award of a Silver Teaching Excellence Framework rating in 2017
- Increase in research outputs, income and quality (which is expected to be reflected in the publication of the 2021 REF exercise)
- Continued recording of financial surpluses for each year of the strategy
- Significant increase in staff engagement levels

In terms of the changes to the sector, regulation has transformed since 2014/15 with the establishment of the Office for Students (OfS). The new regulator has far-reaching powers to protect students and ensure student choice in an increasingly marketised higher education sector. This move to a regulator also saw the increased use of performance metrics to regulate the sector with potential sanctions for institutions that fall below expected standards over a sustained period. The main areas of OfS scrutiny will be around fair access, equality of academic outcomes, progression/completion and particular attention to attainment of graduate level employment or further study.

In addition to this, Government Policy increasingly prioritises the development of skills in higher education to equip graduates for future careers. Alongside this is a policy movement away from traditional three-year degree programmes towards other forms of HE, eg apprenticeships and standalone Level 4 and 5 programmes, and a broader range of higher education providers ie private and FE.

Over the course of the 2015-20 strategy period, LSBU has moved proactively to align with this policy trajectory and is well placed to respond to funding and policy changes. The main two developments in this area were:

- The development of the LSBU Group, with the integration of South Bank Academy Trust (consisting of UAE and UTC) and Lambeth College
- The partnership with Southwark Borough Council to develop the School of Apprenticeships, (The Passmore Centre) which, by the close of 2019/20, had over two thousand apprenticeship students.

Despite the considerable success that was achieved over the course of the 2015-20 strategy, significant challenges remain. At a high level, the challenge for the Group (and particularly the

University) is how it transitions to being a respected Professional and Technical University Group. To do this it must:

- Show significant improvement in core teaching metrics (graduate outcomes, student satisfaction, progression / completion and closing the awarding gap)
- Increase the volume and quality of research and enterprise
- Use resources efficiently and effectively to ensure suitable levels of investment in key priorities.

Performance Assessment of the Eight 2015-20 Strategy Outcomes

The table below summarises performance against the eight (nine including the overall section) outcome areas of the 2015-20 Strategy, with more detailed analysis provided in the following section of this report. These assessments are made solely on the basis of the KPIs which have been used to monitor progress throughout the 2015-20 Strategy (see Appendix A).

Outcomes	RAG Performance	Comments
Teaching and Learning	Yellow	Significant increase in graduate employment rates and ranked 2 nd amongst London Moderns. Some subject areas with very low rates require improvement given drop in rates in the newly introduced Graduate Outcomes (GO) survey.
Student Experience	Yellow	Ranking amongst UK HEIs on overall NSS scores represents a significant improvement. PGT satisfaction scores are very low however.
Employability	Red	Fell below 95% positive outcomes and no improvement in relation to student start-ups.
Research and Enterprise	Yellow	Significant increases in income over the course of the strategy, but below levels targeted.
Access	Red	Progression rates, expected completion rates and PGT completion rates are low.
International	Green	In the final year of the 2019/20 strategy, international income grew to a level approaching the original target as well as the achievement of 5 QS stars.
People and Organisation	Green	Excellent improvement in employee engagement scores, but a decline in the proportion of staff completing appraisals.
Resources and Infrastructure	Yellow	Surpluses recorded in each of the five years, though posted lower than London Modern average for % surplus and did not meet 2015-20 financial targets. Student satisfaction levels relating to facilities declined over the course of the strategy. Financial performance lower than London Modern average.
Overall (rankings)	Yellow	Significant improvement in ranking performance over the course of the strategy, with a large pullback in the final year, when the new GO methodology was applied.

Recommendations for 2020-25 Strategy

In light of the assessments above, and the ambitious targets set out in the 2020-25 Group Strategy, this report makes the following recommendations:

1. The culture of the organisation needs to be led by academic outcomes. Staff at all levels from Board to lecturers and administrators should have a clear understanding of academic performance and the implications. All decisions should be linked to the impact on core academic outcomes relating to students and/or research
2. Clarity of accountability is re-emphasised at all levels, linked to planning that follows our theory of change models and with the capacity to evaluate impact. Annual planning should prioritise and sequence activity to have maximum impact against goals and KPIs across the Group

3. Understanding of the financial performance of the institution should be increased so it is known which areas of provision are subsidising or being subsidised and to what extent, to improve decisions around priorities and investment.

Analysis of 2015-20 Outcomes

Below is a narrative of our overall performance against the KPIs, by outcome heading, as set out in the 2015-20 strategy. A table detailing performance can be seen in Appendix A. An analysis of performance compared to competitors can be seen in the next section of this report.

Teaching and Learning

The goal was expressed as LSBU being in the top 50% for Graduate employment outcomes, with a target of 80%. When the DLHE methodology was used, LSBU achieved over 80% in the years 2016/17 and 2017/18. Under the new Graduate Outcome (GO) methodology, this declined to 67% in 2019/20. When using the Guardian ranking to compare performance, LSBU was ranked 79th out of 121 institutions, so outside the top 50%. As noted in the competitor analysis section, LSBU was the 2nd ranked London Modern for graduate outcomes however.

This measure is an absolute priority going forward, with the 2020-25 Group Strategy placing a significant focus upon it. As part of regulatory compliance from the OfS, employability outcomes will come under increasing scrutiny, with some subject areas currently not meeting regulatory thresholds (with a likelihood these thresholds will increase in the future).

Student Experience

The overall goal was to be in the top quartile for universities, using the 2020 NSS as a measure (as defined by the Guardian league table, using the summary question). LSBU was joint 81st out of 121 institutions. This does not represent being in the top quartile, but is a significant achievement given that in 2014/15, the last year before the new strategy, LSBU was joint 103rd out of 116 institutions.

Despite this significant improvement, the NSS overall satisfaction score (question 27) was 80.3% in 2019/20, which was significantly short of the targeted 89% at the beginning of the strategy. There was a small improvement in International Barometer scores, but there was also a significant decline in PGT experience scores over the course of the strategy with a 2019/20 score of 66% compared to 74% in 2014/15 against an overall strategy target of 82%.

The student/staff ratio (SSR) showed significant improvement over the course of the strategy, meeting the overall 2019/20 target with a 2019/20 SSR of 16.7 compared to a target of 18.

Employability

As with the teaching and learning graduate outcome target, the overall goal of achieving 95% of first degree, full-time home graduates (EPI cohort) obtaining positive outcomes was achieved in 2017/18. This declined to 92.1% in 2019/20 when the new GO methodology was used.

The KPI around student start-ups did not show progress, with the 2019/20 number the same as recorded in 2014/15 (30) against a target of 150.

Research and Enterprise

The KPIs in this area both related to income increases. Research income doubled over the course of the strategy (£2m to £4.1m), but fell short of the £6m target. Enterprise income showed less progress, with an increase from £8.1m in 2014/15 to £10.5m in 2018/19 (with a target of £19m). The 2019/20 enterprise income figure of £7m should be seen through the context of the impact of Covid-19, significantly reducing the ability to bring in enterprise income in the final quarter.

Access

There were a number of measures in this area relating to both recruitment and completion of degrees.

There was a goal around having the highest recruitment rates from low participation neighbourhoods (LPN) amongst London Moderns. Recruitment from these areas actually declined over the course of the strategy. This measure is problematic as the use of POLAR to measure low participation rates is unreliable in London and other large urban areas. The new Social Mobility Index, as calculated as part of the 2020-25 Strategy provides a more holistic view, and sees LSBU as the highest ranked London Modern on this measure.

The measure to reflect a reducing reliance on clearing saw limited progress. The pre-clearing recruitment rate in 2014/15 was 75% and this increased to 78.2% in 2019/20, which was quite a distance from the 90% targeted. This measure should be seen in the context of increasing competition relating to recruitment over the course of the strategy, so even though the improvement did not meet its target, the fact that an improvement was achieved should be commended, especially in the context of an overall increase in recruitment (as noted in the competitor section).

The measures around progression and completion are the areas of the 2015-20 strategy where the least progress has been made.

- Expected completion rates compared to benchmark have increased from -7% to -3% over the course of the strategy, but are still significantly below the +3% targeted.
- With the exception of the final year of the strategy, year 1 to year 2 progression has shown little improvement through the course of the strategy. The 2019/20 year 1 progression rate is expected to have been heavily influenced by Covid-19 (previous economic recessions have resulted in increased retention in higher education).
- PGT completion did show a small improvement over the course of the strategy, but even by the 2019/20 the PGT completion rate was only 66.8%, against a target of 85%

The KPI around good honours is a challenging one from a higher education policy perspective. When the KPI was originally envisaged, this was around attainment, with the view that not enough LSBU graduates were achieving good honours. Over the course of the strategy, there was an 11.7 percentage point increase in LSBU students achieving good honours. Over this period however, the narrative from a higher education policy perspective has moved to one around grade inflation, which means that what would have been a positive in 2014/15 is now seen as a potential risk. Our focus moving forward is on the awarding gap which if reduced should see further improvements on these measures.

International

Against the KPIs outlined in the strategy, international has performed well. After limited progress against the international income target, in 2019/20, £17m of international income was achieved. This is still short of the £20m originally targeted, but a significant increase from the £11.2m in 2014/15.

Going forward, international recruitment maybe impacted by Covid-19 both positively through the UK's vaccination rollout making it a more attractive prospect, and negatively as a result of the likely reduction in international mobility.

The targeted achievement of 4 QS stars was over achieved, with 5 QS stars being awarded in 2019/20. The QS stars award is also complimented by LSBU's first ever appearance in international rankings tables (THE and QS). In the recent year we remain listed in THE World ranking but are not 'placed' in the top 1000

People and Organisation

There are two measures in this area. One has seen significant improvement, and in the other, there has been a decline. Positively, there has been a significant increase in staff engagement, rising from 58% in 2015/16 (the first year this was measured) to 73% in 2019/20. This is slightly below the target of 75%, but still a substantial improvement.

On the negative side, the proportion of staff completing their appraisals actually decreased over the course of the strategy, with only 82.1% completing theirs in 2019/20, compared to the overall strategic target of 100% and 90% in 2014/15. This might have been impacted by Covid-19, but the figure is not significantly different to appraisal rates in 2017/18 or 2018/19. In 2016/17, a rate of 95.6% was achieved.

Resources and Infrastructure

For consistency, the financial reporting includes LSBU only and excludes Lambeth College. When Lambeth College is included, the income target of £170m is achieved. The 5% surplus target was not achieved in each of the five years of the strategy, with a figure of 0.9% in 2019/20. This is elaborated on further in the competitor performance section, but LSBU's surplus in 2018/19 was lower than the London Modern average of 3% (2019/20 sector data is not yet available). In 2019/20 13% EBITDA was achieved, which is relatively close to the 15% target for the end of the strategy.

In terms of non-financial measures, the ICS service index was discontinued and student satisfaction relating to facilities and environment declined over the course of the strategy. After initial investment, which resulted in an NSS score of 90%, the 2019/20 NSS result in this area of questions dropped to 82.3% from 87.7% in 2014/15.

Overall

Domestic league table improvement was considerable over the course of the strategy. In 2018/19, LSBU was placed 68th in the Guardian from a starting position of 111th in 2014/15. As referred to above, the move to GO from DLHE had a significant impact on the rankings in the final year of the strategy, which saw a decline in all three domestic rankings from the highs in 2018/19. Despite this, the greater understanding of ranking tables and improvement over the course of the 2015-20 strategy is still a significant achievement. Given the decline in the latest year however, even more attention needs to be paid to this going forward, as rankings tables are a key driver of recruitment.

Competitor Analysis

The 2015-20 strategy had a stated ambition to be the top London Modern by 2019/20. This was an ambitious target given that in 2014/15, the only London Modern that LSBU was ranked ahead of was London Met. In the Guardian ranking published in 2019/20, LSBU was behind only Kingston and West London and in the Complete University Guide (CUG), LSBU was only ranked behind West London. Therefore, LSBU may not quite have achieved this stated ambition, but it came very close. This should be seen as a significant achievement.

The competitor institutions used to undertake this analysis are: East London, Kingston, Middlesex, Greenwich, London Metropolitan, West London and Westminster. These institutions represent post 1992 Universities in London with Polytechnic roots. Unless otherwise stipulated, the period of this analysis is from the last year prior to the 2015-20 Strategy (2014/15) and the last year of the 2015-20 Strategy (2019/20).

