

Meeting of the Board of Governors

4.00 - 6.00 pm on Thursday, 18 May 2017
in Boardroom - Technopark, SE1 6LN

Agenda

No.	Item	Pages	Presenter
1.	Welcome and apologies		JC
2.	Declarations of Interest <i>Governors are required to declare any interest in any item of business at this meeting</i>		JC
3.	Minutes of previous meeting	3 - 10	JC
4.	Matters arising	11 - 12	JC
Chair's business			
5.	Independent governor recruitment	13 - 14	JC
6.	Chancellor update	Verbal Report	JC
Items to discuss			
7.	Vice Chancellor's report	15 - 22	DP
8.	Chief Financial Officer's report	23 - 36	RF
9.	Project Larch strategic business case (to approve)	37 - 84	DP
	<ul style="list-style-type: none"> Delegation of authority to MPIC (to approve) 		
10.	Corporate strategy progress report	85 - 96	PB
Items to note			
<i>the following papers will only be discussed at the meeting if there is a matter that any governor wishes to raise with the Secretary the day before the meeting</i>			
11.	Reports on decisions of committees	97 - 98	JS
12.	Board strategy day report	99 - 106	JC
13.	SU election results and report	107 - 116	SW

<i>No.</i>	<i>Item</i>	<i>Pages</i>	<i>Presenter</i>
14.	Corporate risk register	117 - 138	RF
15.	Schedule of Matters Reserved update	139 - 140	JS
16.	Any other business		JC

**Date of next meeting
4.00 pm on Thursday, 13 July 2017**

Members: Jerry Cope (Chair), Andrew Owen (Vice-Chair), David Phoenix, Temi Ahmadu, Steve Balmont, Michael Cutbill, Douglas Denham St Pinnock, Neil Gorman, Carol Hui, Hilary McCallion, Kevin McGrath, Mee Ling Ng, Jenny Owen, Tony Roberts and Calvin Usuanlele

Apologies: Shachi Blakemore

In attendance: Pat Bailey, Richard Flatman, James Stevenson, Michael Broadway and Matthew Dunn

Observers: Sodiq Akinbade and Suleyman Said

	CONFIDENTIAL
Paper title:	Minutes of the meeting of 16 March 2017
Board/Committee	Board of Governors
Date of meeting:	18 May 2017
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	Jerry Cope, Chair of the Board
Purpose:	To approve the minutes of the last meeting as a correct record.

Executive Summary

The Board is asked to approve the minutes of its meetings of 16 March 2017. There are suggested redactions in grey for publication on LSBU's website.

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**Minutes of the meeting of the Board of Governors
held at 4.00 pm on Thursday, 16 March 2017
Boardroom - Technopark, SE1 6LN**

Present

Jerry Cope (Chair)
Andrew Owen (Vice-Chair)
David Phoenix
Temi Ahmadu
Steve Balmont
Shachi Blakemore
Michael Cutbill
Douglas Denham St Pinnock
Neil Gorman
Carol Hui
Hilary McCallion
Kevin McGrath
Mee Ling Ng
Tony Roberts
Calvin Usuanlele

Apologies

Jenny Owen
Richard Flatman

In attendance

Pat Bailey
Markos Koumaditis (for minute 10)
Ralph Sanders
James Stevenson
Megan Evans

1. Welcome and apologies

The Chair welcomed members to the meeting. The Chair welcomed Ralph Sanders, Director of Planning, Information and Reporting, in the absence of the Chief Financial Officer.

Prior to the meeting, the Board had noted an informative presentation on South Bank Academies and its two schools.

The above apologies were noted.

2. Declarations of Interest

Shachi Blakemore declared an interest in item 9 as Lambeth College is a client of her firm. It was agreed that she did not need to leave the meeting for that item, which was to update the Board.

3. Minutes of previous meeting

The Board approved the minutes of the meeting of 24 November 2016 and their publication as redacted.

4. Matters arising

There were no matters arising.

