

**Meeting of the Remuneration Committee**

**6pm on Thursday, 26 November 2015  
in 1B27, Technopark, London Road, London SE1**

**Agenda**

<i>No.</i>	<i>Item</i>	<i>Paper No.</i>	<i>Presenter</i>
1.	Welcome and apologies		Chair
2.	Declarations of Interest <i>Governors are required to declare any interest in any item of business at this meeting</i>		Chair
3.	Minutes of meetings of 20 November & 9 October 2014, and matters arising		Chair
4.	Updated Terms of Reference (to note)	Rem.01(15)	Chair
5.	Executive Bonus Scheme	Rem.02(15)	VC
6.	Senior Post Holders Bonus Assessment	Rem.03(15)	VC
7.	Executive Team Salaries	Rem.04(15)	VC
8.	Executive Team Objectives for Next Year (to note)	Rem.05(15)	VC
9.	Implications of Changes to Pensions	Rem.06(15)	VC
10.	Vice Chancellor's Salary and Bonus Assessment, and Objectives for Next Year (to note)	Rem.07(15)	Chair of BoG
11.	Vice Chancellor: Implications of Changes to Pensions (to note)	Rem.08(15)	Chair of BOG
12.	Any Other Business		Chair
13.	Date of next Board meeting: 6pm on Thursday 24 November 2016		Chair

**Minutes of the Remuneration Committee**  
**9<sup>th</sup> October 2014 6.00pm**

Present: David Longbottom  
Diana Parker (chair)  
Jerry Cope  
Anne Montgomery  
David Phoenix (part)  
Mandy Eddolls  
Sarah Mullaley

**1. Apologies**

No apologies were received.

**2. Minutes of the Meeting Held on 18 December 2013**

These minutes were approved.

**3. Terms of Reference**

These were noted but they need to be updated to reflect the current membership of the committee. It was confirmed that the Committee reviews Senior Post Holders remuneration, but not direct reports to the Vice Chancellor who are not Senior Post Holders.

**4. Recommendations for Senior Post Holders Salaries**

The recommendations were agreed.

Pat Bailey	£150,000	newly appointed, no change
Phil Cardew	£124,000	in line with changes to staff salaries
Paul Ivey	£135,000	newly appointed, no change
James Stevenson	£89,512	in line with changes to staff salaries
Richard Flatman	£140,000	reflecting increase in responsibilities

**Other salaries noted by the Committee**

Ian Mehrtens	£120,000	reflecting increase in responsibilities
Mandy Eddolls	£150,000	no change, fixed term contract.

The committee noted that the proposals for Richard Flatman and Ian Mehrtens reflected a significant increase. After considerable and lengthy discussion, incorporating reviewing the market position, salary survey data, increases in accountabilities and performance, their increases were agreed.

It was further noted, that they represented a one-off adjustment to a market position and it was not expected that this would be replicated in future years.

The committee noted that there had been significant change in the structure of the University and it was agreed that the financial implications in terms of salary costs would be reviewed once the restructure was completed.

**5. Senior Post Holders bonus objectives for FY 1/8/14 – 31/7/15**

These were agreed.

**6. Executive Objectives**

These were noted.

**7. AOB**

It was confirmed that bonus payments would be reviewed once the University accounts were finalised.

Professor David Phoenix left the meeting.

It was confirmed that the salary for David Phoenix would rise by 2%, in line with changes to staff salaries, and that bonus payment would be reviewed at the next meeting.

**8. Date of Next Meeting**

To be confirmed

**Minutes of the Remuneration Committee**  
**Thursday 20<sup>th</sup> November 2014**

Present: David Longbottom  
Diana Parker (Chair)  
Jerry Cope  
Anne Montgomery  
Sarah Mullaley  
Mandy Eddolls  
David Phoenix (part)

**1. Apologies**

No apologies were received.

**2. Minutes of the Meeting held on 9 October 2014**

These were amended to reflect discussion and revised version is attached

**3. Matters Arising**

These were no matters arising

**4. Senior Post Holders Bonus assessment**

Remuneration committee noted and welcomed the use of the Performance 'grid' to assess performance that includes assessment of behaviours. Remuneration committee requested that further guidance is drafted to explain how bonus performance is assessed, to include any 'gateways' that need to be met before any bonus can be paid.

**Action:** Mandy Eddolls

**Richard Flatman**

Remuneration committee approved the proposed bonus of 7% based on objectives have been fully met and significant contribution on other issues.

**Phil Cardew**

The proposed bonus of 3% was discussed, particularly in light of the fact that objectives were partially met. The Vice Chancellor explained that Phil had undertaken a range of activities outside of the original objectives and has provided leadership and stability at a time of significant change that enabled the university to continue to be operational. He has also provided the only senior academic leadership whilst a new senior team was recruited and had taken on extra workload. Given these additional contributions, the bonus recommendation was approved.

**James Stevenson**

The proposed bonus of 5% was approved, noting that most objectives had been met.  
David Phoenix left the meeting.

**5. Vice Chancellors Bonus Assessment**

Remuneration committee reviewed the recommendation that a bonus payment was made of £10,000. It was noted that with such a senior role and with a significant change to effect, the bonus period to be reviewed was short and outcomes could not yet be measured. However, the payment was approved on the basis of input this year and it was noted that measurement for next year's bonus should be based on outputs.

**6. Date of Next Meeting**

TBC

**Remuneration Committee  
Terms of reference**

**(As amended by Changes to Standing Orders agreed at July 2015 Board of Governors Meeting)**

**1. Remit of the committee**

The responsibilities of the committee are to:

- 1.1 determine the broad policy for the remuneration of LSBU's senior post-holders: the Vice Chancellor, Deputy Vice Chancellor, the Chief Finance Officer and the University Secretary / Clerk to the Board of Governors and such other members of the Executive as it is designated to consider. No senior post-holder or manager shall be involved in any decisions as to their own remuneration;
- 1.2 in determining such policy, take into account all factors which it deems necessary. The objective of such policy shall be to ensure that the senior post holders are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of LSBU;
- 1.3 approve the design of, and determine targets for, any bonus schemes operated by LSBU and approve the total annual payments made under such schemes;
- 1.4 determine the policy for, and scope of, pension arrangements for each senior post holder;
- 1.5 if considering severance arrangements for senior post-holders, represent the public interest and avoid inappropriate use of public funds; and ensure that contractual terms on termination, and any payments made, are fair to the individual, and LSBU, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- 1.6 within the terms of the agreed policy and in consultation with the Chairman and/or Vice Chancellor as appropriate, determine the total individual remuneration package of each senior post holder and other senior executives including bonuses, incentive payments;
- 1.7 review and note annually the remuneration trends across LSBU;
- 1.8 oversee any major changes in employee benefits structures throughout LSBU or group;
- 1.9 agree the policy for authorising claims for expenses from the chairman and the senior post-holders;
- 1.10 ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled; and
- 1.11 obtain up-to-date information about remuneration in other comparable organisations.

## **2. Reporting responsibilities**

- 2.1 The committee chairman shall report formally to the board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 2.2 The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.
- 2.3 The committee shall send an annual report on its business to the independent governors.

## **3. Authority**

- 3.1 The committee is authorised by the board, at LSBU's expense:
  - 3.2.1 to obtain any outside legal or other professional advice; and
  - 3.2.2 within any budgetary restraints imposed by the board, to appoint remuneration consultants, and to commission or purchase any relevant reports, surveys or information which it deems necessary to help fulfil its duties.

## **4. Secretary**

- 4.1. The University Secretary or their nominee shall act as the secretary of the committee.

## **5. Minutes**

- 5.1 The secretary shall minute the proceedings and resolutions of all remuneration committee meetings. Minutes shall be circulated to the members of the committee.

## **6. Frequency of Meetings**

- 6.1 The committee shall meet at least once a year and at such other times as the chairman of the committee shall require.