Key Academic Outcomes

Amongst the competitor group:

- Student Satisfaction¹ - LSBU was ranked 2nd for student satisfaction in 2014/15 (joint with Kingston) and again ranked 2nd for student satisfaction in 2019/20 (again with Kingston). Only West London has a higher overall student satisfaction score in the 2020 NSS.
- Graduate Outcomes² – LSBU improved from 3rd to joint 2nd (with Kingston), with only Greenwich achieving a higher graduate employment rate. Greenwich achieved a graduate level employment rate of 77% (as defined by the Guardian), compared to LSBU's 75%.
- Completion³ - LSBU was ranked sixth out of eight in both the 2015 and 2021 CUG tables, only achieving a higher rate than East London and London Met before and after the completion of the 2015-20 Strategy.
- LSBU is one of four London Modern institutions to achieve a Teaching Excellence Framework (TEF) silver. The other institutions holding a silver award are; Middlesex, Greenwich and West London. Amongst the eight competitors, no institution is holding a gold award.

Rankings and Reputation

- LSBU improved its rank in the Guardian ranking between 2015 and 2021 from 111th (out of 119) to 93rd (out of 121). In the 2018/19 table, LSBU was ranked 68th, before declining in the final year of the strategy. In the 2015 table, LSBU was ranked seventh out of eight amongst London Moderns (only ahead of London Met) moving to third in 2021 (only behind West London and Kingston⁴).
- Prior to the 2015-20, Strategy LSBU did not rank in any international rankings. It now appears in both the QS and THE world rankings (these are largely based upon research performance). In the QS rankings, LSBU is fifth amongst competitors with its position of 751-

¹ As measured in the Guardian ranking, using the satisfied with course question (the summary question). Comparing the 2015 values with 2021 values.

² Guardian definition of graduate employment. Note the change in definition from DLHE to GO in the final year of analysis. HESA states that this should not be presented in a time series due to the differing collection method and survey period. The above is presented as a rank however, not absolute performance.

³ As defined by the Complete University Guide. This uses the HESA T5 Projected learning outcomes measure

⁴ Kingston is ranked 40th in the Guardian table, but only 100th in the CUG (behind LSBU). It is therefore arguable as to whether Kingston's Guardian performance is representative of their outcomes.

800 in the world. West London does not rank, and London Met and East London are ranked 801-1000.

- LSBU is ranked in the top 200 in the world for Impact in the Times Higher Impact Rankings. Five of the eight London Modern institutions are also ranked, each in the same grouping (101-200).
- LSBU achieved 5 QS stars, the only London Modern to achieve this rating.

Recruitment and Financial Performance

- In terms of undergraduate recruitment⁵, LSBU showed the third largest growth between 2014/15 and 2019/20. LSBU's UG FTE recruitment increased by 9% over the period. West London saw an increase in UG recruitment of 29% and Middlesex by 19%. All other London Moderns were flat in terms of UG recruitment, with the exception of London Met, which saw a 6% decline.
- In 2018/19, (2019/20 sector data is not available yet), LSBU achieved the fifth highest surplus on income % of 2.1%, against an average for the Group of 3%. Westminster record a surplus % of 12.3%. London Met and Kingston recorded negative surplus %s of -11.2% and -1% respectively. In 2014/15 LSBU had the third lowest surplus % amongst the benchmark group.

⁵ HESA student number reporting

Appendix A – 2015-20 KPIs

Corporate Strategy Goals	2020 Success Measures	#	Key Performance Indicators	End of Corporate Strategy Ambition	Past Performance					2019/20				
					14/15	15/16	16/17	17/18	18/19	Green	Amber	Red	Target	Actual
Teaching and Learning	Top 50% of universities for graduate employment / starting salaries.	1	Graduate level employment &/or Further study (EPI population)	80%	68.0%	76.0%	81.8%	87.7%	no data available in 2018/19				N/A first Graduate Outcomes data release Jun-20	68.4%
		2	NSS scores – overall satisfaction (First Degree respondents)	89%	82%	82.0%	82.2%	78.8%	81.8%	84% +	81 - 83 %	< 81 %	84%	80.3%
Student Experience	Top quartile of all universities in NSS	3	International Student barometer (% recommending LSBU)	81%		77%	77%	80%	78%	81% +	77 - 80%	< 77%	81%	no data available in 2019/20
		4	PGT experience (% satisfaction)	82%	74%	74%	71%	71%	71%	76% +	72 - 75%	< 72%	76%	66%
		5	Student Staff Ratio	18:1	19.7:1	20.5:1	19.8:1	16:1	16.5:1	16 - 18:1	15.5 - 15.9 18.1 - 18.5	< 15.5 > 18.5	16 - 18:1	16.7
Employability	95% students in employment / further study (EPI)	6	DLHE Positive Outcomes; employment or further study (EPI)	95%	90.2%	90.8%	94.6%	95.3%	no data available in 2018/19				N/A first Graduate Outcomes data release Jun-20	92.1%
	Top 10 UK universities for student start ups	7	Number of Student start ups (Active Firms in HE-BCI 4aiv)	150	30	50	45	48	24	65 +	50 - 64	< 50	65	30
Research & Enterprise	Top 50% UK for Research & Enterprise Income	8	Research Income (non QR)	£6m	£2.0m	£1.9m	£2.8m	£3.5m	£4.1m	£5.3m +	£4.5 - 5.2m	< £4.5m	£5.3m	£4.1m
		9	Enterprise Income	£19m	£8.1m	£7.8m	£9.2m	£10.9m	£10.5m	£10.7m +	£10 - 10.6m	< £10m	£10.7m	£7m
	Top London Modern for LPN recruitment	10	% recruits from low participation neighbourhoods (Young FT FD)	9.0%	7.7%	8.4%	9.2%	8.9%	7.6%	8.0% +	7.7 - 7.9 %	< 7.7 %	8 - 10%	5.5% POLAR4
11		FTUG % (w/o HSC contract) recruited before Clearing	90%	75.0%	76.4%	77.2%	78.0%	75.3%	77% +	73 - 76%	< 73%	+77%	78.2%	
Access	Exceed expectations on completion	12	First Degree Completion projection (at or above benchmark)	+3%	-7 %	-5.8%	-5.5%	-1.8%	-4.0%	> 0%	-3 to 0%	< -3%	0%	-3.0%
		13	Year 1 progression (can change due to Jan 2019 2nd Semester Enrolment)	85%	73.1%	77.3%	74.7%	72.4%	73.5%	80% +	75 - 79%	< 75%	80%	80.3%
		14	Good Honours	63 - 67%	61.2%	66.4%	69.1%	70.0%	70.7%	65 - 70%	71 - 72% 63 - 64%	> 72% < 63%	65 - 70%	72.9%
		15	PGT completion	85%	61.5%	58.7%	69%	61%	66.7%	72% +	68 - 71%	< 68%	72%	66.8%
International	4 QS Stars	16	QS Star Rating	4	3 stars	3 stars	4 stars	4 stars	4	4	3	2	4	5
		17	Overseas student income (millions). Includes TNE	£20m	£11.2m	£9.8m	£11.2m	£10.8m	£12.1m	£13.6m +	£12.5 - £13.5m	< £12.5m	£13.6m	£17m
People and Organisation	Rated as a good employer	18	Appraisal completion % (Amongst all eligible staff)	100%	90%	91%	95.6%	85.3%	84.0%	100%	95 - 99 %	< 95%	100%	82.1%
		19	Average Engagement Score as a %	75%		58%	62%	61%	66%	70% +	66 - 69%	< 66 %	70%	73%
Resources & Infrastructure	Grow our income by 25% to £170m annually, deliver an operating surplus of 5% and an EBITDA margin of 15%	20	Surplus as % of income	5.0%	0.9%	2.4%	1.3%	1.1%	2%	1.0% +	0.7-0.9%	< 0.7%	1.0%	0.9%
		21	Income (£m)	£170m	£140.8m	£138.2	£144.5	£146.3	£149m	£152m +	£148 - 151 m	< £148m	£152m	£157.1m
		22	EBITDA margin (EBITDA expressed as % of income)	15.0%	9.2%	11.8%	12.0%	10.7%	11.2%	10.2% +	9.5 - 10.1%	< 9.5%	10.2%	13.0%
	Student satisfaction with facilities & environment in top UK quartile	23	Student satisfaction ratings with facilities & environment (FD)	90%	87.7%	90.0%	87.2%	83.9%	84.9%	90% +	84 - 89%	< 84%	90%	82.3%
24		ICS Service Index %	80%	68%	76%	66%		no data available in 2018/19				80%	no data available in 2019/20	
Overall	Top London Modern university (excl UAL)	25	Times - League table ranking	85	120 / 127	120 / 128	106 / 128	107/132	86/131	90 or higher	91 - 95	96 or lower	90	123 / 131
		26	Guardian – League table ranking	70	111 / 119	107 / 119	92 / 121	78 / 121	68/121	65 or higher	66 - 75	76 or lower	65	93 / 121
		27	Complete University Guide – League table ranking	87	119 / 126	115 / 127	108 / 129	93 / 131	87/131	85 or higher	86 - 95	96 or lower	85	89 / 130

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	CONFIDENTIAL
Paper title:	Proposed University Budget 2021
Board/Committee:	Finance, Planning & Resources Committee
Date of meeting:	6 July 2021
Authors:	Ralph Sanders Group Director of Financial Planning & Reporting
Sponsor:	Richard Flatman CFO
Purpose:	To propose a budget for the University for 2021/22
Recommendation:	The Committee is asked to review the attached budget request and recommend a Budget for 21/22 that contains a £2.7m investment in the Croydon Campus, £2m in Exceptional Items and delivers a surplus of £2m.

Executive Summary

The current draft of the budget has a surplus of £4.7m for the University, funds a £2.7m deficit at the Croydon campus and so delivers a budget surplus of £2m.

Introduction

The 2021/22 budget has been built from the 'bottom up' with broadly flat recruitment targets as agreed by the Executive. The School funding envelope has been set using Staff / Student ratios and the School portfolio is currently budgeted to deliver a contribution of £82.8m in 21/22. This compares to a current year contribution of £83.7m and so reflects a decrease in funding of £0.9m. £3m of the reduction in contribution is due to the decrease in OFS grant following the removal of the London Weighting. The Grant reduction has been offset by slightly increased progression as compared to 2019/20.

This decrease of £0.9m in School funding, at a time when we are investing £2.7m in the Croydon Campus has meant that it has been a challenge to put together a budget proposal that delivers a £2m Investment Pot and a £2m surplus. In order to deliver a balanced budget, we have stripped out all new staffing requests apart from those required to deliver the Croydon Campus from the Professional Functions and so are in effect budgeting for a recruitment freeze in staffing, but we have also had to freeze Operating Expense budgets at the levels set in 2020/21.

Outside of the Schools and the Institute for Health & Social Care, the only additional Operating Expense requests that have been funded in the 21/22 budget relate to additional IT costs in terms of Salesforce Licences, additional Network costs and the costs associated with Croydon.

These assumptions would deliver a surplus of £4.7m for the University, fund a £2.7m deficit at the Croydon campus and so delivers a target surplus of £2m with £2m of contingency.

Budget Targets

In advance of the Board of Governors' strategy day in April and as part of the annual budget setting process, the team in Finance were asked to outline some options for the shape of the University in 2021/22. We proposed a number of scenarios that ranged in terms of optimism and risk.

The final scenario recommended by the Executive assumed that the University would deliver similar levels in terms of UG recruitment to 20/21, an increase in terms of Apprenticeship recruitment but a decline in PG recruitment. We had also assumed that progression would revert to the levels delivered in 2019/20. This could deliver a budget with £162.5m of income. The budget proposal assumed that Staff Student Ratios in the Schools could increase to 23.4:1, that we would ringfence investment in the Student Journey Directorate and that we could hold Operating Expenses steady.

In order to deliver a surplus of £2M under this scenario we could not roll forward our current professional staff but would have to make savings of approximately £1.7m

Budget Process

The finance team have been working with budgetholders on a bottom up budgeting process and have been matching requests from Professional Services to the Align Service descriptors in order to understand what is driving any change in budget requests. This has identified that there is considerable demand from the Professional Functions for additional resources and the first draft proposal had an increase in the cost of Professional Functions from £72.7m in the current forecast to £80.5m

The original intention was to use the Align Service descriptors as a way of managing these requests for new resources but given the scale of the gap and the time required it has instead been proposed that each Executive member is given a budget target and that they should work with their Finance Business partners and budgetholders to agree individual budgets within this overall target.

The Align Service descriptors once they are updated with the new costs can then be used to inform the work of the LSBU 2025 team.

Recommended Budget

In order to close the budget gap, we have proposed a budget scenario that is a rollover of the current staff base outside of the Schools. This is in effect a freeze on all new Professional staff recruitment except those required to support and deliver the Croydon Campus. Opex budgets have been rolled over at 2020/21 levels and the only increases on the current position are investments in Croydon and previously agreed investments in IT including the additional network costs. This would deliver on the proposal to ringfence resources to the Student Journey Directorate.