5. Board positions

The Board approved the following:

- (i) With Andrew Owen due to retire on 31 July 2017, Douglas Denham St Pinnock as Vice-Chair of the Board and Pro Chancellor from 1 August 2017.
- (ii) Hilary McCallion as the Chair of Finance, Planning and Resources committee, effective from 1 August 2017.
- (iii) Michael Cutbill as a director of South Bank University Enterprise Limited (SBUEL), effective immediately. Hilary McCallion will cease to be a director of SBUEL on becoming Chair of Finance, Planning and Resources committee.

In light of these changes, the Chair would be considering committee membership.

6. Governor pairing update

The Board noted an update on governor pairing following a survey. The pairing scheme would continue with the seven LSBU schools and additional professional service areas.

7. Vice Chancellor's report

The Board discussed in detail the Vice Chancellor's report, which reviewed progress against the three outcomes in the corporate strategy: student success; real world impact; and access to opportunity.

The Board noted the annual HFECE grant letter was awaited.

The Deputy Vice Chancellor reported on a proposed restructure in the School of Business, which was subject to consultation with staff.

The Board noted that recruitment remained a key challenge. Applications for full time undergraduate courses were 17% down compared to the previous year. The Board received assurances that senior management were prioritising efforts to drive recruitment and conversion.

In international recruitment, January starts had increased by 11%, compared to the previous year. The impact of the UKVI's student number control was noted.

The Board noted an increase in withdrawals and interruptions, which was due to earlier interventions with students who were not engaging with their programmes.

8. Chief Financial Officer's report

The Director of Planning, Information and Reporting presented Chief Financial Officer's report. The Board noted the revision of the recruitment target from 2750 to 2500 Home/EU FTUGs in the report.

There was a detailed discussion on staffing forecast which could result in further potential cost savings.

The Board noted that Finance, Planning and Resources Committee had discussed LPFA pension contribution for the next three years. It was noted that Lambeth College joining the LSBU family could be a material change, triggering further revisions.

9. Update on Project Larch

The Vice-Chancellor gave an update on negotiations with Lambeth College. Further discussion on models for the LSBU family would take place at the April Board Strategy Day.

A Full Business case and due diligence report would be considered by the Major Projects and Investment Committee on 4 May 2017 prior to recommending LSBU take control of Lambeth College. The Board noted a letter dated 14 February 2017 from the Education Funding Agency in relation to the designation of FE institutions to facilitate HE/FE mergers.

The Board received assurance that PwC were providing independent assurance on the Full Business Case and due diligence for the project and this information would be available prior to any decision being made.

The Chair invited all governors to the meeting of the Major Projects and Investment Committee on 4 May 2017.

{Secretary's note: the full business case would be discussed at a special meeting of the Major Projects and Investment Committee on 13 June 2017. All governors were invited to the 13 June 2017 meeting}

The Board approved the establishment of a wholly-owned shell company, intended for later designation by the EFA.

10. Health and safety mid year update

Markos Koumaditis joined the meeting

The Board noted the Health and Safety update, including the results and actions of the employee stress survey.

The Board requested a differentiation between LSBU's Prevent strategy and general safeguarding activities in future reports.

The Board noted a range of wellbeing activities that had taken place, including the launch of the Dignity at Work adviser scheme and some of the planned future activities such as the Wellbeing conference.

The Board discussed whether there were any specific programmes to tackle the sexual harassment of students. It was noted that LSBU and the students' union were implementing recent guidance from Universities UK.

Markos Koumaditis left the meeting.

11. Reports on decisions of committees

The Board noted the reports on decisions of committees. It was noted that the Major Projects and Investment Committee, at its meeting of 2 March 2017, had discussed a potential legal charge on the Passmore Centre, the details of which were being negotiated. Board approval would be sought in due course.

12. Target for revised KPI11

The Board noted the change to KPI 11, in relation to student recruitment.

13. Corporate risk register

The Board noted the corporate risk register.

14. Members' resolution to appoint external auditors

The Board approved the Audit Committee's recommendation to appoint KPMG LLP as LSBU's external auditors and a written resolution of LSBU was signed at the meeting, a copy of which is attached to the minutes.

15. Any other business

There was no other business.