### **Membership 2015/16**

#### *Members:*

Chair of Committee	Mee Ling Ng
3 independent Governors	Jerry Cope Carol Hui Andrew Owen

### **Quorum: 2 Independent Governors**

*In attendance:* Vice Chancellor, University Secretary, Executive Director of OD and HR and Chief Finance Officer (as required)

*Note – Members of the Executive shall not participate in any discussion about their own remuneration.*

	CONFIDENTIAL
	PAPER NO:REM.02(15)
Paper title:	Executive Bonus Scheme
Board/Committee	Remuneration Committee
Date of meeting:	26 <sup>th</sup> November 2015
Author:	Mandy Eddolls
Executive/Operations sponsor:	Vice Chancellor
Purpose:	To agree recommendation for the structure, objectives and rules of the Executive Bonus Scheme.
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	<i>[link to key strategic document e.g. Strategy 2015-2020, Corporate Delivery Plan, five year forecasts]</i>
Recommendation:	The Vice Chancellors recommendations are approved.

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

### Executive Summary

**Context:** Relevant to all aspects of the Corporate Strategy.

**Question:** Do the arrangements outlined provide a remuneration methodology that rewards performance appropriately for senior executives and provide sufficient governance of the scheme?

**Recommendation:** The Vice Chancellor's recommendations are approved.



## **1.0. Background**

1.1. The performance management of the senior executives was, until 2014, rudimentary. Whilst objectives were set and measured, the behaviour of the individual was not appraised, and the link between performance and payment of bonus unclear.

In autumn 2014, senior managers were appraised on a matrix basis (attached as Appendix B) which rated both the achievement and the way they were achieved against the Behavioural Framework.

1.2. Senior post holders salaries and bonuses need to be approved by Remuneration Committee, other Executive members bonuses and pay awards are noted by Rem Com.

## **2.0. Scheme Design**

2.1. In an overall labour market context, 10% bonus is very low, and it is not appropriate to adopt a complex set of scheme rules that would be commonplace in organisations in the financial, commercial or pharmaceutical sectors where bonuses can amount to 200%+ of base salary.

2.2. Likewise in large complex organisations, bonus is often split between an organisations performance, the performance of the team and the achievements of the individual. As this scheme only applies to the most senior management of the organisation, the team's performance and that of the organisation are so inextricably linked as to make any distinction between the two arbitrary.

2.3. It was agreed last year that a minimum 'gateway' for the scheme to operate would be that the planned financial targets, agreed with the Board, should be met, and this has been incorporated into the draft scheme rules (attached).

## **3.0. Conclusion**

3.1. Remuneration Committee are asked to approve the draft Executive Bonus Scheme Guidance (attached as Appendix A).

## **Executive Directors Bonus Scheme Guidance – Appendix A**

### **1. Purpose**

Executive Directors may be awarded a bonus to recognise exceptional performance beyond what might be reasonably expected of a high performing professional. It is linked to the performance appraisal and is designed to additionally recognise and reward performance.

### **2. Status**

Executive Directors are contractually entitled to be considered for a bonus but any payments are entirely at its discretion of the University.

The performance review period for appraisal and bonus review is 1<sup>st</sup> April to 31<sup>st</sup> July, and bonus will normally be paid in December.

Executive Directors who have left during the performance year may be entitled to a pro-rated bonus at the discretion of the University.

Payments are subject to normal tax and national insurance deductions and may be pensionable. They are non-consolidated and relate only to the current performance year.

### **3. Approach**

The Vice Chancellor recommends to Remuneration Committee bonus amounts for:

- Chief Financial Officer
- Deputy Vice Chancellor
- University Secretary

The Vice Chancellor approves bonus amounts for:

- Pro Vice Chancellors
- Executive Director of OD & HR
- Chief Operating Officer

Remuneration Committee will be notified of proposed payments.

The Chairman of the Board of Governors is accountable for recommending to Remuneration Committee a bonus for the Vice Chancellor

- 4.** No payments will be made under the scheme unless the financial surplus targets have been met, or, when paying bonus would reduce the surplus to below the target without the prior authorisation of the Board of Governors.

	The What				
The How	Under-Performing	Requires Development	Good	Strong	Outstanding
Under-Performing	Under-Performing 0	Under-Performing 0	Requires Development 1-2%	Requires Development 1-2%	Requires Development 1-2%
Requires Development	Under-Performing 0	Requires Development 1-2%	Requires Development 1-2%	Requires Development/ Good 2-5%	Good 2-5%
Good	Requires Development 1-2%	Requires Development 1-2%	Good 2-5%	Good/ Strong 5-8%	Strong 5-8%
Strong	Requires Development 1-2%	Requires Development/ Good 2-5%	Good/Strong 5-8%	Strong 5-8%	Strong/ Outstanding 8-10%
Outstanding	Requires Development 1-2%	Good 2-5%	Strong 5-8%	Strong/ Outstanding 8-10%	Outstanding 10%

## Executive Directors Bonus Scheme Rules – Appendix B

### 1. New Performance Ratings

As part of the appraisal, all members of the Executive were graded in terms of both what was delivered and how it was delivered. The outcome was discussed as part of the appraisal process.

'The What'	Rating	'The How'
Objectives and core accountabilities fully delivered, far exceeding expectations.	Outstanding	Acts as, and is considered to be, a role model for the Behavioural Framework, clearly demonstrating how it guides their action, actively supports and challenges the behaviour of colleagues to enable them to do the same.
Objectives and core accountabilities fully delivered, exceeding expectations of quality, quantity and efficiency.	Strong	Demonstrates all behaviour in a proactive way, clearly demonstrating to others how they guide actions.
Objectives and core accountabilities fully delivered in line with expectations of quality, quantity and efficiency.	Good	Acts in line with Behavioural Framework, consistently demonstrating how the framework guides their actions.
Objectives and core accountabilities largely delivered but room for improvement and development.	Requires Development	Usually acts in line with the Behavioural Framework.
Objectives and core accountabilities not delivered.	Under Performing	Does not consistently act in line with the Behavioural Framework.

The summary table below shows outcomes and in brackets the bonus range used.

	The What				
The How	Under-Performing	Requires Development	Good	Strong	Outstanding
Under-Performing	Under-Performing	Under-Performing	Requires Development	Requires Development	Requires Development
Requires Development	Under-Performing	Requires Development	Requires Development	Requires Development/Good	Good
Good	Requires Development	Requires Development	Good	Good/Strong	Strong
Strong	Requires Development	Requires Development/Good	Good/Strong	Strong	Strong/Outstanding
Outstanding	Requires Development	Good	Strong	Strong/Outstanding	Outstanding



	PAPER NO:REM.03(15)
Paper title:	Senior Post Holders Bonus Assessment for the Financial Year 1 <sup>st</sup> August 2014 – 31 <sup>st</sup> July 2015
Board/Committee	<b>Remuneration Committee</b>
Date of meeting:	26 November 2015
Author:	Vice Chancellor
Executive/Operations sponsor:	Vice Chancellor
Purpose:	To agree recommendations for senior post holders bonuses (excluding the Vice Chancellor)

<b>Executive Summary</b>	
<b>Context</b>	Relevant to all aspects of the Strategy and Corporate Delivery Plan
<b>Question</b>	
<b>Conclusion &amp; Recommendation</b>	Agree the Vice Chancellor's recommendations

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

The Committee is asked to consider the Vice Chancellor's summary of the Senior Post Holders bonus appraisals together with each individual assessment of performance against objectives for the financial year 1<sup>st</sup> August 2014 – 31<sup>st</sup> July 2015; The Committee is asked to agree the Vice Chancellor's recommendations.

**Executive Bonus Appraisal.**

**1.0 Background:**

The university's financial performance has been strong with final outturn exceeding budgeted position hence Executive are eligible for bonus payments.

**2.0 New Performance Ratings**

As part of the appraisal all members of Executive were graded in terms of both what was delivered and how it was delivered. The outcome was discussed as part of the appraisal process.