In order to determine the rollover staffing budget we have used our planning tool to remove all unfilled positions from the Professional staff budget requests. This has removed £6m of staff costs. This budget therefore assumes that all new requests, excluding Croydon for Professional staff outside of the Student Journey Directorate will have to be funded from savings made elsewhere in the portfolio, new revenue over and above that in the budget or from the Investment Pot.

This scenario would deliver a rollover budget with income of £166.5m and a surplus of £4.7m. This surplus would then be used to fund the Croydon Investment which has income of £2.5m and a deficit of £2.7 and so deliver a consolidated surplus of £2m.

The team have been cautious in terms of FT UG progression from both Home and Overseas students, and although we are not budgeting for the levels of re-enrolment seen in the current year we are targeting a slight improvement on the 19/20 position to enable us to deliver a surplus of £2m.

Recommended Budget

The detailed budget is attached in Appendix 1: Executive Summary

£000k	May Forecast	Proposed Budget	Croydon	Total Budget
Tuition Fee Income	127,356	125,292	2,520	127,812
Other Income	34,492	41,259		41,259
Total Income	161,848	166,551	2,520	169,071
School Staffing	49,875	51,184	786	51,970
Professional Staff	46,662	45,712	882	46,595
Total Staff Costs	96,537	96,896	1,668	98,565
Redundancy Provision	1,515	1,515		1,515
Depreciation	9,979	9,500		9,500
Operating Expenses	44,656	48,190	3,601	51,791
Investment Pot	2,660	1,000		2,000
Interest	4,500	3,700		3,700
Total Costs	159,847	161,801	5,270	167,071
Surplus / (Deficit)	2,001	2,750	-2,750	2,000

In terms of Operating Expenses, the rollover budget represents an increase of £3.6m on the current position. This is due to £1.5m of additional Professional Function costs including Salesforce Licences and additional IT network costs. The increase of £1.1m in the Schools reflects the additional costs to deliver the Research and Enterprise portfolio and Overseas Agent Fees. The amount available for Teaching opex in the Schools has been reduced by 10%. The final increase of £1m is due to the reversal of a credit in FUNI.

This budget that rolls over current professional staff, with no increase in budget apart from previously agreed IT costs and investments to deliver Croydon will add £0.5m to our current Professional Function cost base before the £3m of additional funds required to deliver Croydon.

The overall School position is a reduction in contribution of £0.9m from the Current Forecast (although £3m of this is due to the reduction in London Weighting) and the budget is funded by an increase in contribution from our central costs of £5.3m primarily due to additional Halls of Residence income and reduced costs within FUNI.

Comparison with Original Budget Model

The detail is attached in Appendix 1: Comparison with original

The original Budget Model had income of £162.5M, whereas the proposed budget has income of £169.0m. The increases in income seem appropriate.

£000k	Original Budget	Roll Over Budget	Difference	Note
Funding Grants	10,556	11,419	863	OFS Modelling suggest that the reduction in London Weighting will be offset by a better HESES and increased funding for High costs subjects such as Nursing
Home / EU Tuition Fees	100,704	101,759	2,555	£1M of income relates to RYA students that were missed from the initial model due to uncertainty about charging in 21/22. £1.5m is due to increasing progression to reflect this years achievements
Overseas Tuition Fees	16,859	16,720	-139	This reflects caution in overseas recruitment
Research & Enterprise	17,281	19,062	1,781	This includes £0.5m TNE Income and is built from the current R&E pipeline
Other Student Related	9,635	10,698	1,063	This assumes halls occupancy returns to pre-pandemic levels

				and we deliver a summer school next year
Operating Income	8	10		
Endowment Income	110	70		
Total Income	162,250	169,072	6,822	
Total Staff Costs	98,625	98,566	-59	
Other Operating Expenses	45,425	51,791	6,366	The key difference in Opex is £3.6m of Croydon Costs, £1.5m of new PSF costs including salesforce licences and IT network costs and a £1.1m increase in the schools to deliver additional R&E Income.

Summary / TM1 template						
LSBU - Budget targets						
LSBU All						
Total Position	2020 Agresso Budget	2020 Agresso Forecast	Roll Over Budget	New Budget vs Forecast	Croydon	Total Budget
<i>Check</i>						
Contribution	-2,014,389	-2,000,087	-4,750,241	-2,750,154	2,750,241	-2,000,000
1 Total Income	-153,264,959	-161,848,731	-166,551,965	-4,703,234	-2,520,000	-169,071,965
1008 Funding Grants	-13,451,046	-13,533,990	-11,419,491	2,114,499	0	-11,419,491
1010 Health - Contract	-555,638	-555,638	0	555,638	0	0
1020 Fees - Home & EU UG	-80,181,444	-90,202,117	-89,357,502	844,616	-2,520,000	-91,877,502
1022 Fees - Home & EU PG	-12,600,206	-13,236,417	-11,381,016	1,855,401	0	-11,381,016
1023 Fees - Home & EU Apprenticeships	-5,558,903	-6,372,215	-7,833,799	-1,461,584	0	-7,833,799
Total Home / EU Tuition Fee Income	-112,347,237	-123,900,377	-119,991,807	3,908,570	-2,520,000	-122,511,807
1025 Fees - Overseas UG	-10,182,488	-10,922,390	-11,294,230	-371,840	0	-11,294,230
1030 Fees - Overseas PG	-4,107,570	-6,067,999	-5,425,671	642,328	0	-5,425,671
Total Overseas Tuition Fee Income	-14,290,058	-16,990,389	-16,719,901	270,488	0	-16,719,901
1038 Research - Funding Grants	-2,425,024	-2,438,857	-2,221,137	217,720	0	-2,221,137
1040 Research - Grants	-3,309,078	-3,485,283	-3,055,378	429,905	0	-3,055,378
1042 Research - Collaborations	-124,549	-284,042	-191,657	92,385	0	-191,657
1043 Research - Studentships	-191,662	-246,312	-73,803	172,509	0	-73,803
Total Research Income	-6,050,313	-6,454,493	-5,541,975	912,519	0	-5,541,975
1035 Overseas Partnerships	-1,550,000	-2,000,000	-2,000,000	0	0	-2,000,000
1044 Enterprise - Funding Grants	-717,296	-717,296	-717,296	0	0	-717,296
1045 Enterprise - Research Related Activi	-547,125	-441,448	-650,257	-208,810	0	-650,257
1054 Enterprise - University Fees	-2,374,774	-799,216	-2,297,550	-1,498,334	0	-2,297,550
1056 Enterprise - Other	-5,650,756	-3,890,747	-7,854,748	-3,964,001	0	-7,854,748
Total Enterprise Income	-10,839,951	-7,848,707	-13,519,852	-5,671,145	0	-13,519,852
1070 Other - Student Related Income	-9,565,208	-6,467,497	-10,697,930	-4,230,433	0	-10,697,930
1075 Other - Operating Income	-62,192	-117,268	-10,500	106,768	0	-10,500
1080 Endowment Income & Interest Rece	-110,000	-70,000	-70,000	0	0	-70,000
2 Total Staff Costs after Savings	86,413,704	98,052,355	98,411,644	359,289	1,668,861	100,080,505
2001 Academic - Permanent staff	38,450,187	40,467,806	42,225,107	1,757,301	786,701	43,011,808
2025 Interdepartmental Delivery staff	112,356	0	-12	-12	0	-12
2020 Academic - Temporary staff	2,262,999	3,132,753	2,241,788	-890,965	0	2,241,788
2101 Technicians staff	2,807,905	2,763,851	2,754,986	-8,865	190,995	2,945,981
2150 Researchers staff	1,260,524	1,577,157	1,895,008	317,851	0	1,895,008
2201 Support - Permanent staff	41,318,013	45,204,472	45,924,939	720,467	691,166	46,616,105
2220 Support - Temporary staff	482,964	597,448	454,367	-143,082	0	454,367
2221 Third party staff	1,985,992	2,793,867	1,400,461	-1,393,406	0	1,400,461

2230 Structural staff	-2,267,236	1,515,000	1,515,000	0	0	1,515,000
3 Total Depreciation	10,500,000	9,979,000	9,500,000	-479,000	0	9,500,000
4 Total Other Operating Expenses	46,366,796	44,656,557	48,190,082	3,533,525	3,601,380	51,791,462
4009 Staff Related	2,375,254	2,169,647	2,006,546	-163,102	0	2,006,546
4010 Marketing and PR	1,904,888	2,017,384	1,874,445	-142,939	146,218	2,020,662
4011 Student Recruitment	3,478,130	3,478,130	3,425,138	-52,992	0	3,425,138
4012 Bursaries and Scholarships	1,843,292	1,790,967	1,988,694	197,727	0	1,988,694
4013 Student Related	5,834,925	5,398,283	4,789,053	-609,230	163,000	4,952,053
4015 Equipment	1,612,154	980,944	1,068,835	87,891	34,850	1,103,685
4020 Computing	5,079,359	6,185,950	6,614,024	428,074	54,379	6,668,403
4030 Utilities	4,800,617	4,797,617	4,760,617	-37,000	0	4,760,617
4035 Maintenance & Other Estate	3,662,900	3,486,216	3,573,023	86,808	2,828,065	6,401,089
4040 Cleaning & Security	6,594,243	6,631,519	6,603,071	-28,448	356,853	6,959,924
4045 Financial	294,434	367,707	570,320	202,613	0	570,320
4050 Communications	469,554	479,171	488,615	9,444	0	488,615
4055 Legal & Professional	2,934,627	3,029,187	3,075,348	46,161	12,000	3,087,348
4056 Subscriptions and Membership Fees	1,720,598	1,785,293	1,518,776	-266,516	0	1,518,776
4058 Photocopying and Stationery	710,881	671,485	598,179	-73,305	6,015	604,194
4060 Other	3,215,068	1,601,032	3,894,405	2,293,373	0	3,894,405
4070 Internal Recharges	-164,130	-213,974	1,340,992	1,554,966	0	1,340,992
5 Total Interest Payable	5,799,998	4,499,998	3,699,998	-800,000	0	3,699,998
6 Total Exceptional Items	2,170,072	2,660,733	2,000,000	-660,733	0	2,000,000
7 Total Internal Allocations	0	0	0	0	0	0

Comparison with the original budget target	Original Budget Scenario 2	Proposed Rollover Budget Scenario A	Change to Proposed Scenario A
	£'000	£'000	
	No growth in NEW students	Business Development	
INCOME			
Funding Grants	10,556	11,419	863
Health - Contract			
Home/EU UG	89,902	91,878	1,975
Home/EU PG	10,802	11,381	579
Overseas UG	12,292	11,294	(998)
Overseas PG	4,567	5,426	858
Apprenticeships	7,097	7,834	737
Overseas Partnerships	1,550	2,000	450
Research - Funding Grants	2,342	2,221	(121)
Research - Grants	3,850	3,055	(794)
Research - Collaborations	125	192	67
Research - Studentships	271	74	(198)
Enterprise - Funding Grants	717	717	
Enterprise - Research Related Activities	552	650	98
Enterprise - University Fees	2,171	2,298	127
Enterprise - Other	5,703	7,855	2,152
Other - Student Related Income	9,635	10,698	1,063
Other - Operating Income	8	10	2
Endowment Income & Interest Receivable	110	70	(40)
TOTAL INCOME	162,250	169,072	6,822
EXPENDITURE			
Staff costs - Schools Teaching and Other support costs	47,288	46,627	(661)
Staff costs - Schools Research and Enterprise	5,300	5,343	43
Staff costs - PSGs	46,037	46,595	558
Total Staff Costs	98,625	98,566	(59)
Fundamental restructuring costs	1,500	1,515	15
Other operating expenses	45,425	51,791	6,366
Investment pot	1,000	2,000	1,000
Depreciation	10,000	9,500	(500)
Interest and other finance costs	3,700	3,700	(0)
TOTAL EXPENDITURE	160,250	167,072	6,822
Surplus/(deficit)	2,000	2,000	
Recurring Staff costs as %age of income	60.8%	58.3%	
Contribution %age	1.2%	1.2%	
OPEX as %age of Income	28%	31%	
Staff cost challenge	1,693	1,135	
%age PSF staff challenge	3.7%	2.4%	
Proportion School + Research / PSF	27%	26%	
Earned Research	4,246	3,321	
Research grants	2,342	2,221	
Total Research Income	6,588	5,542	
Earned Enterprise	8,426	10,803	
Enterprise grants	717	717	
Total Enterprise Income	9,143	11,520	

includes additional progression income

This income still needs to be allocated to specific R & E projects

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INTERNAL	
Paper title:	LSBU Student Harassment, Bullying, and Sexual Misconduct Policy
Board/Committee:	Finance, Planning and Resources Committee
Date of meeting:	6 July 2021
Author(s):	Rosie Holden, Director of Student Services
Sponsor(s):	Nicole Louis, Chief Customer Officer
Purpose:	For Information
Recommendation:	The committee is requested to note the published Student Harassment, Bullying, and Sexual Misconduct Policy and accompanying overview of associated activity below, for assurance of FPR and the Board of Governors.