Date of next meeting
4.00 pm, on Wednesday, 26 April 2017

Confirmed as a true record

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BOARD OF GOVERNORS - THURSDAY, 16 MARCH 2017
ACTION SHEET

Agenda No	Agenda/Decision Item	Action	Date	Officer	Action Status
6.	Governor pairing update	Governance team to facilitate pairing meetings	Before 1 Aug 2017	James Stevenson	Completed

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	CONFIDENTIAL
Paper title:	Independent governor recruitment
Board/Committee	Board of Governors
Date of meeting:	18 May 2017
Author:	Michael Broadway, Deputy University Secretary
Board sponsor:	Jerry Cope, Chair of the Board
Purpose:	To update the Board on independent governor recruitment
Recommendation:	The Board is requested to note the update

Independent governor recruitment

At its meeting in December 2016, the Nomination Committee agreed that up to three individuals with the following skills and experience should be recruited to the Board:

- audit and financial experience to succeed Steve Balmont as Chair of the Audit Committee;
- experience in digital economy and international business; and
- higher education experience.

The Nomination Committee advertised for the vacant governor positions using Women on Boards and the Non-Executive Director Forum. Candidates were also sought using internal networks.

The committee met three candidates for first interviews. One candidate who has digital marketing experience is meeting the Chair and the Vice Chancellor on Monday 15 May for a second interview.

Two additional candidates are attending a first interview on 11 May 2017. Both candidates have audit committee experience and are potential successors to the Chair of the Audit Committee.

In addition, the Nomination Committee recommended to the Appointments Committee the appointment of Peter Fidler, ex Vice Chancellor of Sunderland University (a separate paper is being drafted for approval by the Appointments Committee by email). Prof Fidler will replace Neil Gorman, who stands down in July 2017.

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	CONFIDENTIAL
Paper title:	Vice Chancellor's Report
Board/Committee	Board of Governors
Date of meeting:	18 May 2017
Author:	David Phoenix, Vice Chancellor
Executive sponsor:	David Phoenix, Vice Chancellor
Purpose:	To update the Board on University matters
Recommendation:	To note the report.

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

Executive Summary

LSBU has received 1,026 firm acceptances so far this cycle (412 of which are unconditional) from Home applicants for full-time undergraduate degrees. This is - 4% (41 acceptances) down on the same time last year. This is a significant improvement on last month and may reflect a change in applicant behaviour with people taking longer to accept.

The University has decided to scale back the amount of financial support available up front for students and have proposed to OFFA that we reduce the number of up-front £1,000 cash bursaries from 300 to 100. We propose to use this funding to increase the Hardship Fund by £100k to support access to placements and provide specific and personalised financial support for students during their studies when they need it most. This approach aligns with feedback on withdrawals where short-term financial hardship is seen as a key factor.

I am very pleased to report that the Academy had an OFSTED inspection on the 9th and 10th May and has provisionally achieved 'Good' overall. The result is confidential until the report is published in a few weeks' time. I will provide an update to the Board once we have more information.

In line with organisational priorities on knowledge transfer we are working with partners in Bahrain to develop a case for a Joint Venture.

Vice Chancellor's Report May 2017

This report has been formatted around the three key outcomes listed in the corporate strategy followed by a review of activity related to the enablers.

1.0 Corporate Strategy Outcome 1: Student Success

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

1.1 Student Retention

Increasing our retention/progression rates is one of the University's highest priorities (KPI 13), affecting income, student satisfaction, student achievement, and key metrics that feed into league tables and the TEF. For the 2015/16 student intake, there was a 4% increase for Year 1 to Year 2 progression. The progression rate for the 2015/16 intake has been confirmed as 77.2%, an increase from 73.1% for the 2014/15 intake and exceeding our target of 75%.

In year monitoring of withdrawals and interruptions this academic year show that withdrawals and interruptions have increased in comparison to this time in previous years, please see the table below for comparison. As previously reported the increased attrition that has occurred between December and March is thought to be due to the implementation of a new model for withdrawing/interrupting students due to lack of engagement. This model has resulted in 284 withdrawals and interruptions in the 2016/17 academic year due to lack of engagement in comparison to 209 in the same period in the 2015/16 academic year. It is still expected that this will result in Exam Boards withdrawing fewer students due to non-engagement.