'The What'	Rating	'The How'
Objectives and core accountabilities fully delivered, far exceeding expectations.	Outstanding	Acts as, and is considered to be, a role model for the Behavioural Framework, clearly demonstrating how it guides their action, actively supports and challenges the behaviour of colleagues to enable them to do the same.
Objectives and core accountabilities fully delivered, exceeding expectations of quality, quantity and efficiency	Strong	Demonstrates all behaviours in a proactive way, clearly demonstrating to others how they guide actions
Objectives and core accountabilities fully delivered in line with expectations of quality, quantity and efficiency	Good	Acts in line with behavioural Framework, consistently demonstrating how the Framework guides their actions
Objectives and core accountabilities largely delivered but room for improvement and development	Requires Development	Usually acts in line with the Behavioural Framework
Objectives and core accountabilities not delivered	Under Performing	Does not consistently act in line with the Behavioural Framework

The summary table below shows outcomes and in brackets the bonus range used



	<b>The What</b>				
<b>The How</b>	Under-Performing	Requires Development	Good	Strong	Outstanding
Under Performing	Under-Performing (0)	Under-Performing (0)	Requires Development (1-3)	Requires Development (1-3)	Requires Development (1-3)
Requires Development	Under-Performing (0)	Requires Development (1-3)	Requires Development (1-3)	Requires Development /Good (3-5)	Good (4-6)
Good	Requires Development (1-3)	Requires Development (1-3)	Good (4-6)	Good/Strong (5-7)	Strong (6-8)
Strong	Requires Development (1-3)	Requires Development /Good (3-5)	Good/Strong (5-7)	Strong (6-8)	Strong/ Outstanding (8-10)
Outstanding	Requires Development (1-3)	Good (4-6)	Strong (6-8)	Strong/ Outstanding (8-10)	Outstanding (10)

### 3.0 Outcomes

Review tables are appended and recommendations are summarised below with respect to Executive bonus payments. Executive are eligible for up to 10% payment subject to the university meeting agreed surplus targets. The financial statements show that against a surplus target of £1M a final outturn of £1.2M was achieved.

The context for this year's awards is one of significant change with the new structure being delivered, new leadership teams being appointed and at the same time a requirement to produce improvements in key metrics such as student satisfaction, employability, and income. All of which have been achieved.

The following bonus payments have been agreed by the Vice chancellor:

1. **Chief Operating Officer, Ian Merhtens,**  
Behaviours and approach judged as Outstanding with performance judged as strong Recommendation: overall Strong/outstanding : 8%

2. **Executive Director OD and HR, Mandy Eddolls**  
Behaviours and approach judged as strong with performance judged as strong Recommendation: overall Strong : 8%
  
3. **Pro Vice Chancellor Research and External Engagement, Paul Ivey**  
Behaviours and approach judged as required improvement with performance judged as required improvement Recommendation: Overall requires improvement : 2%
  
4. **Pro Vice Chancellor Education and Student Experience, Shan Wareing.**  
Shan started in post on 18 May 2014 hence is not recommended for a 2014-15 bonus payment as there has not been sufficient time to contribute to 2014-15 out turn or for that contribution to be assessed.

The following bonus payments are recommended for designated senior post holders:

**1. Chief Finance Officer, Richard Flatman**

Behaviours and approach judged as strong with performance judged as strong  
Recommendation: Overall Rating Strong: 8%

**2. Deputy Vice Chancellor, Patrick Bailey**

Behaviours judged as strong and delivery judged as outstanding  
Recommendation: Overall rating Strong/Outstanding 10%

**3. University Secretary, James Stevenson**

Behaviours judged as good with performance judged as good.

Recommendation: Overall Rating: Good 6%

**Appendix. SENIOR POSTHOLDERS ASSESSMENT OF PERFORMANCE AGAINST OBJECTIVES FOR THE FINANCIAL YEAR 1<sup>ST</sup> AUGUST 2014 - 31<sup>ST</sup> JULY 2015**

<p><b>NAME:</b> RICHARD FLATMAN</p>	<p><b>POSITION:</b> CHIEF FINANCIAL OFFICER</p>
<p><b>OBJECTIVE 1:</b> Financial sustainability – student number planning (Align student number planning with financial planning. Develop rolling 5 year student number forecasts integrated with 5YR financial forecasts.)</p>	
<p><b>COMMENTS: Confirmed this has been partially met</b> Substantial improvement this year. Finance and Registry worked together in the student number planning process in advance of the 2015/16 budget. Local 5 year forecast models contained Registry created student FTEs and headcount from 2013/14 and 2014/15. First draft top down 5 year forecast complete in February to enable effective, smooth reporting to Executive / Board in March /April. Detailed School 5 year forecast models distributed in February.</p> <p>Budget targets agreed with the VC in February and detailed budgetary reviews taking account of Tribal Benchmarking data.</p> <p>Monthly Fees Forecasts now set with reference to Registry student data. Remains work though to fully align finance and student data and to generate reports showing progress against student targets by category – especially trans-national and overseas</p>	
<p><b>OBJECTIVE 2:</b> Deliver effective relationships between the Finance Department and all other Schools/Professional .</p>	
<p><b>COMMENTS: confirmed this had been met.</b> New FMI IS now an integrated team with real clarity around responsibilities / leadership. This has been complex given staff changes and re-allocation of some Registry activity but integration now complete, including single planning function. Richard has also taken a lead in terms of structures/ organisation charts/ mapping of functional responsibilities and has contributed to the Executive RACI chart in detail.</p> <p>Full pack of information provided to HR regarding FMI structures, leadership team and further change proposals once VS programme complete. Wider role of BSMs clear and real improvement this year in terms of joined up process for planning budgets and student numbers. Remains work to ensure process are adhered to but that customer experience is considered</p>	
<p><b>OBJECTIVE 3:</b> Financial control (Continued tight financial control. Delivery of financial outturn in line with agreed budget surplus of £1m.).</p>	

**COMMENTS: Confirmed met.** Control has been tight. New mechanisms have been implemented with regard to staff appointments and opex management. £1.2M surplus delivered which is a significant achievement given the following in year changes compared with budget:

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

Appropriate action taken where breaches in agreed control processes have been identified.

Effective reporting to Operations Board on in-year performance and actions required.

**OBJECTIVE 4:**

Deliver high standards of governance/compliance – Effective planning/implementation of FRS 102 and development of KPI sets.

**COMMENTS: Fully met.** Positive feedback from auditors and audit committee. Project rated “green” throughout and good progress made. Board involvement on working group handled effectively providing greater authority and impetus. KPI set agreed by Board with clarity of ownership and RAG ratings established (2014/15, 2020 and intervening years). Draft PI set created.. Schools dashboard constructed to meet needs of DVC. Report formats developed and presented to Operations Board with positive feedback. Technical specification developed and dashboard tool in process of development.

**OBJECTIVE 5:**

Data Quality (Deliver design phase of data quality project in accordance with approved PID Data management policy, framework and governance structure approved. Assurance mechanisms/ model agreed. Clearly identified data sets and data owners)

**COMMENTS: Fully met.** External data returns identified. Corporate datasets agreed by Executive. Wide consultation and engagement across LSBU through use of working group to define solutions in terms of policy, framework and assurance mechanisms. Policy documents approved by Executive without significant amendment. Student data continuous audit work scoped and first two reviews complete. Results rated as “medium risk.