Executive summary

The *Student Harassment, Bullying, and Sexual Misconduct Policy* clearly outlines LSBU's approach, support, and response to incidents of harassment, bullying, or sexual misconduct. It captures existing processes and formalises relationships between key procedures, particularly Student Complaints and Staff Disciplinary where a student makes a report about a member of staff. It answers recent sector reports and guidance including OfS, OIA, and UUK. The Policy builds on foundational work that has taken place at LSBU since 2016, expanding LSBU's sector leading Sexual Violence Support Service and Hate Crime Support Service, and the case management and risk management approach that we take. The Policy is informed by LSBU processes, internal expertise, consultation with our external lawyers, and by best practice examples in the sector.

It sets up the University for further development and enhanced response over the summer ahead of the 2021 academic year.

Student harassment, bullying, and sexual misconduct policy

Principles of our approach

- The student (including both reporting or reported parties) is held at the centre by specialist support – a policy that promotes and encourages disclosure and reporting.
- A policy that sits over existing procedures (namely Student Disciplinary, Student Complaints, Staff Disciplinary) and ensures clear navigation through procedures with specialist support.
- Reporting and reported parties given due consideration and kept up to date and informed of any investigation outcome.
- No time limit on receiving reports – caveat that action may be limited when significant time has passed, nevertheless to promote a safe community, and in recognition of the many reasons why someone who has experienced a traumatic event may not be able to report immediately, there is no cut off for a disclosure or formal report to be made to LSBU.
- A distinction between a disclosure (a student sharing an experience to access support and understand options) and a formal report (a signal to the University to take action e.g. investigation under a disciplinary procedure).

Our activity

Prevention

- Partnership with Students' Union and local specialist organisations.
- Clear expectations to staff, students, and visitors.

Training

- Training (including specialist training) and guidance for [staff](#) and [students](#).
- Welcome, induction, and re-enrolment sessions for students.

Reporting

- Safe, visible, central disclosure of incidents to LSBU via [Report and Support](#)

Support

- Expert, sector leading specialist support for students who have experienced harassment, bullying, or sexual misconduct through our 'SLO' team (student liaison officers) – support equally provided to students who have been reported.

Response

- Formal complaints addressed through Student Disciplinary Procedure or Student Complaints Procedure (where the reported party is a member of staff).
-

Summer action 2021

- Partnership with Students' Union, engaging students in consultation
- Workshop for all students via Welcome and re-enrolment activity – healthy relationships (including consent), respect, expectations
- Specialist training for investigators (in addition to using external specialist resource when required)
- Specialist training for disciplinary panels
- Student and staff awareness of policy
- Central, anonymised quarterly report to Exec and Board (Student Complaints, Student Disciplinary, Staff Disciplinary, Report and Support disclosures)

Spotlight on Report and Support

London South Bank University

Home Report Support Leave site

Report + Support

At LSBU, we take the safety of our students seriously. We believe that hate, harassment and sexual violence are never acceptable.

For more information and sources of help visit the [Support pages](#).

If you want to report a concern, use the buttons below.

There are two ways you can tell us what happened

As a staff member

or

As a student

Specialist advisors (SLOs) accessed via [Report and Support](#) are situated within Student Services.

- A safe, confidential, and supportive space to receive a disclosure and provide access to support and information about the different internal and external options available.
- Non-emergency, one-to-one, appointment-based support (range of days and times within 3 working days).
- Advisers trained by external specialists LimeCulture.
- Risk assessment and management, escalating where necessary.

- Appropriate and accurate information – supporting the student to make choices about what to do next including external and internal reporting.
- Specialist external support - referral pathways and information sharing.
- Practical support to maximise chances of remaining and succeeding in study.
- Supported extenuating circumstances without the need to re-explain or disclose confidential or traumatising information to another team.
- Reasonable adjustments to study and assessments – additional time in exams, short term assignment extensions.
- Liaison with course team (at wish of student) inc. suitability of placement location.
- Liaison with halls of residences.
- Supporting the student during an internal investigation, for example Student or Staff Disciplinary.
- Liaising with specialist external services (without duplicating or replacing external specialist support).
- Secure and accurate record keeping .

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Student Harassment, Bullying, and Sexual Misconduct Policy

Policy last reviewed	June 2021
Approved by	Executive Committee
Published on	June 2021

In an emergency

In an emergency (for example, where there is an immediate and significant danger or a criminal act has been witnessed), call emergency services directly on 999. If this is an emergency on campus, please also call Security (0207 815 6666/x6666) so that Security can support the response.

Where an emergency involves students, you should also inform the Head of Wellbeing (studentwellbeing@lsbu.ac.uk), outlining the details of the incident, the action taken and any follow-up action needed to support the student themselves, other students, or staff who have been impacted.

Make a report or access support

To report sexual misconduct, a hate incident, bullying, or harassment against a student to the University, or to find out about support, visit:

<https://reportandsupport.lsbu.ac.uk/> (guidance for staff and students)

If you have recently experienced sexual violence, there is important information for you, including some advice and action that is time limited. Please do visit the pages above for more information – you are not on your own and there is always someone to speak to – you can access confidential support without committing to any decision about what action to take.

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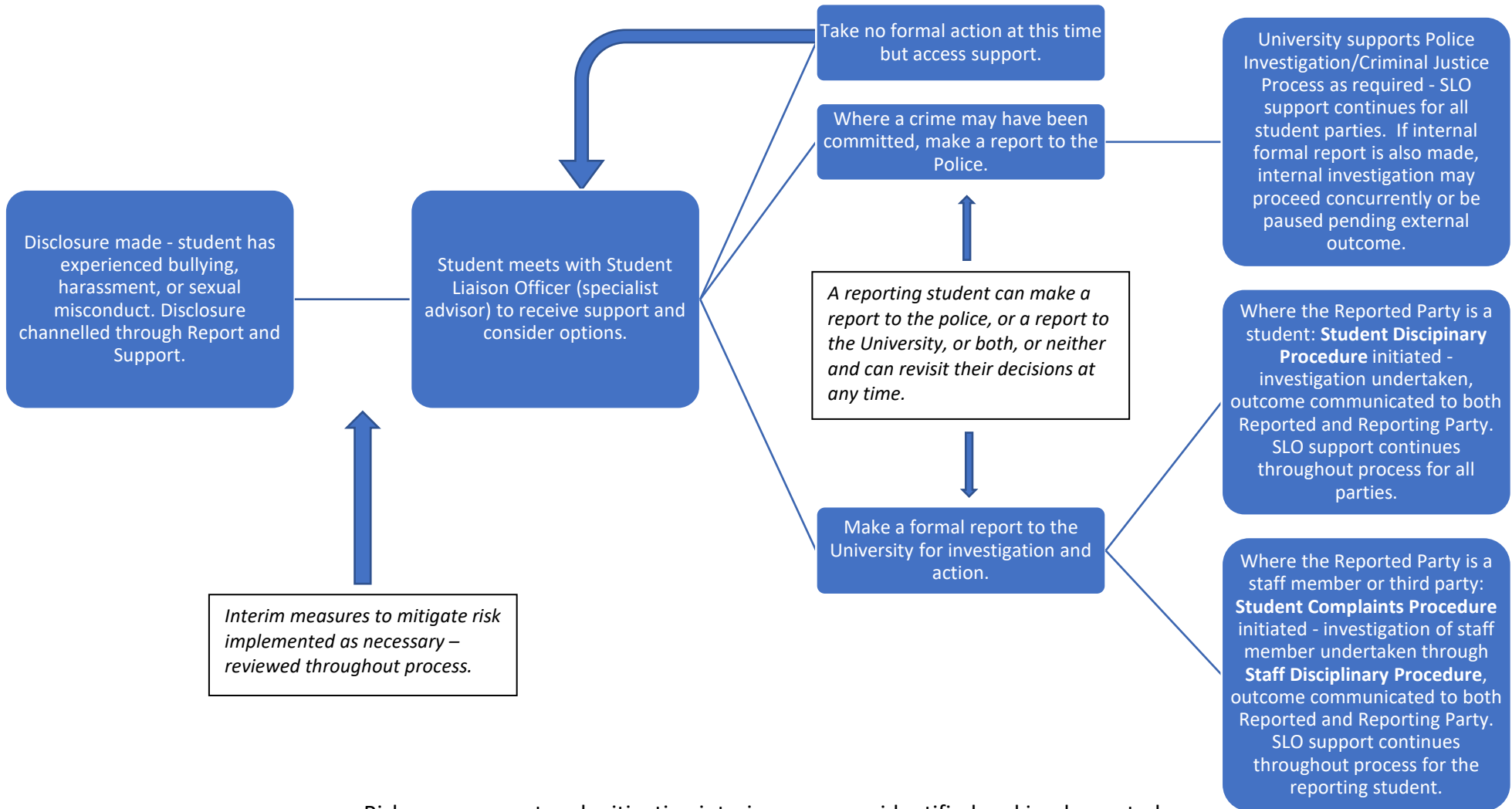
Student Harassment, Bullying, and Sexual Misconduct Policy Flowchart

DISCLOSURE

SUPPORT

FORMAL REPORT

INVESTIGATION



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Interim measures to mitigate risk implemented as necessary – reviewed throughout process.

Risk management and mitigating interim measures identified and implemented through **Case Management Approach and Risk Panel** (see Appendix B)

Student Harassment, Bullying, and Sexual Misconduct Policy

1. Introduction

1.1. London South Bank University is committed to the provision of equality for all, valuing diversity across all the dimensions of difference. This is set out in the University's Equality and Diversity Policy Statement.

1.2. At LSBU we take the safety, wellbeing, and dignity of our staff and students very seriously and we do not tolerate sexual misconduct, bullying, or harassment. We strive to create an environment where all members of the University community feel safe and respected and encourage students to come forward with concerns so that they can be dealt with impartially, promptly, and sensitively.

1.3. No member of the LSBU community is expected to tolerate such unacceptable behaviour, whether by a member of the LSBU community, or by a third party such as a supplier or visitor, or a member of the public. Students have the right to disclose experiences of unacceptable behaviour, to be listened to, and to seek support. We are committed to providing a supportive and confidential environment where individuals feel confident and empowered to disclose, will be listened to and understand the options available to them. The purpose of this policy is to outline how we:

- provide a campus environment in which all members of our community feel safe and are respected;
- set out our expectations around the unacceptability of bullying, harassment and sexual misconduct;
- support students who have experienced any form of bullying, harassment, or sexual misconduct;
- respond to disclosed incidents.

1.4. LSBU is committed to preventing incidents of bullying, harassment or sexual misconduct where reasonably possible; and to provide educational and preventative training programs regarding such behaviours. LSBU commits to make available timely support for those who have been affected by such behaviours, prioritising their safety and wellbeing, whilst ensuring the dignity of all those involved in any investigations or disciplinary proceedings; and to provide prompt and equitable methods of investigation and resolution to incidents of bullying, harassment and sexual misconduct and to prevent recurrence. We work in partnership with students and local organisations to improve our knowledge and understanding of bullying, harassment, and sexual misconduct in our community and the impact of our work to tackle, respond to, and prevent this.

1.5. If you have experienced harassment, bullying, or sexual misconduct, the University will support you by:

- listening to you;
- treating you sensitively and with respect;
- respecting confidentiality;
- providing or signposting support you may need;
- taking further action if requested (i.e. an investigation under a University procedure).

2. Scope – who is covered by this procedure?

- 2.1. This policy applies to any LSBU student who has experienced harassment, bullying, or sexual misconduct. All current, and interrupted, students can access specialist support and advice from the University.
- 2.2. The University does not put a time limit on receiving disclosures or formal reports of bullying, harassment, or sexual misconduct. Where significant time has passed, or the reported party no longer studies or works at the University, the ability for the University to respond to a formal report can be limited.
- 2.3. Where a student has experienced harassment, bullying, or sexual misconduct that is committed or alleged to have been committed by a member of the LSBU community, including a student, staff member, or third party, this policy outlines how students can make a disclosure, access support, and make a formal complaint for internal investigation and response.
- 2.4. This policy also applies to any report of bullying, harassment, or sexual misconduct by a student which:
 - occurs on University property and/or land;
 - occurs while a student is engaged in any University related activity, including placements or trips;
 - occurs via LSBU IT/Communication systems;
 - occurs online including but not limited to social media, internet, email, text;
 - results in a police investigation, charge, or conviction of an offence;
 - raises questions about a student's fitness to practice, where that student is studying a course subject to LSBU's Fitness to Practise Procedure;
 - in the view of the University poses a serious risk or disruption to the University or members of its community.