The new model of engagement monitoring that we have introduced ensures that students that have been withdrawn receive a minimum of 5 attempts to contact them regarding their lack of engagement. The minimum level of engagement has been set purposefully low for this academic year to ensure that we didn't withdraw any students that were engaging. All of the withdrawals, due to lack of engagement, are discussed in detail with the relevant Schools with action plans put in place for each student, prior to their eventual withdrawal.

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March	April	Total
2014/2015	4	43	80	122	176	78	93	175	106	877
2015/2016	2	28	91	119	131	61	70	136	178	816
2016/2017	36	21	81	121	165	86	114	253	67	944

2.0 Corporate Strategy Outcome 2: Real World Impact

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

2.1 Research and Enterprise and Innovation

The University, through SBUEL is negotiating with the Applied Science University to establish a joint consultancy company aimed at delivering knowledge transfer in Bahrain and across the Gulf region. This will be a Bahraini registered activity with a board membership from both Universities and an address in Bahrain. It is expected the proposal will be available for consideration in July for the SBUEL and Governor Board meetings, respectively.

For the 2016/17 academic year we have to date secured £1.9m of research income against a target of £2.6m. For the remainder of the year we have contracted research income of £522k, leaving a shortfall, which we need to secure in year, of £178k for which there is a research bid pipeline of £14.8m.

To date we have £5.6m of enterprise income against a budget target of £9.9m (excluding Transnational Education). For the remainder of the year we have contracted enterprise income of £3.5m giving us total income with some certainty of £9.1M. This leaves a shortfall against budget of £800k for which we have an enterprise bid pipeline of £10m.

3.0 Corporate Strategy Outcome 3: Access to Opportunity

This outcome focuses on the need to work in partnership with key organisations to deliver our strategy and the civic engagement aspects of our vision. Its outcomes include measures such as recruitment of students that can succeed as well as international activity.

3.1 UK Undergraduate Recruitment (as at 08/05/17)

To-date LSBU, has received 18,439 applications for FT UG study starting next September via UCAS. This is -17% (3,825 applications) down on this time last year. Our competitor group as a whole are down by -10%, with the national market down by -4%. When you exclude HSC, the shortfall in LSBU applications reduces to just -6% (682 applications). Given the increasingly competitive nature of the market and changes taking place within the sector and specifically in relation to funding for health courses this is a reasonable position and where we expected to be at this stage in the cycle and indeed we seem to be outperforming our competitors.

LSBU has received 1,026 firm acceptances so far this cycle (412 of which are unconditional) from Home applicants for full-time undergraduate degrees. This is -4% (41 acceptances) down on the same time last year. This is a significant improvement on last month and may reflect a change in applicant behaviour with people taking longer to accept. We continue to work on generating late applications, particularly in those areas that have seen significant drops against last cycle, but our main focus is now on conversion activity. The fact we may have gained some increase in market share compared to competitors may be a factor behind the significant increase of our insured accepts.

We are actively engaging with all offer holders across a variety of channels to encourage early acceptance of their place here at LSBU. This includes, emails, phone calls, direct mail and invites to on-campus events.

At this stage we are still seeking to meet our budget target (2,500 FTUGs).

3.1.2 UK Postgraduate Recruitment (as at 08/05/17)

Full-time postgraduate Home recruitment continues to progress, with 2,232 applications having been received to date. This is -13% (347 applications) down on the same time last year where we had received 2,579 applications. So far this has resulted in 311 firm acceptances, which is down -27% (114 acceptances) on the previous cycle. The majority of outstanding applications / decisions are for postgraduate health courses where an offer cannot be made until the applicant has been interviewed / assessed. We are working with the HSC School to ensure this process is completed as quickly and efficiently as possible.

That said, it is worth noting that the postgraduate market for most London universities and specifically for LSBU is a “late” market and the bulk of applications and acceptances will be seen in the latter part of the cycle. We have targeted acquisition (application) and conversion (acceptance) activity scheduled throughout cycle and will continue to monitor application, and acceptance levels.