**OVERALL BONUS ASSESSMENT:**

Discussed other contributions that have been made (eg nominated for outstanding fiancé team by THES, sector leadership shown on issues around LPFA)and considered these to be strong. In terms of behaviours, felt that Richard generally demonstrated all the corporate values, hence rating ‘strong’. Overall rating, therefore, ‘**Strong.**’

**Recommendation : 8%**

<p><b>NAME:</b> PROFESSOR PATRICK BAILEY</p>	<p><b>POSITION:</b> DEPUTY VICE CHANCELLOR</p>
<p><b>OBJECTIVE 1:</b> Establish effective structures in all 7 Schools, with realistic but challenging Delivery Plans in line with the Corporate Strategy.</p>	
<p><b>COMMENTS: Fully met.</b> Top level structures in place, School executives appointed, development work with Deans in place and plans completed. RACI charts developed</p>	
<p><b>OBJECTIVE 2:</b> Review workforce requirements and academic structure with Exec Director HR and seek to implement for next academic year</p>	
<p><b>COMMENTS: Met.</b> Professorial grades defined and staff moved into position against grades. Principle lecturer grade disestablished and associate professor grade implemented with staff moved into roles where appropriate. Roles for lecturer and senior lecturer plus graduate teaching assistants in place along with promotion rounds. South bank agreement still needs review and roll out of GTAs still to occur</p>	
<p><b>OBJECTIVE 3:</b> Improve student satisfaction and year 1 progression</p>	
<p><b>COMMENTS: met.</b> Extensive range of measures in place (School specific) + series of actions and communications linked to the NSS; overall student satisfaction up 2% (to 82%) in 2015 NSS. Extensive range of measures put in place, including a Summer School reassessment for which 279 students took part; progression rate will be known shortly but indications are that those courses in involved have seen a 3% increase in clean progression</p>	
<p><b>OVERALL BONUS ASSESSMENT:</b> Progress has been made on a number of fronts but as DVC Pat has also made a significant contribution to the overall running of the University at a time when there was limited members of the senior team or Deans. [Areas of note include: People &amp; Planet GLT submission: outcome –from non- entry last year to 17<sup>th</sup>/151 (1<sup>st</sup> class); Online int’l apps – live from February 2015; Portfolio Review – huge reduction in redundant courses/modules (650 down to 500 courses, and some significant changes to courses for 2015 intake in ACI and APS); Taking on ethics issues and review] He has addressed a number of challenges and difficult staffing issues in a way that has been fully in line with the new behaviours document and hence done so in a way that has ensured he is developing respect of the majority of staff.</p> <p>Overall rating therefore <b>Outstanding</b></p> <p><b>Recommendation: 10%</b></p>	

<p><b>NAME:</b> <b>JAMES STEVENSON</b></p>	<p><b>POSITION:</b> <b>UNIVERSITY SECRETARY AND CLERK TO THE BOARD OF GOVERNORS</b></p>
<p><b>OBJECTIVE 1:</b> To support the Governance effectiveness review and based on recommendations develop new structures</p>	
<p><b>COMMENTS: Met :</b> The governance effectiveness review was complete and new committee structure in place for 2015. Training and development of members of committees needs to be established</p>	
<p><b>OBJECTIVE 2:</b> Implement an effective business cycle for Board, exec and academic board</p>	
<p><b>COMMENTS: Partially met ;</b> a high level business cycle has been developed and will need further iterations during the coming year. More work is still required to ensure appropriate linkages between structures so enhancing governance and minimising duplication. The effectiveness of delivery should also be monitored</p>	
<p><b>OBJECTIVE 3:</b> To establish the business intelligence unit and set priorities in line with corporate strategy</p>	
<p><b>COMMENTS: Met :</b> head of BIU appointed and team being appointed/developed. Clear and significant activity undertaken around League tables, data quality, NSS and corporate reporting</p>	
<p><b>OBJECTIVE 4:</b> To review business needs for legal services and vfm – especially in relation to income generating activities.</p>	
<p><b>COMMENTS: Met</b> Legal team strengthened by recruitment of new staff and processes developed with director of Enterprise and PVC for legal support. This will need to be monitored as it beds in to ensure that appropriate support is given in a timely manner but positive feedback has been received</p>	
<p><b>OBJECTIVE 5:</b> To support deployment of new conciliators with the aim reducing the volume of OIA cases.</p>	
<p><b>COMMENTS: Partially Met.</b> Conciliators were in place and starting to engage by year end. This therefore provides a solid foundation for 2015/16 but has had limited impact during the current academic year. Liaison with the new PVC is underway to further develop this area</p>	

**OVERALL BONUS ASSESSMENT**

We agreed that in general objectives had been delivered and therefore assessed as **good**.  
He did adhere to values in the behavioural framework and the level of engagement at executive meetings had significantly improved since last year and was rated as **good**

Overall rating was **good**

**Recommendation: 6%**

	PAPER NO: REM.04(15)
Paper title:	Executive Team Salaries
Board/Committee	<b>Remuneration Committee</b>
Date of meeting:	26 <sup>th</sup> November 2015
Author:	Mandy Eddolls
Executive/Operations sponsor:	Vice Chancellor
Purpose:	To agree recommendations for Executive salaries

### **Executive Summary**

Salaries of the Executive Team have been reviewed against benchmark data from all HE employers. A readjustment was made for Richard Flatman and for Ian Mehrtens last year to align with the market, and there is no further market related adjustment required for any Executive members this year.

National negotiations for HE pay have concluded and a 1% increase for all staff will be implemented. It is recommended that 1% is also awarded to senior post holders as below:

<b>Name</b>	<b>Position</b>	<b>Current Salary</b>	<b>Proposed Salary</b>	<b>%</b>
Pat Bailey	DVC	£150,000	£151,500	1
Richard Flatman	CFO	£140,000	£141,400	1
James Stevenson	University Secretary	£89,512	£90,407	1

The Vice Chancellor has agreed the following pay awards for Executive members:

<b>Name</b>	<b>Position</b>	<b>Current Salary</b>	<b>Proposed Salary</b>	<b>%</b>
Ian Mehrtens	COO	£120,000	£121,200	1
Paul Ivey	PVC	£135,000	£136,350	1
Shan Wareing	PVC	£120,000	£121,200	1
Mandy Eddolls	EDHR	£150,000	£150,000 *	0

\*Mandy is on a fixed term contract until 2017 with a fixed salary agreed at appointment.



# London South Bank University

<b>Context</b>	
<b>Question</b>	
<b>Conclusion &amp; Recommendation</b>	Remuneration Committee is asked to:  <ol style="list-style-type: none"><li>1. Note the pay awards for Executive</li><li>2. Approve the proposed pay awards for designated senior post holders</li></ol>

Matter previously considered by:		
Further approval required?		

	CONFIDENTIAL
	PAPER NO:REM.05(15)
Paper title:	Executive Team Objectives 2015/16
Board/Committee	Remuneration Committee
Date of meeting:	26 <sup>th</sup> November 2015
Author:	Vice Chancellor
Executive/Operations sponsor:	Vice Chancellor
Purpose:	To note objectives set for next year
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	<i>[link to key strategic document e.g. Strategy 2015-2020, Corporate Delivery Plan, five year forecasts]</i>
Recommendation:	To note the agreed objectives for next year.

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

## Deputy Vice Chancellor

Agreed SMART Objectives 2105-16	How will success be measured?	Key milestones/deadlines
1. School delivery	<ul style="list-style-type: none"> <li>• Continued development of Deans' team</li> <li>• School KPI dashboard shows delivery at School level that collectively meets institutional targets as reported to Operations Board</li> <li>• Retention and year 1 progression show 2% increase</li> </ul>	July 2016
2. Academic Shape - review the academic shape concerning subject coverage, and the balance between the various types of student (UG/PGT/R; FT/PT; home-EU/int'l)	<ul style="list-style-type: none"> <li>• New/ending courses to be taken forward before end 2015 with School targets agreed</li> <li>• PGT portfolio review</li> <li>• Business cases for new areas</li> <li>• Review of year 0 to look at expansion and central support</li> </ul>	Jan 2016
3. Academic Framework	<ul style="list-style-type: none"> <li>• Completion of PL restructuring</li> <li>• Confirmation of Grades 7 and 8 criteria</li> <li>• GTAs</li> <li>• Successful promotions round</li> </ul>	<ul style="list-style-type: none"> <li>• PLs, Grades 7/8 and GTAs should all be complete by end December 2015</li> <li>• Promotions round initiated in October 2015, and will be completed by Easter 2016</li> </ul>
4. Strategy for the FE-HE interface	<ul style="list-style-type: none"> <li>• Development of a clear strategy for the range of partnerships and collaborations, and likely to include a local Community College as part of an LSBU Group Structure</li> <li>• Establishment of the IPTE (unless options appraisal indicates that this shouldn't go ahead), ideally to include HEFCE Catalyst funding</li> </ul>	<ul style="list-style-type: none"> <li>• Partnership strategy and (in principle) agreement of a Community College should be in place by end December 2015</li> <li>• The IPTE proposals should go forward early 2016, with go-ahead (if approved) by Easter 2016</li> </ul>
5. Input into Estates developments	<ul style="list-style-type: none"> <li>• Key input as part of the Academic Shape, to ensure that Estates developments meet the needs of the Schools for 2020, and for the next 10-15 years.</li> </ul>	<ul style="list-style-type: none"> <li>• Timeframe driven by Estates and by external factors.</li> </ul>