3. Definitions

- 3.1. **Bullying** is offensive, intimidating, malicious or insulting behaviour which can involve the misuse of power. These behaviours can make a person feel vulnerable, upset, humiliated, undermined or threatened. Power does not always mean being in a position of authority, but can include both personal strength and the power to coerce through fear or intimidation. This can be between two individuals or it may involve groups of people. It might be obvious or it might be insidious. It may be persistent or an isolated incident. Bullying can take the form of physical, verbal and non-verbal conduct. It can occur in written communications, email, text, by phone, online, or via social media, not just face-to-face.
- 3.2. **Consent** is agreeing by choice and having the freedom and capacity to make that choice. The person seeking consent should always take steps to ensure that consent is freely given, that it is informed and recognises that it can be withdrawn at any time.
 - 3.2.1. **Freedom to consent:** a person is free to make a choice if nothing negative would happen to them if they said no. For example, a person may not feel free to make a choice if:
 - they are being threatened with violence (by the perpetrator and/or by someone else);

- they are being threatened with humiliation;
- they believe that the continuation or assessment of their studies, or progression or advancement of their career, will be at risk if they refused;
- they are being blackmailed;
- there is a significant power imbalance and the party without power feels pressured to continue in the relationship against their will.

3.2.2. **Capacity to consent:** Capacity is about whether someone is physically and/or mentally able to make a choice and to understand the consequences of that choice. For example, a person does not have the capacity to give consent if:

- they are drunk or under the influence of drugs - this means someone may still be physically able to have sex but they may not be able to consent;
- they are asleep or unconscious;
- a person may also not have capacity to give consent if they have, for example, a cognitive or learning difficulty, a disability which impairs their speech, or are experiencing a mental health crisis.

3.3. **Disclosure**, for the purposes of this Policy, involves an individual choosing to tell anyone who is part of the University about their experience of bullying, harassment or sexual misconduct. Unlike Formal Reporting, Disclosure does not trigger an investigation or action (unless the University has a Duty of Care), but it would lead to support being offered.

3.4. **Formal Report:** the sharing of information with a staff member of the University regarding an incident of bullying, harassment or sexual misconduct experienced by that individual for the purposes of initiating an investigation under the relevant procedure (different from *Disclosure*).

3.5. **Harassment:** The Equality Act 2010 says that a person harasses another if they engage in unwanted behaviour related to a relevant protected characteristic (age, disability, gender reassignment, race, religion or belief, sex, sexual orientation) and the behaviour has the purpose or effect of:

- violating the other person's dignity, or
- creating an intimidating, hostile, degrading, humiliating or offensive environment for that person.

3.5.1 Harassment can include domestic violence and abuse (which can also involve control, coercion and threats) and stalking. Harassment can include incidents of physical violence towards another person on the basis of a protected characteristic and can include hate crimes which are perceived by the victim or any other person to be motivated by hostility or prejudice, based on a person's disability or perceived disability; race or perceived race; religion or perceived religion; sexual orientation or perceived sexual orientation; or transgender identify or perceived transgender identity.

3.5.2 Unwanted behaviour will amount to harassment if it has such an effect, even if that was not the intended purpose of the behaviour. In deciding whether behaviour has that effect each of the following must be taken into account:

- the perception of the person

- the other circumstances of the case, and
- whether it is reasonable for the behaviour to have that effect.

3.5.3 Not all behaviour that is experienced as offensive would be considered harassment. For example, students' learning experiences may include exposure to course material, discussions or speaker's views that they find offensive or unacceptable, and this is unlikely to be considered harassment when balanced against the right to freedom of expression.

3.6. The **Reported Party** is the person(s) whose behaviour is alleged to constitute an incident of bullying, harassment or sexual misconduct.

3.7. The **Reporting Party** is the person(s) who witnessed or was subject to the alleged incident of bullying, harassment or sexual misconduct.

3.8. **Sexual Misconduct** covers a broad range of inappropriate and unwanted behaviours of a sexual nature. Sexual misconduct is a broad term encompassing any unwanted behaviour of a sexual nature and behaviour of a sexual nature that is committed without consent or by force, intimidation, coercion, or manipulation. Sexual misconduct can be committed by a person of any gender, and it can occur between people of the same or different genders. It can occur between strangers or acquaintances, including people involved in an intimate or sexual relationship. It covers all forms of sexual violence, including sex without consent, sexual abuse (including online and image-based abuse), non-consensual sexual touching, sexual harassment (unwanted behaviour of a sexual nature which violates your dignity; makes you feel intimidated, degraded or humiliated or creates a hostile or offensive environment), stalking, abusive or degrading remarks of a sexual nature, and promised resources or advancement in exchange for sexual access. Further detail about the type of behaviour that may amount to sexual misconduct is set out in Appendix A: Examples of unacceptable behaviour.

3.9. **Victimisation**: Treating someone less favourably because they have made a claim or complaint of discrimination, or helped someone else to make a complaint (under the Equality Act), or made a disclosure (whistleblowing) under the Public Interest Disclosure Act 1998, or in either case the affected person is believed to have made or helped make, or is believed that they may make or help make, a complaint or disclosure.

4. Roles and responsibilities

4.1. The Chief Customer Officer has overall responsibility for this policy and has delegated day-to-day operation to the Director of Student Services.

4.2. All staff and students have a responsibility to ensure a working and studying environment where everyone is treated with equal respect and dignity. Each member of the LSBU community is expected to contribute to preventing unacceptable behaviours, including harassment, bullying or sexual misconduct through self-awareness; and by modelling positive behaviour for others, and raising any concerns.

4.3. [Report and Support](#) is a service for students through which they may make a disclosure on an incident of bullying, harassment and/or sexual misconduct. Report and Support will provide information on support options, internal and

external to LSBU, and provide information on internal and external reporting options. Students can access support from a Student Liaison Officer (SLO) who can offer one to one and ongoing support. Where a student wishes to make a formal complaint, the student will be directed and supported on how to take that forward.

4.4. The Director of Student Services will report to the Executive Committee annually on the effectiveness of this policy and ensure that periodic reviews are carried out.

5. Support available

5.1. At LSBU, we take the safety of our students seriously. We believe that hate, bullying, harassment and sexual misconduct are never acceptable. We are committed to providing support for students affected by these issues. We have trained and expert support staff (SLOs) available to provide a safe and confidential space for disclosure, to access support, and to understand internal and external reporting options. By accessing this support, you are not committing yourself to any course of action.

5.2. In instances where information shared means there is a safeguarding duty, or duty of care, there may be action that the University is required to take to ensure safety.

5.3. Support information is outlined on the [Report and Support](#) pages and includes internal and external support providers. Support and advice is available to any student who discloses an incident regardless of whether they choose to make a report to the University or Police. LSBU will also offer interim measures as appropriate to the reporting and reported parties, and witnesses involved in formal complaints.

5.4. Students who have experienced bullying, harassment, or sexual misconduct/violence at any time in their lives can access support and advice from LSBU.

5.5. Specialist advisors (SLOs) accessed via [Report and Support](#) are situated within Student Services. An SLO offers a safe, confidential, and supportive space to receive a disclosure and provide access to support and information about the different internal and external options available. They offer:

- Non-emergency, one-to-one, appointment based support
- Appointments available at a range of times and within a maximum of three working days from request
- Advisers trained by external specialists LimeCulture
- Accessed through Report and Support online reporting
- Supportive response – safe receipt of disclosure
- Risk assessment and management, escalating where necessary
- Appropriate and accurate information – supporting the student to make choices about what to do next including external and internal reporting
- Specialist external support - referral pathways and information sharing
- Practical support to maximise chances of remaining and succeeding in study
- Supported extenuating circumstances without the need to re-explain or disclose confidential or traumatising information to another team
- Reasonable adjustments to study and assessments – additional time in exams, short term assignment extensions

- Liaison with course team (at wish of student)
- Consideration of suitability of placement location
- Liaison with halls of residences
- Supporting the student during an internal investigation, for example Student or Staff Disciplinary
- Liaising with specialist external services, for example an ISVA (Independent Sexual Violence Adviser), or a Police Victim Care Officer, to ensure that internal and external support are aligned (without duplicating or replacing external specialist support)
- Secure and accurate record keeping

5.6. Staff at LSBU who receive a report or disclosure from a student should direct them to the support available by using the [Report and Support](#) staff reporting option.

5.7. Where a student has been reported to have allegedly carried out bullying, harassment, or sexual misconduct, support from an SLO is also available to them. This will be a different SLO to that supporting the Reporting Party.

6. Making a disclosure

6.1. A disclosure is made when a student tells a member of University staff that they have experienced bullying, harassment (including a hate incident), or sexual misconduct. A disclosure can be made in person, online, or via other means such as phone or email.

6.2. Students can make disclosures via the University's online reporting tool: [Report and Support](#).

6.3. Where a member of staff has received a disclosure in person or via other means, they should direct the student to support ([Report and Support](#) and [Wellbeing services](#)). They may submit a disclosure on behalf of the person who has disclosed, with their permission, via the University's online reporting tool.

6.4. The person who has chosen to disclose does not need to provide the full details of their experience if they do not wish to. They will not be pressured to make a formal complaint.

6.5. If the incident is historical, the person who has experienced it can still disclose it to the University and receive support.

6.6. Disclosure does not create a formal complaint. The person who has disclosed will have the opportunity to be heard and to consider their options before proceeding with any further steps. No action will be taken immediately by the University unless there is a concern about immediate safety, safeguarding, or if the University has a duty of care.

6.7. Where a student chooses to disclose through making a report via the Report and Support tool, their disclosure will be received by specialist advisors (SLOs) within Student Services who will contact the student directly (see section 5).

6.8. Options following a disclosure: there are several options available to someone who has disclosed their experience. They can choose the level and types of support that are right for them. No action will be taken immediately by the

University unless there is a concern about immediate safety, safeguarding, or if the University has a duty of care. After discussion with their SLO, the person might choose to:

- a) **Take no action at this time:** In this case advice will be provided including around any preservation of evidence which may be needed if the person subsequently decides to make a report to the Police or to submit a formal complaint to the University. They will also be informed of the ongoing support available to them internally and externally.
- b) **Make a report to the Police:** a report to the Police can be made alongside a formal report to the University. There may be cases where an open Police investigation or criminal justice process might require a pause of any internal investigation. Students can continue to access internal and external support throughout any police investigation or criminal justice process.
- c) **Make a formal report to the University:** Following a disclosure this option is available. A student can confirm that they wish the University to proceed with a formal investigation under the relevant procedure. Students can continue to access internal and external support throughout any internal investigation.

7. Interim measures (risk assessment)

- 7.1. If after reviewing a disclosure submitted via the University's online reporting tool, the SLO believes that there is a danger to the person who has disclosed or to anyone else, they will refer the disclosure to a Risk Panel.
- 7.2. The composition of the Risk Panel will depend on the nature of the disclosure/report and the parties involved and can comprise the Director of Student Operations and Disciplinary Officer, Head of Wellbeing, Head of Accommodation, Director of Student Services, GovLegal representation, School / HR representation as appropriate. The Panel may meet in person, or virtually.
- 7.3. The Panel will decide and enact any necessary interim measures to mitigate risk and ensure safety. Such measures may include arrangements that limit contact between and reporting and reported party, including restriction of access to campus facilities, and making a recommendation to the Students' Union President regarding appropriate action.
- 7.4. If a suspension of rights is issued, the person alleged to have committed the misconduct will be informed in writing and, wherever possible, in person. They will be told what they need to do in order to comply with the suspension of rights. They will be assigned an SLO, who will be their main point of contact. This will be a different SLO to that assigned to the person who has disclosed.
- 7.5. If no suspension of rights is required, the person alleged to have committed the misconduct will not be informed of the disclosure or assigned an SLO unless the person who has disclosed chooses to either pursue an informal resolution or submit a formal complaint to the University.

8. Making a formal report (complaint/disciplinary)

8.1. The SLO will make the reporting student aware of the different internal and external reporting options. Where the reporting student is reporting behaviour of a student or staff member that may constitute bullying, harassment, or sexual misconduct, they can make a formal complaint to the University under

8.1.1. **About a student:** [Student Disciplinary Procedure](#). The complaint will be dealt with according to the Student Disciplinary Procedure.

8.1.2. **About a member of staff, third party, or visitor:** [Student Complaints Procedure](#). The complaint will be dealt with according to the Student Complaints Procedure. Where the reported party is a member of staff this will include referral to, and investigation under, the Staff Disciplinary Procedure.

8.2. A reporting student only needs to make one initial report to the SLO – with the reporting student's permission, this initial report can be used to make a formal complaint to the University as outlined in 9.1 above. The reporting student may need to provide further information and evidence as part of an investigation.