3.2 International Recruitment

Indications from earlier in the year of an improved performance in both European and International Recruitment are becoming a reality. Unconditional firms are running around 45% higher than last year for International and around 50% up for EU. There is still a long way to go, and another election, but it looks like we are on track for a good year. The current Visa refusal rate is 6.7%. The visa refusal rate is tracking higher than last year at this point in time because this year’s UKVI Basic Compliance Assessment (BCA) calculation year includes visa refusals from late September/October 2016 intake applicants. 55% of the visa refusals were in September and October when the number of assigned and used CAS were at the

lowest and 're-set'. The visa refusal rate has been falling (8.6% in January) and we expect the positive trend to continue. The CEG had high than expected refusal rates.

A Change Plan for the International Directorate is currently being finalised by the new Director to create a more focussed and efficient operation. Once finally approved it will strengthen the support for partnerships and create a more flexible and responsive recruitment team. As Trans National Education becomes increasingly important it is essential that it is underpinned within the institution and risk reduced while providing an excellent level of service to our overseas students. The plan will also create an integrated team from the International European and Collaboration staff.

3.2.1 International Collaborations approvals and reporting

As the number of international collaborations is expanding the process for approval and reporting has been reviewed. As part of the process, there is a review by finance, quality and legal of proposed partnerships ahead of approval by the Dean of School and the Pro Vice Chancellor (Research and External Engagement).

The Executive has agreed that approvals for collaborations that are large scale, strategically significant, in potentially higher risk territories or may cause reputational risk will be reviewed by the Executive based on financial levels as set out in the financial regulations.

The Executive will review any proposed collaboration that meets this threshold and decide whether Board approval is required due to scale or risk.

An annual strategic report on internationalisation will be provided to the Board each autumn as this area begins to get more established. Given the increasing maturity of our international activity the Secretary proposes an amendment to the Schedule of Matters Reserved (set out in a separate paper and for Board approval).

3.3 Apprenticeships

LSBU currently has 137 apprentices enrolled on our Apprenticeship standards within the Schools of BEA and HSC. The university is planning to offer 22 Higher and Degree Apprenticeships for 2017-8 (a number of these standards are subject to LSBU validation and/or government approval).

Business development activities are focusing on apprentice recruitment for September 2017 entry with the aim of recruiting 400 apprentices. This includes an Employer Event which is being organised in response to positive feedback from the previous employer event, demand from employers and the Schools of BEA, Engineering and Business. Also telemarketing campaigns are underway aimed at

potential new and existing employers. An Apprenticeship microsite is due to go live in May aimed at employers. The next stage will be a microsite aimed at potential apprentices

The Apprenticeship Application Form is now live and we will start to gather applications for September 2017 entry. A tender is being drafted for phase 2 of the *Degree Apprenticeships Development Fund (DADF)* announced by HEFCE.

3.4 OFFA Agreement

The University has decided to scale back the amount of financial support available up front for students in the form of scholarships. We will be investing these funds in our provision of financial support to ensure students are able to access financial support at the most critical times throughout their study. This aligns with feedback on withdrawals where short-term financial hardship is seen as a key factor.

We have therefore proposed to OFFA that we reduce the number of up-front £1,000 cash bursaries from 300 to 100.

The financial support package to support care leavers with travel remains at £60,000 with an additional £30,000 support for care leaver specific retention and attainment issues.

We have increased LSBU's Hardship Fund by £100k providing specific and personalised financial support for students during their studies when they need it most.

We have created an Enrichment Fund of £100k which is to support students who need financial support to enable them to take part in activities such as internships, placements and mobility's across Europe and Internationally.

We continue to offer £105k through our Emergency Fund. We will seek to ensure a streamlined and co-ordinated application process for all these funds for 2017/18.

3.5 Academies Update

3.5.1 University Academy of Engineering South Bank

The Academy had an OFSTED inspection on the 9th and 10th May and provisionally achieved 'Good' overall. The result is confidential until the report is published in a few weeks and I am told that Good was achieved in each subcategory. This is testament to the hard work and dedication of the team.