## Pro Vice Chancellor Research & External Engagement

Core Strategic Leadership Objectives 2015-16	Measures of Success	Key milestones/ Date to be achieved
1. Developed research and enterprise activity	<ul style="list-style-type: none"> <li>• Income targets met and KTPs between 8-10.</li> <li>• PGR growth continued and support for supervisory capacity building</li> <li>• e. g. through PG Cert</li> <li>• Teaching and mentoring for bid and paper writing in place and clarity over proportion of staff active by school</li> </ul>	July 2016
2. Internationalisation in Schools and new portfolio identified	<ul style="list-style-type: none"> <li>• Overseas targets met with course portfolio developed with DVC</li> <li>• CEG offer reviewed</li> <li>• UKVI compliant and visa refusals 5-8%</li> <li>• Support for staff (e.g. travel and occupational Health) developed</li> <li>• Pre-entry support programme developed and in place for summer as part of offering with clarity over approach to language support</li> </ul>	July 2016  Compliance on going sept 2015
3. Professoriate functioning and 1 <sup>st</sup> REF2020 Review	<ul style="list-style-type: none"> <li>• Clear UoA targets and plans for 2020 by year</li> <li>• REF review complete</li> <li>• Any areas strategic development agreed</li> </ul>	July 2020
4. LSBU External Profile extended	<ul style="list-style-type: none"> <li>• Engagement with GLA and local business around skills agenda</li> </ul>	On-going
5. TNE plan in place	<ul style="list-style-type: none"> <li>• Targets met</li> <li>• Clear approach to partnerships with current portfolio reviewed and appropriate contracts in place</li> <li>• BUE joint strategy and governance in place</li> <li>• Bahrain - clear development plan in place</li> </ul>	July 2016

## Pro Vice Chancellor Education and Student Experience

Core Strategic Leadership Objectives for 2015-16	Measures of Success	Key milestones/ Date to be achieved
<p>1. Establish a Centre for Research Informed Teaching as a means to drive forwards the LSBU Learning Pathway</p>	<ul style="list-style-type: none"> <li>• Establish CRIT with targets for positive staff engagement from 7 Schools and relevant professional services (targets to be set after initial consultation with Schools)</li> <li>• An accredited, HEA recognised academic staff development programme to progress the Learning Pathway</li> </ul>	<p>January 2016</p> <p>June 2016</p>
<p>2. Lead developments in staff development, accreditation and quality processes with a view to a new UK quality regime</p>	<ul style="list-style-type: none"> <li>• Revised regulations are approved</li> <li>• Institutional Examiner is appointed</li> <li>• Use of academic audit as part of quality enhancement established</li> <li>• Clear targets set by schools for proportion staff professionally recognised</li> </ul>	<p>March 2016</p>
<p>3. Increase the audibility and the impact of the student voice, including establishing clear and effective processes for appeals and complaints</p>	<ul style="list-style-type: none"> <li>• Evidence at module and course level of greater student engagement and university responsiveness, in NSS and module evaluation forms (targets to be set after initial consultation with Schools)</li> <li>• Increase NSS and PTES by 2% points.</li> <li>• Establish and communicate to all stakeholders process flowcharts, responsibilities and job titles</li> </ul>	<p>August 2016</p> <p>August 2016</p> <p>December 2015</p>
<p>4. Define learning pathway and implement delivery plan including detailed recommendations for clear and robust support for the Technology Enhanced Learning Infrastructure, and support for pedagogic developments and technical training</p>	<ul style="list-style-type: none"> <li>• CRIT Staff in post</li> <li>• Service level agreements for core TEL business systems (Moodle and My LSBU)</li> <li>• Academic levels of participation in training and projects (targets to be set after initial consultation with Schools)</li> <li>• Learning pathway defined and communicated</li> <li>• Graduate attributes defined and linked to learning pathway</li> </ul>	<p>July 2016</p>
<p>5. Implement structures to support graduate employability</p>	<ul style="list-style-type: none"> <li>• Establish a student temps agency, to provide students with paid work opportunities, personal capital, improve the audibility of the student voice, and facilitate university projects</li> <li>• Establish a strategic project plan to support annual increases in placement opportunities for students</li> <li>• Develop recruitment agency concept or equivalent</li> <li>• Obtain 93% employment or further study with increased graduate employment</li> </ul>	<p>March 2016</p> <p>March 2016</p> <p>March 2016</p> <p>May 2016</p>

## Chief Financial Officer

Core Strategic Leadership Objectives for 2015-16	Measures of Success	Date to be achieved
<p>1. Financial control and delivery of agreed budget surplus of £1m after taking account of in year adjustments.</p>	<ul style="list-style-type: none"> <li>• Financial surplus in line with agreed budget of £1m</li> <li>• Greater transparency, at Institutional level and by School, of student numbers by type (including NHS) and associated income flows</li> <li>• Academic workload planning model in use within all schools</li> <li>• Successful portfolio review process within BAU</li> <li>• Continue to develop work on course profitability model and report to Deans on income and costs at module level</li> <li>• Review drivers and challenge for module reporting in readiness for Unit4 QLS replacement</li> <li>• Improved linkage between budgets and local delivery plans</li> </ul>	<p>July 2016</p>
<p>2. Effective implementation of data assurance processes</p>	<ul style="list-style-type: none"> <li>• Regular meetings of DAG and data stewards and managers groups</li> <li>• Completed assurance reviews of all key systems</li> <li>• Effective reporting to Operations Board</li> </ul>	<p>July 2016</p>
<p>3. Corporate performance dashboard developed and corporate performance reporting embedded into established routines, including effective process for reporting to Board regarding progress on implementation of corporate strategy</p>	<ul style="list-style-type: none"> <li>• Dashboard completion</li> <li>• Effective tracking and reporting of progress against corporate strategy/ delivery plan</li> <li>• Strong debate at Operations Board</li> </ul>	<p>March 2016</p>
<p>4. Full implementation of FRS102 for group statutory financial reporting</p>	<ul style="list-style-type: none"> <li>• Accounting policies and transitional adjustments agreed and implemented</li> <li>• Bank covenants reviewed and amended</li> <li>• Smooth running of year end audit</li> <li>• Land valuations implemented and agreed</li> </ul>	<p>July 2016</p>