8.3. The reporting student may withdraw a complaint at any time during this procedure, by notifying the relevant person in writing:

8.3.1. For complaints made against a student, the Student Disciplinary case coordinator should be notified (studisc@lsbu.ac.uk)

8.3.2. For complaints made against a member of staff, third party, or visitor, the Student Case team should be notified (student.complaints@lsbu.ac.uk)

8.4. Where a complaint or report is withdrawn no further action will be taken under the relevant procedure, but the matter may be referred for consideration under another University procedure. Where there is a belief that a person's safety may be at immediate risk, action may need to be taken regardless of withdrawing a complaint.

8.5. Anonymous formal complaints will not normally be accepted by the University. This is because of the limited action that can be taken in response to an anonymous report.

9. Outcome of a formal report (complaint/disciplinary)

9.1. The outcome of an internal investigation will be shared with the Reporting Party as well as the Reported Party and this will include setting out the rationale for the decision.

9.2. The Reporting Party will be asked to respect confidentiality with regards to outcome and information shared with them.

10. Police investigations and the criminal justice process

10.1. Where criminal investigations and/or judicial proceedings are ongoing or are likely to commence in respect of a disclosure or report, the University will make a case by case decision on whether to continue its own investigation and any disciplinary action, or pause an internal investigation subject to the circumstances of the case, police advice, and in discussion with the University Solicitor.

- 10.2. Where, following police advice or otherwise, LSBU decides not to undertake its own investigation until the case has concluded, LSBU reserves the right to review this decision and to initiate its own investigation at a later stage in or on completion of the criminal investigation and/or judicial proceedings.
- 10.3. A decision by the Police or Crown Prosecution Service (or other law enforcement agency) to take no further action in relation to a criminal matter, or an acquittal at a trial, does not preclude or negate the outcome of the University's investigation and/or disciplinary action. Where the trial has completely exonerated the subject of the complaint and it has been found that the Reporting Party has made a false, bad faith or misleading complaint, the University may revisit any disciplinary sanction issued to the Reported Party and may consider disciplinary action against the Reporting Party, if they are an LSBU student.
- 10.4. An internal investigation is focused on a breach of any standards prompting referral to e.g. Fitness to Practise, Student or Staff Disciplinary processes. The internal process may therefore be considering different issues from a Police investigation or criminal prosecution. This is why it may, depending on the circumstances, be possible to proceed with an internal investigation at the same time as a criminal process.

11. Victimisation

- 11.1. LSBU will not tolerate any form of victimisation against someone who has raised a complaint, or supported a complaint, or for cooperating in an investigation, or challenging unacceptable behaviour, or in each case is believed to have or is believed to be likely to take such steps.
- 11.2. If a formal complaint of victimisation is made about a student's or employee's behaviour it will be fully investigated and dealt with in accordance with the relevant procedure (e.g. Student Disciplinary, Fitness to Practise, Staff Disciplinary).

12. False, bad faith, or misleading reports

- 12.1. While very rare, the possibility of false, bad faith, or misleading reports is recognised. Submitting a complaint that is not in good faith or providing false or misleading information in any investigation of complaints is prohibited. If a complaint is found to be false, misleading or in bad faith, it will be dealt with in accordance with the Staff Disciplinary Procedure and Student Disciplinary Procedure, as appropriate.

13. Confidentiality

- 13.1. The University recognises the importance of privacy for disclosures and formal complaints of bullying, harassment, or sexual misconduct and will only share information on a confidential, need-to-know basis.
- 13.2. Confidentiality is not absolute secrecy. There may be circumstances where it is necessary or appropriate to share information either within the University or with external organisations/bodies, for example to:
- 13.2.1. Allow a case to be appropriately considered and investigated;

- 13.2.2. Ensure those who disclose an experience or are alleged to have committed misconduct receive appropriate academic and pastoral support;
- 13.2.3. Safeguard members of the University community and fulfil the University's duty of care;
- 13.2.4. Discharge the University's duties or as required by law.

13.3. All personal data is recorded and held in accordance with current data protection legislation and retained in line with the University's Record Retention Schedule.

14. Use of data

14.1. The University will collect data on reports made under this procedure, and use the data:

- 14.1.1. internally for reporting, evaluation, learning and training; and
- 14.1.2. externally for discussion with regulators in the higher education sector

14.2. The data used by the University for the purposes in paragraph 14.1 will be anonymised. Your personal data and sensitive personal data ("Personal Data") as defined by the Data Protection Act 2018 (the "DPA") may be disclosed to the University's members of staff and regulators only for the purposes of dealing with your report, a complaint arising out of it and/or implementing any recommendations. Personal Data will not be shared with any other third parties unless the University has your express consent, has a statutory obligation to do so, or is otherwise permitted to do so under the DPA.

15. Related procedures

- Student Disciplinary Procedure
- Fitness to Practise Procedure
- Staff Disciplinary Procedure
- Student Complaints Procedure
- Safeguarding Policy
- Speak Up Policy
- Research Degrees Code of Practice

Related policies and procedures can be found here: <https://www.lsbu.ac.uk/about-us/policies-regulations-procedures>

Appendix A – examples of unacceptable behaviour

The following list is not exhaustive, rather it is intended to illustrate behaviour that would be considered unacceptable conduct by the University.

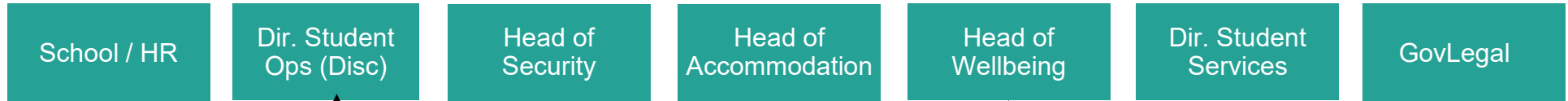
- a) Unwelcome sexual advances
- b) Inappropriate or unnecessary physical contact, including invasion of personal space and inappropriate touching
- c) Inappropriate jokes including racist, sexist, homophobic, biphobic, transphobic or ageist jokes, or derogatory or stereotypical remarks about a particular ethnic or religious group or gender
- d) Sexually explicit language, jokes, verbal and physical innuendo
- e) Racist jokes, 'banter' and language, and the display of racist materials
- f) Using demeaning, gender-specific terminology
- g) Creating, displaying or circulating sexually explicit materials including image based sexual abuse
- h) Coercive demands for sexual favours
- i) Inappropriate comments about a person's appearance, intrusive questions, comments or remarks about a person's private life and malicious gossip
- j) Homophobic comments, jokes and 'banter' about sexuality, gossip and speculation about a person's sexuality
- k) Outing or threatening to out someone as gay, lesbian, bi or trans
- l) Taking, sharing or sending offensive images or video content
- m) Creating, sharing or sending offensive literature
- n) Pestering, spying or stalking
- o) Physical assault or threats of physical assault
- p) Sexual assault or threats of sexual assault
- q) Insults, name-calling and offensive language and gestures
- r) Ridiculing and undermining behaviour
- s) Intimidating, coercive or threatening actions and behaviour
- t) Isolation, non-cooperation or deliberate exclusion
- u) Shouting or screaming at a person
- v) Setting someone up to fail, e.g. withholding necessary information or deliberate work overload
- w) Unwarranted or invalid criticism and criticism which lacks the necessary constructive support to help the recipient improve their performance
- x) Persistently 'singling out' a person without good reason or deliberately excluding, isolating or ignoring an individual

Please also see examples of disciplinary offences held within the Student Disciplinary Procedure available here: <https://www.lsbu.ac.uk/about-us/policies-regulations-procedures>

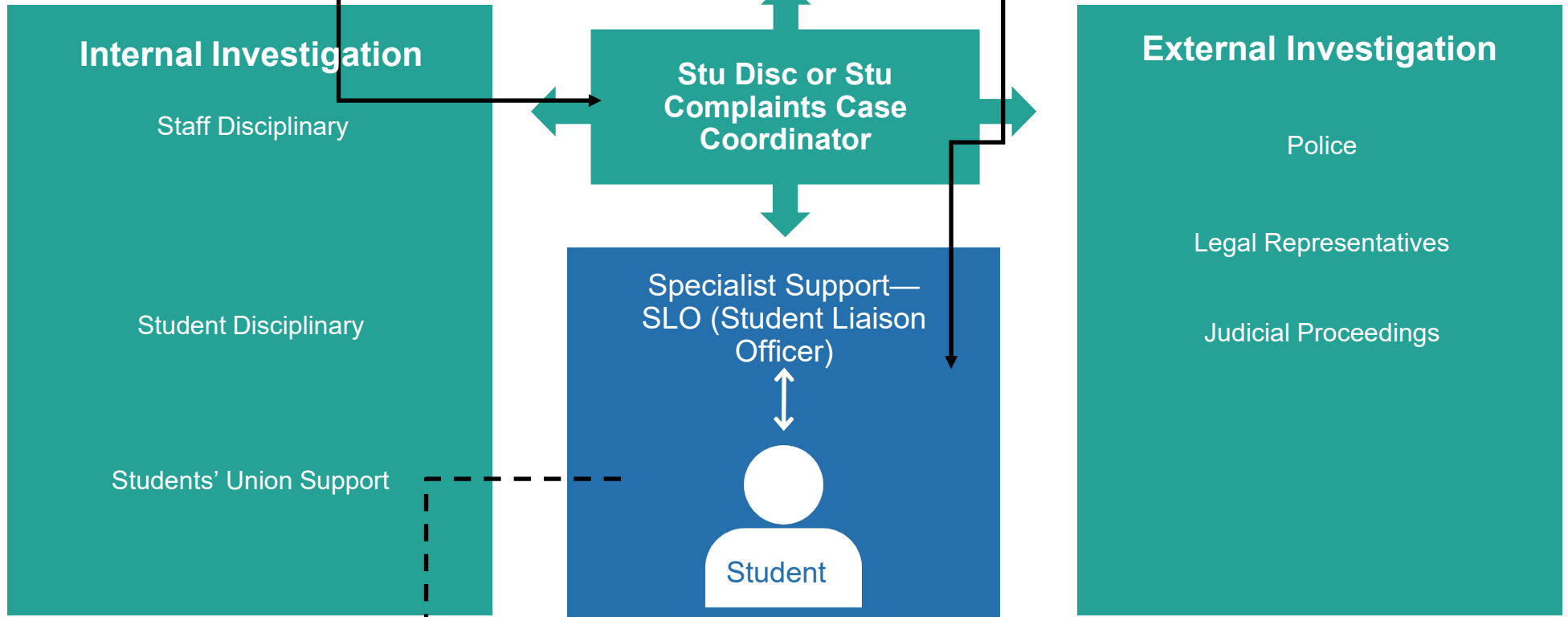
Appendix B – risk management

Bullying, Harassment, Sexual Misconduct Risk Management at LSBU

Risk Panel (composition dependent on case)



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SLO support and coordination for both Reporting and Reported student parties (different SLOs)

External Specialist Support



	CONFIDENTIAL
Paper title:	Treasury Management Report
Board/Committee:	Finance Policy and Resources
Date of meeting:	06 July 2021
Author(s):	Rebecca Warren, Head of Financial Accounting
Sponsor(s):	Richard Flatman, Group CFO
Purpose:	For Information
Recommendation:	The Committee is requested to note this report

1. Executive Summary

On 31 May 2021 the University Family held total bank balances in current accounts and deposit accounts of £55.0 million, and had loans outstanding of £32.9 million.

A drawdown of £10m against the RCF with Barclays was made on 7 April to fund the London Road, Vauxhall and LEAP projects. This was repaid on 17 May.

A detailed cashflow forecast is being maintained and indicates that further drawdown will be required in August – see section 5.

2. Cash Balances and term deposits

2.1 Details of all the Group's bank and deposit balances at the end of May are shown below. Money has been moved to Natwest and Federated Investors to manage the balance in Barclays after the most recent SLC receipt.

Bank / Title	Type of Account	Previous period 31 March 2021 Balance	31 May 2021	
			Balance Currency	Balance Sterling
		£	€	£
Barclays [LSBU's Main trading account]	Business Account	-		-
	FiBCA	10,595,805		9,600,414
	Euro Currency Account	619,611	593,747	510,368
NatWest	Corporate Cash Manager Plus	805,916		10,483,990
	Euro Currency Account	68,860	285,725	245,601
	Business current account	116,046		117,182
NatWest [Charitable Funds]	Corporate Cash Manager Plus	140		6,303
Lloyds TSB	Corporate Special Account	2,073		2,073
	95-day notice*	10,958,755		10,958,755
Bank of Scotland	Corporate Deposit Account	0		0
	Corporate Instant Access	198,567		198,567
Federated Investors LLP UK	Sterling Liquidity Fund 3	12,115		10,012,183
	Sterling Cash Plus GBP	8,175		8,175
Scottish Widows Bank Plc	Deposit Account	612		612
		502		502
Barclays	Charity	10,703		36,169
Nationwide	95 Day Deposit Account	3,024,501		3,037,338

Total LSBU Funds at Bank

26,422,381

45,218,233

NatWest [SBU Enterprises Ltd]	Business Current Account	0		0
	CCMP	8,980		94,558
Barclays	SBUEL Main current account	395,502		96,380
Barclays	Student Enterprise Account	23,245		23,245

Total Access & Enterprises Funds

427,728

214,183

Total SBC funds at bank

Barclays

5,470,292

7,424,624

Total SBA Funds at bank

Lloyds TSB

1,853,887

2,113,915

Total of all Funds at Bank

34,174,288

54,970,954

*The Lloyds deposit matured and transferred into Barclays on 4 June.