3.6 Public Affairs and Civic Engagement

I updated the Board at the beginning of May so there is not much more to report other than the Higher Education Research Bill has received Royal Assent. The passage of the Bill will mean the following changes to the sector:

- A new regulator and funding council – the Office for Students - will be created next year, replacing HEFCE. It will also approve new market entrants through managing the Register of Higher Education Providers and carry out the current functions of the OFFA
- TEF will be now reviewed independently at the end of 2019 before a link with fees is introduced. (Although the first scores will still come out in June)
- Institutions will be able to introduce accelerated degrees (charging higher than annual fees)
- The 7 Research Councils, HEFCE's research function and Innovate UK will be taken over by UKRI.

I will continue to update the Board as we learn more.

4.0 Strategic Enablers

4.1 Business School restructure

The staff restructuring proposal for Business was put to the recognized unions and the academic staff on March 9th, marking the start of the formal 45-day consultation process. The proposal envisages dis-establishing 38 grade 8 senior lecturer posts and replacing them with a range of 43 grade 11, 9, 8, 7 and 6 posts more closely aligned with the future teaching needs of the School, and the strategic objective of achieving accreditation for the School in the next 3 to 5 years bringing us in line with our competitors.

Applications for the new posts closed on 2nd May. Of 38 senior lecturer colleagues, 11 have chosen not to apply for any of the new posts and will be consulted regarding the next steps (redeployment or redundancy). The new posts are initially only being offered to grade 8 colleagues at risk of redundancy. These internal applications are currently being assessed and appointments should be confirmed by early June. All unfilled posts will be externally advertised shortly afterwards.

4.2 2017 Pay Award

At the end of April, UCEA on behalf of the employers, made a final offer of 1.7% on all spine points, with 2.4% on the lowest point and consequent extra loading for the first 16 spine points. This equates to an hourly rate on the bottom spine point of

£8.45 based on a 35 hour week. The employers also offered further joint work on gender pay gaps. The trade unions will now consult their members on the final offer.

4.3 Employee Engagement Survey

Working with our partners at ORC International we have commissioned the '2017 Pulse Survey' which has been running for the last two weeks and is due to close on the 10th May. This survey is shorter than the full survey conducted in 2016 and aims to get a snapshot of progress against some of the key engagement survey themes.

Schools and Professional Service Groups (PSGs) continue to progress implementation of their local action plans. The network of 'Engagement Champions' continue to support this work by providing feedback, encouraging engagement and keeping the momentum going. The headlines results will be available at the Staff Conference on 17th May.



	CONFIDENTIAL
Paper title:	Report from the Chief Financial Officer
Board/Committee	Board of Governors
Date of meeting:	18 May 2017
Author:	Richard Flatman, Chief Financial Officer
Executive sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	To update the Board on financial matters.
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	Financial Sustainability
Recommendation:	<p>The Board is requested to:</p> <ul style="list-style-type: none"> • Note the report

Attachments:

Appendix 1: Management accounts summary to 31 March 2017

Report from the Chief Financial Officer: May 2017

1. Financial performance

Management accounts:

The latest management accounts summary to 31 March 2017 is included as appendix 1.

The full year forecast as at 31 March 2017 is trending towards a surplus of £1.5M; this would deliver the University ahead of budget. The key reason for the change in forecast position is the review of School income following strong Semester 2 enrolments. The School of Business increased income and contribution by over £550K and is now forecast to deliver significantly ahead of budget and 7% ahead of 15/16. Overall the Schools portfolio increased its contribution by almost £700K in March and in total is now expected to be £277K better than budget.

The wider University continues to perform strongly and YTD income is £5.3M ahead of the comparable position in 15/16. Following strong Semester 2 recruitment, Home/EU PG Fees are £1.5M ahead of the comparable position in 15/16 and Overseas & TNE income is £0.5M ahead. Both of these income streams will finish the year ahead of budget. Although Home/EU UG fees are behind budget, we are £2.0M ahead of the comparable position in 15/16. Research Income is 18% higher than this time last year whilst Enterprise income is 10% higher. We are now likely to deliver ahead of our Corporate Income KPI of £144.5M, deliver ahead of last year's EBITDA at 12.1% and finish the year ahead of Budget and within the Board of Governor's staffing cost target.