## Executive Director of OD and HR

Core Strategic Leadership Objectives 2015-16	Measures of Success	Key milestones/ Date to be achieved
<p><b>1. Leadership Development</b></p> <p>Continue programme for Ops Board and Exec and roll out for leadership forum.</p> <p>Talent and succession planning programme for future leaders.</p>	<ul style="list-style-type: none"> <li>• LCI improvement</li> <li>• Higher level of internal recruitment to senior roles and greater retention of talent</li> </ul>	<p>Commence Sept 2015</p> <p>Commence Oct 2015</p>
<p><b>2. Employee Engagement</b></p> <p>Develop a planned and programmed approach to employee engagement through events such as employee conference and awards.</p> <p>Develop access to senior staff at town halls etc. or a planned schedule that staff know about in advance and look forward to.</p>	<ul style="list-style-type: none"> <li>• Greater engagement score</li> </ul>	<p>Commence Oct 2015</p>
<p><b>3. Diversity</b></p> <p>Become compliant in disability and age requirements, focus on changing the way BME staff experience working here and aim for Race Equality Charter Mark, re-energise the networks and start a women's network.</p>	<ul style="list-style-type: none"> <li>• Staff survey improvement</li> <li>• Networks established and proactive</li> </ul>	<p>Feb 2016</p>
<p><b>4. Internal Comms</b></p> <p>Radically improve and modernise our approach to communicating with staff to facilitate two-way dialogue.</p> <p>Revamp the internet to professional modern standard.</p> <p>Planned approach to profile of senior staff.</p>	<ul style="list-style-type: none"> <li>• Reports to Operations Boards</li> </ul>	<p>Feb 2016</p>
<p><b>5. HR</b></p> <p>Embed business partnering further.</p> <p>Launch employee self-service and embed new HR system.</p> <p>Provide robust HR information to drive strategy.</p> <p>Revamp policy framework.</p> <p>Improve working relationships with Trade Unions.</p> <p>Ensure appraisals complete to target</p>	<ul style="list-style-type: none"> <li>• New HR system developed and implemented to business plan</li> <li>• Appraisals complete</li> <li>• Updates to Operations Board and EHRD report to Board</li> </ul>	<p>July 2016</p>



## Chief Operating Officer

Core Strategic Leadership objectives for the next year	Measures of Success	Date to be achieved
<p>1. To lead on the development of the Strategic Estate Development plan to 2025 including the development of the capital estates development plans for St George's Quarter and the released spaces.</p>	<ul style="list-style-type: none"> <li>To gain Executive approval to the Master plan and to the Brief and to appoint the design team</li> </ul>	<p>March 2016</p>
<p>2. To continue to consolidate the activities of the PSG's within the COO's Team in including the review of marketing and admissions and ensuring developments in ARR increase efficacy of ICT delivery and define and deliver the new technical structure</p>	<ul style="list-style-type: none"> <li>To be effective in the delivery of the service. (LDP)</li> <li>Technical structure in place and feedback from schools positive</li> <li>Marketing strategy refreshed leading to UK/EU recruitment targets met</li> <li>Social media strategy in place and regular reports to exec and operations Board</li> <li>ICT reliability measures in place and reported to operations Board</li> </ul>	<p>July 2016</p>
<p>3. To lead on the programme for the development of an excellent customer service delivery across the University including institution membership of the Institute of Customer Service (ICS) extending the reach to include further PSG's and at least one School.</p>	<ul style="list-style-type: none"> <li>To see an improvement in relevant NSS scores and the ICS benchmarking survey in 2015</li> </ul>	<p>August 2016</p>
<p>4. To begin to develop the digital environment including deliver on a new University Intranet site and the document management system (DMS)</p>	<ul style="list-style-type: none"> <li>To gain internal stakeholder support and launch the new site and to deliver on the DMS</li> </ul>	<p>July 2016</p>

<p>5. To lead on the development of the Diversity Steering Committee and the Customer Service Steering Committee and to promote both internally and externally good practice including delivering against the Prevent Agenda</p>	<ul style="list-style-type: none"> <li>To develop a range of projects to begin the process of embedding Diversity and Customer Service within the University. To improve on ratings in the Stonewall Workplace Equality Index and the ICS Serve check survey. To achieve a good result in the Race Equality Index</li> </ul>	<p>June 2016</p>
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## University Secretary

Core Strategic Leadership objectives for the next year	Measures of Success	Date to be achieved
<p>1. To advise Jerry Cope, the new Chairman of the Board, as required and ensure effective implementation of the governance effectiveness review of July 2015.</p>	<ul style="list-style-type: none"> <li>• Documented effectiveness review of structure</li> <li>• Clear business cycle for committees</li> <li>• Timely management of committee business</li> </ul>	<p>31 July 2016</p>
<p>2. To set the strategy for the provision of legal services within LSBU group, including SBUEL and, if necessary, for further education and international.</p>	<ul style="list-style-type: none"> <li>• Legal services priorities proposed to the executive.</li> </ul>	<p>24 December 2015</p>
<p>3. To ensure the continued development of the Executive Professional function including the definition of medium-term priorities for the Business Intelligence Unit, in the context of the corporate strategy 2015-20. And working with PVC to ensure the effectiveness of the student complaints procedure and conciliators</p>	<ul style="list-style-type: none"> <li>• BIU priorities proposed to the executive</li> <li>• Comparison of complaints statistics year on year and feedback on efficacy</li> </ul>	<p>30 January 2016</p>
<p>4. To sponsor the organisational approach to talent management succession planning, as managed by the organisational development team</p>	<ul style="list-style-type: none"> <li>• Plan proposed to the executive</li> <li>• Visible leadership within organisation in terms of programme</li> </ul>	<p>31 March 2016 – tbc</p>
<p>5. To monitor the effectiveness of the student conciliators in their role to resolve student complaints at an early stage</p>	<ul style="list-style-type: none"> <li>• Comparison of complaints statistics year on year</li> <li>• Review complaints procedure with PVC</li> </ul>	<p>30 January 2016</p>
<p>6. To establish a corporate policy library accessible by staff</p>	<ul style="list-style-type: none"> <li>• Library of policies developed and reviewed to ensure fit for current environment.</li> <li>• Library publicised to all staff</li> </ul>	<p>31 July 2016</p>

	CONFIDENTIAL
	PAPER NO:REM.06(15)
Paper title:	Implications of changes to pension regulations
Board/Committee	Remuneration Committee
Date of meeting:	26 <sup>th</sup> November 2015
Author:	Mandy Eddolls
Executive/Operations sponsor:	Vice Chancellor
Purpose:	To determine appropriate policy for the implications of changes to pension regulations.
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	<i>[link to key strategic document e.g. Strategy 2015-2020, Corporate Delivery Plan, five year forecasts]</i>
Recommendation:	RemCom are asked to agree the policy and decide on the appropriate percentage cash equivalence range

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

## **Executive Summary**

### **1.0. Background**

- 1.1. The Summer Budget of 2015 made two significant changes to the rules that govern all occupational pension schemes.
- 1.2. The Annual Allowance (AA) is the amount of money that is assessed to have been used to provide future funding for pensions during a twelve month period. The AA is set at £40k and any payments over that amount will be subject to a personal tax charge at the individual's marginal rate of tax.

The AA will reduce further, being tapered to £10k, for those earning over £150k (including the assumed rise in the value of their lifetime pension pot in year, net of any contribution made).

- 1.3. The Lifetime Allowance (LTA) ascribes a value to the pension savings of an individual over their lifetime. This is currently set at £1.25 m but, as a result of the budget, will be reduced to £1m. Any excess above the LTA will be subject to a personal tax charge of 55% if taken as a lump sum or 25% if taken as pension (on top of the highest rate of tax on the pension income).

## **2.0. Impact**

- 2.1. The University offers three pension schemes – Teachers Pensions for the Academic staff, the Local Government Pension Scheme for Professional Services staff and the Universities Superannuation Scheme for a small number staff already in the Scheme on joining LSBU. All three schemes will be affected by the new regulations.
- 2.2. It is not possible to predict exactly which individuals will be impacted as it depends on personal circumstances but it is likely that those earning over £100k with long service will be affected by the LTA. Those earning over £125k, irrespective of length of service, will be affected by the AA, as will long service staff who receive increases in pay.
- 2.3. The pension schemes have identified 7 members of the Executive and Deanery that will definitely be affected next year by either the LTA or the AA, or both. The potential tax implications could mean that it is fiscally punitive for those employees to remain in the pension schemes.