2.2 The table below shows the interest rates currently being earned for our accounts and fixed term deposits. Interest rates continue to be low and we have withdrawn money from accounts with the lowest interest rates first.

3.

Bank	Account	Funds held at 31 May 21 £'000	Maturity date	Interest rate %
Natwest	CCMP and current accounts	10,696	No notice	
Natwest	Euro current account	246	No notice	
Natwest	Charitable funds	6	No notice	
Lloyds TSB	Fixed Term Deposit	10,961	95 days	0.10%
Lloyds TSB	SBA	2,114	No notice	0.10%
Bank of Scotland	Corporate Deposit account	199	No notice	0.01%
Federated Investors	Liquidity fund	10,020	No notice	variable*
Barclays	FIBCA and other accounts	17,691	No notice	
Nationwide	Fixed Term Deposit	3,037	95 days	0.40%

* Variable rate of return (has been between 0.57% - 0.91%; likely to be lower at present)

3.1 A detailed list showing how much the University family holds at each bank and an 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 Barclays, the policy allows up to £25m to be held with this institution with deposits or term accounts being for no longer than 1 month.

The amount held with Lloyds TSB is at group level and includes rolled over interest and balances held by South Bank Academies and is therefore not a breach of the University Treasury Management Policy.

Bank	S&P	Moody's	Fitch	Band	Maximum deposit in line with TMP £'000	Funds held at 31 May 21 £'000
Natwest	A	A1	A+	1	£10,000	£10,948
HSBC	A+	Aa3	AA-	1	£10,000	0
Lloyds TSB	A+	A1	A+	1	£10,000	£13,075
Bank of Scotland	A+	A1	A+	1	£10,000	£199
Federated Investors	AAAm	N/A	AAA	1	£10,000	£10,020
Barclays	A	A1	A+	1	£25,000	£17,691
Nationwide	A	A1	A	1	£10,000	£3,037

3.2 Deposits maturing

Notice has been given on both these accounts and the balances will be transferred to our current account with Barclays on the dates in the table below:

Banks	Deposit (£M)	Rate (%)	Term (Days)	Maturity Date
Lloyds	10.9	0.10	95	4 June
Nationwide	3.0	0.40	95	20 August

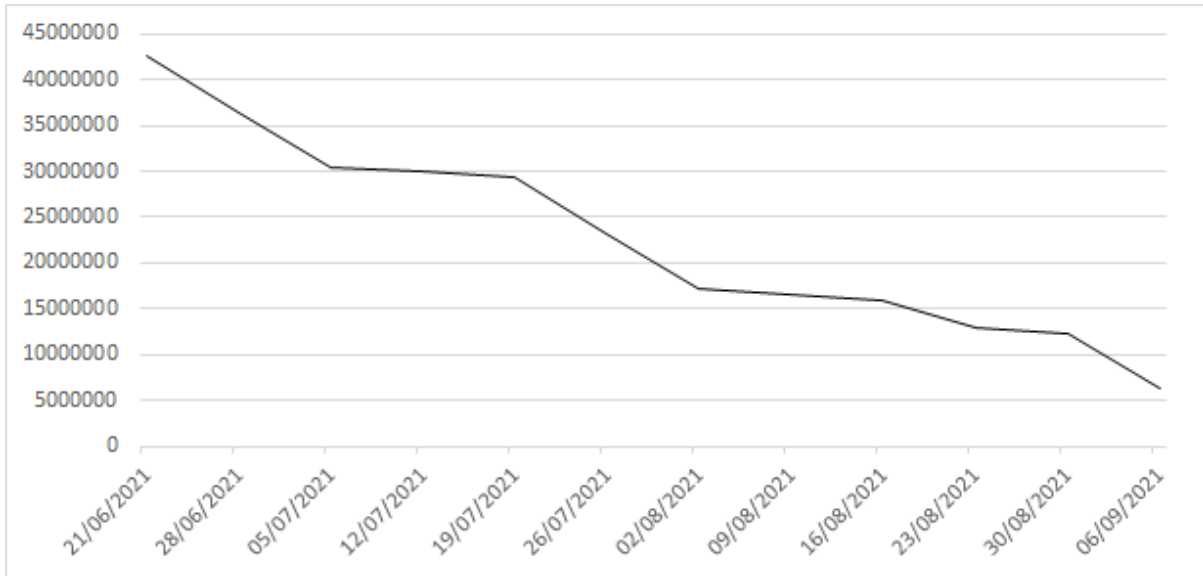
4. Loans

4.1 Loan balances outstanding at 31 May 2021 are £32.9m, including the loans novated from Lambeth College. As follows:

Lender	31/03/2021 £'000	31/05/2021 £'000	Term	Interest rate	Security
Allied Irish Bank (GB)	2,453	2,453	26.5 years to 2027	6.67% Fixed	Dante Road halls of residence
Barclays Bank 2	3,342	3,342	25 years to 2032	5.67% fixed	McLaren House
Barclays Bank 3	5,000	5,000	To April 2029	5.25 % fixed	
Barclays Bank 4	6,194	6,194	23.25 years to 2032	5.54% fixed	
Barclays Bank 5	3,267	3,267	23 years to 2032	0.225% over Libor	
Barclays Loan Lambeth	12,570	12,472	To 30 th Aug 2035	5.2% fixed + margin 1.65%	
Barclays RCF	-	-			
Salix	200	200			None
Total Group loans	33,026	32,928			

5. Cashflow forecast

The short-term cash flow forecast shows that LSBU will need to make another drawdown on the Barclays RCF around the end of August, to cover the period until the next Student Loan Company receipt, likely to be in October. The balance of immediately-available cash over the next few months is shown as follows:



Recommendations

The committee is requested to note this Treasury Management Report.

We are close to completion of legal documentation on the AIB RCF and expect to call a Board Sub-Committee meeting in early July for final approval.

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Agenda Item 12

	CONFIDENTIAL
Paper title:	LSBU Group insurance renewal programme 2021/22
Board/Committee:	Finance, Planning and Resources Committee
Date of meeting:	06 July 2021
Author(s):	James Rockliffe, Director of Procurement Services Robert Ager, Category Manager (Professional Services)
Sponsor(s):	Richard Flatman, Chief Financial Officer
Purpose:	For Information
Recommendation:	The committee is requested to note the proposed renewal of the insurance provision.

Executive summary

The committee is requested to note the proposed renewal of the insurance provision for LSBU and SBC for 2021/22 on the following basis;

- LSBU and Lambeth College remain independent members of the London Universities Purchasing Consortium (LUPC)
- LSBU continues to represent the wider LSBU Group on the LUPC Insurance Group (IG)
- the appointment of insurers takes place on 1st August 2021 at a projected total cost of approximately £770k. This incorporates an estimated increase of 20% (£128,270) on 2020/21 costs and reflects uncertainty in the insurance market.

The majority of insurance policies expire on 31st July 2021. The timing of the renewal cycle means that quotations for 2021/22 will not be confirmed until mid-July and therefore precise renewal figures were not available at the time of writing. However sums are unlikely to exceed the projected 20% increase on 2020/21 figures.

1. INTRODUCTION

London South Bank University (LSBU) procures insurance services from Arthur J. Gallagher Insurance Brokers Limited (Gallagher). Gallagher provide services under the terms and rates of the Insurance Brokerage framework agreement awarded by the London University Purchasing Consortium (LUPC). Both LSBU and Lambeth College are full LUPC members.

The Insurance Brokerage framework was tendered and awarded in line with the public procurement regulations in early 2017 and went live on 1st August 2017. It is due to expire in 31st July 2022.

Use of the framework provides LSBU with membership of the discrete LUPC Insurance Group (IG), a sector specific committee that manages the brokerage contract and monitors market activity. The LUPC IG comprises 40 members and has an aggregated spend of approximately £120 million on insurance related services.

Use of the LUPC framework and membership of the IG satisfies the statutory requirement to competitively tender insurance arrangements and maximises commercial leverage through collaboration.

As from 2020/21, insurance services for LSBU and Lambeth College have been consolidated into a single arrangement simplifying our portfolio of insurance policies across the LSBU Group.

2. EXECUTIVE SUMMARY

The Executive recommends that FP&R notes the insurance costs for LSBU and Lambeth College in 2020/21 were £641,352, compared to a budget of £630,076. The overspend was due to the procurement of a cyber-insurance policy for LSBU in October 2020 which attracted separate brokerage and arrangement fees not covered by the annual fee payable to Gallagher.

The Executive recommends that FP&R notes the renewal of insurance policies for 2021/22 on the following terms:

- Appointment of insurer(s) by 1st August 2021 as recommended by Gallagher with an anticipated budget of £770,000. This projection includes an increase of 20% on premiums paid in 2020/21 (£128,270), for the same cover including cyber
- The reasons for the anticipated increase are set out and discussed in paragraph eight.

3. BACKGROUND

The Group CFO and the University Secretary/Clerk to the Board are jointly responsible for ensuring that;

- appropriate insurance provision is procured for all aspects of LSBU Group activity

- the portfolio of insurance policies is reviewed annually in consultation with the IG and brokers after the Board of Governors have approved the proposed terms;
- the contract for brokerage services (or for direct insurance services, if a broker is not available) is reviewed every five years
- minimum areas of cover are in place as specified in the financial regulations and that Claims and Incident procedures are followed
- claims are made where appropriate

Procurement Services manage the insurance budget and the relationship with Gallagher as part of Business as Usual activity.

Procurement Services leads the annual renewal process with the broker. The portfolio of insurance policies and claims history are reviewed to ensure risk is effectively managed through insurance in a manner that delivers value for money.

The Governance, Information and Legal team verify insurance aspects of incidents concerned with Employers or Public Liability.

All Insurance claims are collated and submitted to insurers by the Governance, Information and Legal team.

An insurance update is reported to the Group Audit and Risk Committee in October each year and includes an overview of insurance claims made during the preceding 12 month period.

4. LSBU GROUP INSURANCE COVER COSTS AND INDEMNITY LEVELS 2020/21 Premiums

Policy	Insurer	Premium (£)	Level of Indemnity (£)
Commercial Combined*	Zurich Municipal	448,022	713,218,221 (Property) 172,773,039 (contents) 30,000,000 (P&EL)
Professional Indemnity	RSA	41,067	10,000,000
Fidelity Guarantee	RSA	8,710	1,000,000
Directors and Officers	RSA	7,563	5,000,000
Personal Accident and Travel	RSA	11,576	25,000,000 (PA) 5,000,000 (Travel)
Fine Arts	Hiscox	587	560,300
Medical Malpractice	Newline	3,584	5,000,000
Special Contingency (Kidnap)	Lloyds Syndicate	6,949	5,000,000
Total		528,058	
Terrorism	UMAL	52,703	225,000,000
Cyber	CFC	41,160	5,000,000
Total Fee including all Taxes		621,921	

Brokerage Fee (includes one-off cyber insurance fee)	19,431	
Total Premium Costs	641,352	

5. BROKERAGE

The 2020/21 budget for brokerage services for 2020/21 was set at £8,269. This is a contracted sum in line with the fee model in the LUPC brokerage framework. An additional out-of-scope fee of £11,162.50 was incurred when the decision was made to procure a cyber-insurance policy in October 2020. Brokerage for cyber-insurance includes specialist expertise and includes a one-off arrangement fee. The total fees paid to Gallagher for brokerage services in 2020/21 was £19,431.

In an uncertain market, transparency and provision of accurate data provided at renewal is crucial. If the scope and risks are not clear, insurers include a contingency which drives premiums. LSBU continues to work with colleagues across the LSBU Group to ensure that the amount of contingency insurer's factor into arrangements is minimised.

6. TERRORISM INSURANCE

Terrorism Insurance has been sourced separately and procured by LSBU from University Mutual Association Limited (UMAL), a sector-specific Mutual entity. LSBU is currently the only member of the LSBU Group insured by the insurance arrangement with UMAL.