In terms of liquidity, even after this year's £10.2M purchase of Hugh Astor Court, the University is holding £45.6M in cash and cash equivalents which is just £1.6M short of the comparable position last year.

Finally, following completion of the management accounts, it has subsequently been agreed to set aside a further £200k for the new Chief Marketing Officer (CMO) to fund any additional activity that may be required to further drive 2017/18 recruitment. This will be factored into the April management accounts but still leaves forecast surplus for the year ahead of budget.

2. Financial forecasts / budget for 2017/18

As discussed at the recent Board strategy day, we now have a good working first draft of the updated 5 year forecasts which will be presented to FPR and Board in June/July respectively. The future strategy and targets remain broadly unchanged although FT home/EU growth aspirations have been lowered to a new normal of 2,500 year 1 students in 2017/18 which is expected to remain stable thereafter. We remain committed to growing income to £170m although the changes to the FT/UG base mean that the timetable through organic growth has probably slipped by a year.

The forecasts remain prudent in terms of potential fee inflation and improved progression but this could be offset by further inflation on operating expenditure. There remains headroom for further investment in the staff cost base over the life of the forecasts although staff cost/income % remains a key driver of performance and we will carefully manage and seek to limit this to current levels.

Good progress is being made on the budget for 2017/18 and income, after accounting for the reduced target of 2,500 is still planned to rise to £150m from the current level of £144m.

It is a little later than normal but we have now received our grant letter for 2017/18. The grant allocation is more complicated this year as Nursing, Midwifery and Allied Health has come under HEFCE funding for the first time, reflecting the move from bursaries to loans. HEFCE have however detailed the amounts that are attributable to those areas so that we have been able to make a like for like comparison.

Excluding health, our grant has fallen by £527k from £12.2m to £11.7m. The key change here is the reduction in Student Opportunity funding of £691k, from £4.3m to £3.6m. Whilst a significant reduction, this is much better than anticipated as we had previously assumed that this funding would fall off a cliff in 17/18. The better than anticipated result has also contributed to the offset against the fall in income from student numbers. Further cuts are anticipated in future years and have been factored into the forecasts.

The analysis of HSC funding is complex but our initial calculations indicate that the School will be no worse off per student under the new funding regime and may even be slightly better off. The pressure therefore is primarily on student numbers.

3. HEFCE update

HEFCE Assurance / risk assessment review

We have now received the final annual Provider Review (APR) assessment from HEFCE which considers the profile of LSBU in 2 areas: (i) quality and standards and (ii) financial sustainability, good management and governance. The preliminary assessment in both areas was positive as reported to Board. The final assessment is equally positive with no matters of concern being raised. In terms of financial sustainability, good management and governance matters our risk rating is that we are “not at higher risk” at this time.

This positive outcome means that we will:

- continue to meet Home Office requirements for educational oversight for Tier 4 sponsorship, and
- be eligible for any TEF 2 award we may receive in June 2017.

HEFCE did choose to insert in the letter a comment which they wished to bring to our attention regarding a requirement for us to keep them up to date as discussions with Lambeth College progress so that they can understand the risks and opportunities presented by the merger and can understand better how the merger might affect the corporate structure of the University. On reflection this clause seems reasonable and understandable in the circumstances and it is in no way a caveat on future sustainability in the same way as previous comments regarding student numbers.

4. Other matters

LPFA pension contributions

The rates and adjustments certificate for the 3 years commencing 1 April 2017 has now been submitted and the annual deficit contribution for 2017/18 paid in full in advance for the year as approved by FPR.

Wider estate development

Work is underway to plan for funding of the wider estates strategy. The university has recently engaged Finalysis to help with testing the market regarding availability and

terms of potential future loan funding. It is likely that future recommendations will be made regarding new loan funding, the potential restructure of existing bank loans and our principal bankers responsible for day to day banking operations / activity.

Larch

The finance team remains focused on project Larch. Financial due diligence has been completed and has contributed to a good understanding of the debts/ liabilities currently existing within the College and this has helped inform the bid for Transaction Unit funding. The full Business case is well advanced although further work is required on the future financial forecasts. A more detailed report will be provided to Board under separate cover.