## **3.0. Options**

- 3.1. The three schemes offer different ways of ameliorating the impact and include temporary opting out of the scheme, opting to pay only 50% of contributions or deferring tax liability until pension is in payment. Decisions about which, if any, of those options are appropriate is a personal decision. The employees affected have been apprised of those options.
- 3.2. It is clear, however, that for some staff, none of those options will be appropriate, and the best option is to opt out of the pension schemes completely.
- 3.3. Other benefits that are afforded by membership of a pension scheme are: -
  - Life insurance
  - Ill health retirement
  - Enhanced redundancy package if over 55 years old (LGPS only).
- 3.4. The employer contributions to the pension scheme are calculated on the basis of a percentage of the total pensionable income: -
  - USS – 16%
  - LGPS – 15.2%

- TPS – 16.48%

If employees opt out of the pension scheme, the University no longer incurs that charge for that individual.

If employees opt to pay only 50% of contributions, the University is financially advantaged as the funding of the pension scheme, in the longer term, could reduce. However, this would form part of the tri-annual actuarial valuation, rather than an immediate reduction in University contributions.

- 3.5. Other employees have offered different solutions to the issue for their employees ranging from 'do nothing' to compensating the employee with a cash payment equivalent to the pension contribution they would have paid had the individual remained in the pension scheme. Many have given a proportion of the saving to the individual.
- 3.6. It is not possible to buy an insurance product to compensate for the loss of enhanced redundancy in the LGPS and to fund it from revenue would be prohibitively expensive, as would buying an ill health pension provision.
- 3.7. It is possible to buy life insurance for anyone who opts out of a pension scheme, and first indications from insurance providers show that it would be a reasonable cost.

#### **4.0. Recommendations/Questions**

- 4.1. That the University has an option to offer employees who are impacted by either the LTA or the AA, a cash payment. RemCom are asked to advise on the rate, expressed as a percentage of salary, between 8% and 15%.
- 4.2. That no compensation is offered to anyone who remains in a scheme on lesser terms such as a 50% benefit status or deferred tax.
- 4.3. That no compensation is offered for loss of ill health retirement or enhanced redundancy.
- 4.4. That firm quotes are obtained for the provision of life insurance for anyone who opts out.
- 4.5. That any cash payments for Executive members are reported to the Remuneration Committee.

## Vice Chancellor 2015 Appraisal .

### Review of objectives for 2014/15

Core Strategic Leadership objectives	Measures of Success	Review
<p>Enhance institutional reputation through improved student outcomes</p>	<ul style="list-style-type: none"> <li>• NSS Scores across 22 Questions</li> <li>• PTES results</li> <li>• DHLE data on employment and further study</li> </ul>	<p>Progress has been made. In the Guardian and Independent league tables we moved past three other universities and are showing improvements across most measures with some of the largest overall improvements in the sector (Appendix A). Tables from September 2015 should start to consolidate the improvements and show greater positional change in the tables. NSS improved in all areas other than organisation and management which was static. Given the changes implemented this is a significant achievement by staff. The PTES data has been delayed in publication by HEA. The DHLE data showed improvements in overall employment and further study to above 90% and very significant improvements in graduate outcomes which increased to 75% (varies by measure from 69-75%) showing impact of the new intern and placement activity plus the new PG Dip. (90% still leaves us in the bottom 20 institutions for this figure but the 4% increase from 87% puts us on track to meet our 95% target in 2020. The 75% figure is strong.</p> <p><b>Objective Met</b></p>
<p>Ensure financial sustainability of the organisation and diversity of income streams</p>	<ul style="list-style-type: none"> <li>• Delivery of outturn in line with agreed budget</li> <li>• Research and enterprise growth</li> <li>• International</li> </ul>	<p>Financial statements are being produced but currently we expect to meet the £1M surplus and have absorbed significant additional spend through the delivery of the VS scheme whilst also dealing with claw back from hefce. Main challenges have been:</p> <ul style="list-style-type: none"> <li>• £1m clawback from HEFCE regarding old regime students</li> <li>• Estimated re-structure costs of £2.6m compared with budget allowance of £1.5m</li> </ul>

<p>Develop a high performing and effective senior leadership team</p>	<ul style="list-style-type: none"> <li>• growth EU/UK recruitment at target</li> <li>• Year 1 progression</li> </ul> <ul style="list-style-type: none"> <li>• Leadership development in place</li> <li>• Operations Board functional</li> <li>• Staff engagement assessed</li> <li>• University Board</li> </ul>	<ul style="list-style-type: none"> <li>• Additional voluntary severance costs of £1m</li> <li>• Estimated late HEFCE funding adjustment of £0.5m.</li> </ul> <p>The income is likely to be below the £136.5 target by c £0.5M. UK/EU recruitment has met the 2750 target for the first time in a number of years whilst at the same time meeting a 140 point threshold for entry which required growth of market share by 10-15%. This still places us in the bottom 5 for entry tariff. Enterprise income has seen growth of c5% and is expected to come in at c£8.6M – this is below the stretch target of £9.8M but in line with budget expectations of £8.55M. International income has shown significant growth and at c£10.5M is above target. This is a significant achievement but projections for international growth in 2015/16 are being pulled back due to a highly hostile recruitment environment through recent government policy and process shifts. Year 1 progress/retention will be assessed in October but is expected to be in line with previous years. Increasing entry tariff does not start to impact on retention significantly until 180-200 points. Initiatives such as the summer school have been highly successful with c275 attendees compared to the expected 50. This should impact on next years progression and year 2 retention. Support structures have been put in place for students and the new Edison system for data capture has been delivered</p> <p><b>Objective Partially Met</b></p> <p>Executive and Operations Board members have been appointed. Poor performance and behaviour has been dealt with by support and where needed ensuring individuals exited the institution in a controlled manner. The Leadership Programme commenced in September and is continuing. Exec team appear significantly more functional and Deans development is well underway with evidence they are working well together and with Exec. Role of Ops Board still settling but more cohesive than expected at this stage and development next year will focus on them and their teams.</p>
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<p>Ensure effective governance and oversight of performance management and compliance</p>	<p>assessment</p> <ul style="list-style-type: none"> <li>• Mandatory training identified and undertaken for workforce</li> <li>• KPI framework and reporting in place</li> <li>• Review of data systems complete and future requirements identified</li> </ul>	<p>Exec coaching programme been very successful and leadership climate survey has been very insightful and shows progress but still more to do around perceptions of leadership behaviours and also staff well-being Gap between what we as leaders do and what staff feel we do is starting to close, as evidenced by staff the conference which was a very significant success. Full staff survey tendered for next year.</p> <p><b>Objective Met</b></p> <p>Programme of mandatory training now in place. All Executive have had specific training on corporate responsibilities as have Operations Board. The programme launched to staff after Easter and to date c40% of the workforce has been through the programme and focus is currently on DSE and health and safety. School of health has been tasked to work with HR to help develop the well being agenda A KPI set has been agreed with the Board and the Business intelligence unit is now in place with the last appointments made just before summer. A school dashboard has been developed with the Deans and DVC and a Board reporting format is ready for trailing next year with the Board and Academic Board. Student data is now subject to continuous audit which is an approach that is well ahead of the sector and performing well. Staff data has been cleansed and a new data governance policy, including role definitions hsa been developed and approved. Health and safety reporting is improved with more evidence based approach underpinning the data.</p> <p><b>Objective Met</b></p>
<p>Assess impact of MTS and external environment on the shape of the University</p>	<ul style="list-style-type: none"> <li>• Estates master plan</li> <li>• ICT and infrastructure 5 year plan</li> </ul>	<p>An estates master plan has been developed with initial drafts presented to the Board. Final drafts will be presented in October to enable planning requirements for Saint Georges quarter and technopark to be progressed. Funding models need to be further developed in the coming months to</p>