LSBU has been a member of UMAL since the early 2000s at which time, comprehensive terrorism insurance policies were costly and difficult to source. Many IG members opted to self-insure or join UMAL rather than buy a terrorism insurance policy directly or through a broker. Costs are shared between UMAL members who receive a rebate approximately every two years, depending on the claims profile and market dynamics.

The current arrangement with UMAL insures LSBU against damage to property caused by terrorism up to £225 million for each and every loss. Our combined declared buildings value is approximately £670 million.

UMAL fees for 2020/21 were approximately £98,000. However, we received two in-year rebates totalling £45,000.

Fees paid to UMAL have generally been less expensive than buying an insurance policy, however risks are insured to lower liability levels.

The market has since developed. The number of products available from insurers is greater and the degree of protection offered has become more robust. LSBU is committed to UMAL until 31st July 2022. A market assessment of available terrorism insurance products was conducted as part of the renewal process for 2021/22. An estimated cost will be provided by Gallagher as part of this year's renewal process and will be factored into the sourcing decision during the insurance renewal process at the end of 2021/22.

HEI membership of UMAL has declined as terrorism insurance has become easier to source, however the impact of COVID on premiums and insurance products in general remains uncertain. Arrangements will be reviewed in full prior to renewal in 2022/23.

7. CLAIMS

The LSBU Group's claims profile remains low-risk compared to the sector in general. A claims report will be provided to the Group Audit and Risk Committee in October 2021.

8. 2021/22 INSURANCE MARKET OVERVIEW

The insurance market is experiencing significant uncertainty. Insurers are reducing the extent to which they are willing to write, causing supply to contract and premiums to rise. The main reasons for the current conditions are:

- COVID-19 (particularly in respect of the High Court ruling on Business Interruption policies)
- a spike in the number of insurance claims made on HE policies, particularly in respect of property
- Market contraction
- social inflation - an increase in the number and average value of insurance claims driven by litigation, broader definitions of liability, more plaintiff-friendly legal decisions and larger compensatory awards

The most significant increase is likely to be in buildings insurance premiums. Insurers of HEIs have incurred higher than average expense arising primarily from damage to buildings – with the main cause being the escape of water.

Compared to other IG members, LSBU has a good claims history and are unlikely to bear the greatest increases. In addition, LSBU is working with Estates, Gallagher and Zurich Municipal to identify and document equipment that could be subject to damage as a result of the escape of water.

Royal Sun Alliance (RSA) have indicated their intent to partially withdraw from the HE market and will no longer supply Professional Indemnity (PI) insurance to LUPC members as a collective entity. RSA have identified a number of HEIs with a poor claims history that they will no longer insure. The LSBU Group are not affected by this review, however an increase in PI insurance premium is anticipated.

RSA have also confirmed that insurance premiums for Directors and Officers Liability insurance is likely to increase - but have also confirmed there will be no exclusions for COVID or pandemic claims in 2021/22.

In order to offset or minimise the anticipated increases in premiums, a number of actions have been taken:

- Gallagher have actively sought to attract new insurers as competition for certain products has been limited in previous years;
- we have conducted an Insurable Risk Review (see Section 9) to ensure that insurance policies sourced are appropriate levels;

- we have instructed Zurich Municipal to include a range of excess and liability options in their renewal report;
- the LUPC IG commissioned a feasibility study into an alternative risk protection model called Alternative Risk Transfer (ART). The scheme is being designed and details are scheduled to be shared with the IG before the 2022/23 renewal process commenced.

9. 2021/22 INSURABLE RISK REVIEW

A high-level desk review of LSBU Group insurance arrangements was carried out by Gallagher ahead of the 2021/22 renewal process. The intent was to establish the adequacy of current and future insurances in the light of current market conditions. Gallagher concluded that insurance arrangements the LSBU Group have in place are fit for purpose and carry no significant risks, omissions or duplications. A further review will take place ahead of the 2022/23 renewal process given the speed at which the market is changing and extent of uncertainty.

	INTERNAL
Paper title:	Gender Pay Gap 2019-2020
Board/Committee:	Finance, Planning and Resources Committee
Date of meeting:	6 July 2021
Author(s):	Marisha Drayton (Recruitment Partner) & Sanchia Alasia (Head of EDI)
Sponsor(s):	Marcelle Moncrieffe-Johnson – CPO
Purpose:	For information
Recommendation:	The committee is requested to note the gender pay gap report.

1. Executive summary

- 1.1 This paper is for discussion and to review the Gender Pay Gap Summary Data 2020.

2. Introduction

- 2.1 The purpose of this paper is to provide and report on the Gender Pay Gap Summary Data 2020.

3. Gender Pay Gap Summary Data

- 3.1 The summary data shows that the gender pay gap (median) has reduced from 5.1% to 3.8%. There are more women in the mid-senior levels which has created the change.

This can be attributed to the gender distribution in mid to senior levels. School data show grades 8-10 with a slighter higher percentage of women than men (11% M and 12% W). At the highest grades there is a slightly higher percentage of men at 3% with women at 2%.

For PSG grade distribution there are a slighter lower percentage of women in grades 8-10 (6% M and 5% W) but at senior levels there are the same percentages of men and women at 2% each.

Group	Median gender pay gap (%)
LSBU Snapshot 2017	5.4
LSBU Snapshot 2018	5.3

LSBU Snapshot 2019	5.1
LSBU Snapshot 2020	3.8
UCEA – Higher Education (*ONS ASHE data 2018 - 2019)	15.5
ONS Data 2020	15.5
ONS Data 2019	17.4

**Source: ONS ASHE, 2009, 2019 (provisional). Based on median gross hourly earnings excluding overtime for all employees (full-time and part-time).*

In addition the report shows that the gender pay gap (mean) has also reduced from 5.2% to 4.4%.

In the ONS Data report it has been confirmed that the evidence from the ASHE and the Labour Force Survey (LFS) suggests that coronavirus (COVID-19) factors did not have a notable impact on the gender pay gap in 2020.

3.2 The report shows that the hourly rate gender pay gap (median) is moving in the right direction and the gap between male and female hourly rates is closing £1.14 (2019) to £0.86 (2020).

Group	Median hourly rate (£)	
	Male	Female
LSBU Snapshot 2017	21.54	20.38
LSBU Snapshot 2018	21.90	20.74
LSBU Snapshot 2019	22.28	21.14
LSBU Snapshot 2020	22.77	21.91
ONS Data 2020 (Higher education teaching professionals)	29.27	26.38

This reduction follows the pattern that is being seen in the ONS Data and this year the largest fall is among managers, directors and senior officials, from 16.3% to 9.9%, reflecting some signs of more women holding higher-paid managerial roles this year. This occupation group has the highest median pay of any occupation £21.90 per hour, excluding overtime, compared with £15.07 among all employee jobs) and therefore has a strong impact on the gender pay gap.

3.3 The bonus gap average is tracking up 39.2% (31.1% 2019) and median has also risen 52.7% (47.4% 2019). The bonus gap data is in an upward trajectory because during the required data period there was a smaller number of female staff who are categorised as senior female leaders. There are two performance related bonus schemes. A scheme for senior leaders where the individual could receive a bonus of up to 3% of their salary and a second scheme for the Executive who could receive a bonus of up to 10% their salary as a bonus.

The differential is due to a predominance of men in the most senior positions. The bonus gap is worse than the previous year, due to the lack of senior female leaders on the reporting date.

3.4 Due to COVID19 the government has moved the date that companies have to report their Gender Pay Gap data is 5th October.

The full Gender Pay Gap report will be published on 31st August 2021, on the LSBU and government websites.

4 Conclusion

4.1 Following our work on Athena SWAN award last year, we have a robust road map with actions spanning the next four years to ensure we continue progress, including a mentoring programme, annual tracking of fixed term contracts and inclusive language in training and development of policies. 40% of the actions in the Athena SWAN action plan have now been successfully completed and sustained work over the next four years will work towards most of the actions here being completed by the renewal.

The Gender Pay Gap report data will be published by 31st August 2021 on gov.uk.

	CONFIDENTIAL
Paper title:	London Realty: cashflow update
Board/Committee:	Finance, Planning and Resources Committee
Date of meeting:	06 July 2021
Author(s):	Richard Flatman, Chief Financial Officer
Sponsor(s):	Richard Flatman, Chief Financial Officer
Purpose:	For Information
Recommendation:	The committee is requested to note the cashflow briefing note, as circulated to the Board and MPIC.

Executive summary

The committee is requested to note this briefing note on cashflow, as circulated to the Board of Governors and MPIC as part of the discussion on the proposed London Realty transaction.

London Realty proposal

Cashflow briefing note for Board and MPIC

SBC estate - cashflow assumptions

We have recognised that we need to bridge fund the NESC development (Block A) and this has been incorporated into our cashflow forecast at the sum of £26m. This is in accordance with the note that Paul shared with the Board/MPIC yesterday. This remains in our forecast and was one of the 3 principal reasons for the new RCF requirement – alongside London Road and LEAP.

In cashflow terms, our understanding and financial planning assumption has been that:

- the whole programme would be self-funding, and
- the only bridge funding required would be for the block A.

The London Realty proposal requires the College to sell land in two phases. The first phase involves sale of 'Block C' at Vauxhall and the land required for development of the gateway college which will be gifted back. The second phase involves the sale of the remaining Clapham land.

Operationally therefore the development of the college buildings need to fit with a decant that enables space to be freed up to enable sale of the land in the above sequence as currently sale assumes vacant position by the developer.

Latest cashflow forecasts

The cashflow forecasts are reviewed and updated constantly.

Detailed 5 year cashflow forecasts were submitted to the OfS in March 2021 as reviewed and approved by the Board. Subsequent changes have been made to:

- reflect changes in timing of receipt of the GLA grant to part fund Block A, and
- to account for an assumed worst case cost overrun of £8m on London Road.

The cash position over the next 5 years is as follows

	2020/21	2021/22	2022/23	2023/24	2024/25
	£m	£m	£m	£m	£m
OFS submission	35.9	21.4	31.2	37.3	40.1
Subsequent changes	8.6	7.3	-8.0	-8.0	-8.0
Latest	44.5	28.7	23.2	29.3	32.1

Note that low point is also at the critical time in terms of SBC estate development.

These figures assume that we:

- deliver surpluses in line with agreed forecasts. This also assumes effective turnaround of the SBC financial performance such that it is not a drain on overall group performance and hence cash generation
- drawdown the full £30m RCF from Barclays (we can drawdown and repay in tranches to manage cashflows but the forecasts assume full drawdown over the period)

They do not however take any account of:

- any proposed capital receipts from London Realty (or any other proposed scheme for development of the SBC estate)
- the return by SBC of the £26m bridge fund for Block A
- the AIB RCF of £15m as this is not yet certain (although approved and close to completion).

Requirement

On the basis that we require a minimum cash balance for LSBU working capital purposes of £20m, and that ideally we would want to hold the AIB RCF in reserve for headroom given capex pressures elsewhere, the London Realty deal effectively needs to be cash neutral compared with latest cashflow forecasts (ie with the exception of the £26m bridge funding we are already committed to).

Proposal

As a priority, we will explore variation of payment with London Realty and will seek to revisit the timing of capital receipts in the Heads of Terms – particularly as this has slipped since earlier presentations to SBC/LSBU Boards.

However, we need an alternative fall back solution in the event that this is not successful that is not dependent on additional capital release.

Assuming no variation of payment terms, our proposal would be as follows:

Funding /timing

- Block A funded by GLA plus £26M from LSBU as already agreed– due date end 2022 (approved and building underway)
- 2022 we populate Block A and close/mothball sections of Clapham
- If agreement with LR progresses, sale of land for Gateway/Block C is September 2022 – this generates Gateway College for 2024 plus 17M which provides £15m unallocated (net of Gateway FF&E)
- We tender and begin build of Block D early in 2022 to enable build completion by 2024. Funding for Block D can be met from net tranche 1 London Realty capital receipt
- Summer 2024 we decant to Gateway and Block D – use block D temporarily for health and use support facilities in block A for the site

- Sept 2024 we sell remainder of Clapham for £60m – repay LSBU (£26m) and build block B as a permanent home for health and science plus expanded support services (£33.3m including FF&E).

The above may require some limited cash support for fit out of block D before the second tranche of funding is received but this would be manageable whilst maintaining reserves at £20M even without the AIB funding

Conclusion

This will delay completion of the overall project by 1-2 years but it shows delivery is possible without putting group cashflows at risk. Fiona has confirmed that the proposal is a workable solution.

We will continue to model to ensure the optimal solution as we progress and we will continue negotiation with LR to try and facilitate earlier payment

Hopefully this note demonstrates that the project is deliverable in cashflow terms even in the event that the current proposed timing of capital receipts remains unchanged. London Realty also remains the preferred option in terms of overall financial position and risk.

25 June 2021