<p>Embed School and Professional Service Function structure</p>	<ul style="list-style-type: none"> <li>• Portfolio review</li> <li>• Workforce and succession plans</li> </ul> <ul style="list-style-type: none"> <li>• Local delivery plans and workforce plans</li> <li>• Performance review system in place</li> <li>• Appraisal system</li> <li>• Change programme defined and delivering to target</li> </ul>	<p>build on initial work with developers. A plan to replace ICT equipment has been put in place with an initial investment next year within the budget. This seeks to replace all hardware over the next 3-4 years. We have yet to complete the analysis of teaching equipment and develop a replacement stagey but funding for some teaching equipment has been built into next years budget. The portfolio review was a success with c20% of courses being withdrawn to enable us to focus on areas of strength. This will need further review in the coming year now Deans are in place especially in Business, informatics, science and social science areas where recruitment is weak. Academic workforce planning and University wide VS programme appears to have been very successful and also represents a real shift in how industrial relations have worked. Professional service change proposals are now all in place and are progressing without major issue but final exercises complete in Sept./Oct. Schools admin review was very successful and to date the academic career structure and PL review has gone well. The technical team has been centralised but the detailed structure will be reviewed next year and roll out of the Graduate Teaching Assistant Role will occur in October. The appraisal documentation has been updated and development plans now go to HR and targets for completion have been set for October. The behavioural framework has been launched.</p> <p><b>Objective Met</b></p> <p>All professional functions now have defined roles and along with Schools have delivery plans in place – these will need further work as they are annually updated – and need to increase links to resource and to ensure measures are SMART but good progress to date. The change program delivered on the urgent projects that had been identified and is now at a stage where it is moving to oversight by Operations Board and with greater input from staff as we move into more of an enhancement agenda rather than restructure and review. The Edison project for example has delivered to time (overall) and to budget (overall) although some areas such as identify management have been a challenge</p> <p><b>Objective Met</b></p>
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## Objectives for 2015/16

Core Strategic Leadership objectives for the next year	Measures of Success
<p>Enhance institutional reputation</p> <p>Ensure financial sustainability of the organisation and diversity of income streams</p> <p>Develop high performance culture and leadership</p> <p>Assess impact of strategy and external environment on the shape of the University</p>	<ul style="list-style-type: none"> <li>• LT outcomes showing improvements at least equal to the average improvement in the Times/Guardian</li>   <li>• Delivery of outturn in line with agreed budget</li> <li>• Identify and develop areas of growth for 2016</li>   <li>• Leadership development for second tier</li> <li>• Operations Board reviewed</li> <li>• Staff engagement assessed/benchmarked</li> <li>• Internal policy review undertaken</li>   <li>• Estates master plan and phase 1 funding agreed</li> <li>• Consider university group structure with proposals to the Board for new developments/mergers/acquisitions as required and at least one area delivered in year</li> <li>• Deliver Partnership with British University in Egypt and ensure development of partnership in Bahrain</li> </ul>

<p>Further develop external networks and impact with local councils and policy makers</p>	<ul style="list-style-type: none"><li>• Develop MoUs with local councils</li><li>• Develop on site activity involving Westminster and other key bodies</li><li>• Review and develop school and college partnerships with the aim of delivering stronger community engagement and student progression</li></ul>
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PDP

Mandatory training and exec training undertaken

Research group set up at Kings as agreed

Research outputs for the last academic year:

Books : Novel antimicrobial agents and strategies. Eds., Phoenix, DA, Harris, F and Dennison, SR. 2014 Wiley Publishers, ISBN-10: 3527336389.

Papers :

1. Wu, C., Zhang, M., Zhang, Z., Wan, K., Ahmed, W., Phoenix, DA., Elhissi, MA., Sun, X., (2014) Thymopentitn Nanopartciles engineered with high loading efficiency, improved pharmacokinetic properties and enhanced immune-stimulating effect using soybean phospholipid and PHBHHx polymer. *Molecular Pharmaceutics*, 11, 3371-3377
2. Dennison, SR, Morton, LGH, Harris, F and Phoenix DA, (2014), The interaction of aurein 2.5 with fungal membranes. *Eur. Biophys. J*, **43**, 255-264.
3. Dennison SR and Phoenix DA, (2014), The susceptibility of sheep, human and pig erythrocytes to haemolysis by the antimicrobial peptide modelin. *Eur J Biophysics*. 43,423-432
4. Wang, J, Mura, M., Zhou, Y., Pinna, M., Zvelindovsky, AV., Dennison, SR., Phoenix, DA., (2014), The cooperative behaviour of antimicrobial peptides in model membranes. *Biochem. Biophys. Acta*, 1838, 2870-2881.
5. Najlah, M., Hedayat, K., Mwesigwa, E., Ahmed, W., Al-Obaidi, K., Phoenix, DA., Elhissi, A., (2015) A facile approach to manufacturing non-ionic surfactant nanodispersions using proniosome technology and high presure homogenization. *J Liposome Research*, 25, 32-37
6. H. Xu, M. Fan, Z. Zhang, K-W. Wan, W. Ahmed, D.A. Phoenix, A. Elhissi, X. Sun. (2015) PEGylated graphene oxide for tumor-targeted delivery of paclitaxel. *Nanomedicine* 10, 1247-1262

7. SR Dennison, M , Mura; F Harris, Le H Morton, A Zvelindovsky, DA Phoenix, (2015) The role of C-terminal amidation in the membrane interactions of the anionic antimicrobial peptide, maximin H5 *Biochem. Biophys Acta* 1848, 1111-1118
8. F Harris, S Prabhu, SR. Dennison, TJ. Snape, R Lea, M Mura<sup>3</sup> and DA. Phoenix The anticancer activity of anionic host defence peptides from the plant kingdom (2015) PPL In Press
9. DA. Phoenix, F Harris and SR. Dennison: The increasing role of phosphatidyl ethanolamine as a lipid receptor in the action of host defence peptides In Press
10. Familia, C., Dennison, SR, Quintas, A., Phoenix, DA, (2014) Prediction of peptide and protein propensity for amyloid formation. *Bioinformatics*, In Press,

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PAPER NO: REM.07(15)

Paper title:	VC Salary and Bonus
Board/Committee	<b>Remuneration Committee (Independent Members only)</b>
Date of meeting:	26 November 2015
Author:	Jerry Cope
Executive/Operations sponsor:	Chair
Purpose:	To agree recommendations for VC Salary and Bonus

**Summary**

Salary: The standard award this year for all Senior Managers is 1% - this too is recommended for the VC, although we do need to consider how to introduce greater differentiation based on both performance and relativities going forward

Bonus: I have done full appraisal of the VC this year, which I can talk through - an extract setting out the performance against agreed objectives is attached, together with the objectives we have agreed for 2015/6, where we have attempted to make the metrics a touch more precise. The VC should be awarded a bonus on the same grid as his senior team - I propose his performance be judged as strong on both 'how' and 'what' (upper end of both categories) and that he therefore be awarded a bonus of 8%, subject to discussion as to how that looks alongside other senior team recommendations, particularly the DVC

**Context**

**Question**

**Conclusion & Recommendation**

Remuneration Committee is asked to:

1. Agree the proposed salary and bonus award for the VC
2. Note the proposed objectives agreed for 2015/6

Matter previously considered by:


**London South Bank**  
University



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	PAPER NO:REM.08(15)
Paper title:	Implications of changes to pension regulations
Board/Committee	Remuneration Committee
Date of meeting:	26 <sup>th</sup> November 2015
Author:	Mandy Eddolls
Executive/Operations sponsor:	Jerry Cope
Purpose:	To note the arrangements for the Vice Chancellor's remuneration
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	<i>[link to key strategic document e.g. Strategy 2015-2020, Corporate Delivery Plan, five year forecasts]</i>
Recommendation:	RemCom are asked to agree the recommendations for the Vice Chancellor's remuneration

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

### **Executive Summary**

- 1.1. The Vice Chancellor's base pay will be increased in line with the 1% national pay increases for all participating universities and as used for all other members of staff at LSBU
- 1.2. On appointment it was agreed that the Vice Chancellor would receive a cash equivalence for the cost of the contributions that the University would have paid into the pension scheme, and for clarity that this is recorded as pension costs in the annual accounts