A key finding from the due diligence work is that financial controls at the College are weak. As a consequence, and because the Larch interim FD has recently left the College, Natalie Ferer, the University Financial Controller, has been seconded to the college for a couple of days per week together with one of our senior finance business partners.

External audit

The formalities regarding the appointment of KPMG as our new external auditors have now been completed and the handover from Grant Thornton is in process. The year-end planning meeting has already been held and the audit plan will be presented to Audit committee in June.

Sector awards

LSBU has been short-listed for the Times Higher Education Leadership and Management Awards (THELMA) in two categories including "Outstanding Financial performance".

This is good news for Finance & Management Information (FMI) and the second time in 3 years that we have been shortlisted in this award category. Our bid centres around an ambitious 5 year transformation plan to optimise travel spend which is significant and essential in delivering many aspects of the University's corporate strategy. It also enables us to provide enhanced levels of support to students and staff. Our bid was led by Penny Green, Head of Procurement within FMI but the scheme is truly cross functional, with input from all levels within Health & safety, Communications, the Executive and the International Team.

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Appendix 1

Management accounts summary to 31 March 2017

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March Executive Summary

1) This Executive Summary reports on the Financial position of London South Bank University as at 31 March 2017

2) RAG Status

Income Growth	5.3%	Staff Cost Growth	7.3%	Staff Cost %	55.7%	Opex Growth	-1.4%	FYF Surplus	1.0%	EBITDA	12.1%
	<i>excluding Hanban</i>		<i>excluding restructuring</i>		<i>excluding restructuring</i>		<i>excluding Hanban</i>				

3) Summary

The full year forecast as at 31 March 2017 is trending towards a surplus of £1.5M, this would deliver the University ahead of budget.

The key reason for the change in forecast position is the review of School income following strong Semester 2 enrolments. We have also taken the opportunity to review our Research and Enterprise forecast given that we have just 4 months left to turn pipeline activity into 16/17 income.

The key driver for the increase in surplus was the School of Business. The School increased income and contribution by over £550K and is now forecast to deliver significantly ahead of budget and 7% ahead of 15/16. There was a £200K increase in Research income within the School of the Built Environment & Architecture, this was offset by additional costs but this School is forecast to deliver ahead of budget and 10% ahead of 15/16. There was a decrease of £400K in Research & Enterprise income within the School of Engineering which was also offset by additional costs, this School is forecast to deliver behind budget and shrink by 12% as compared to 15/16. There was a reduction in our staffing cost forecast within the School of Applied Sciences as the new Dean moves that School towards delivering on budget, although this School's contribution is 6% down on 15/16. There were no real movement in the School of Arts & Creative Industries and this School remains ahead of budget and 12% ahead of 15/16. The School of Health & Social Care has increased its student numbers by 5% as compared to 15/16 and remains ahead of budget although its contribution has slipped by 5%. Finally, there was a slight reduction in income from the School of Law & Social Sciences, this School remains behind budget and 3% behind the 15/16 figure. Overall the Schools portfolio increased its contribution this month by almost £700K and in totality is now expected to be £277K better than budget.

In terms of liquidity, even after this year's £10.2M purchase of Hugh Astor Court, the University is holding £45.6M in cash and cash equivalents which is just £1.6M short of the comparable position last year.

4) Table 1: Full Year Forecast vs. Budget

Financial Summary in £'m	15/16 Actuals	16/17 Budget	Change to 15/16	Change %
Funding Grants	13.3	12.8	-0.5	-4%
Health - Contract	25.1	25.5	0.4	2%
Home / EU UG Fees	57.2	60.7	3.5	6%
Home / EU PG Fees	7.7	8.2	0.5	7%
Overseas + TNE Fees	9.8	10.7	0.9	9%
Research Activities	3.7	4.4	0.7	18%
Enterprise Activities	7.8	9.9	2.2	28%
Student Related Income	11.1	11.4	0.4	4%
Other Operating Income	1.4	1.5	0.1	11%
Endowments & Interest	0.3	0.2	-0.1	-40%
Income	137.3	145.5	8.1	6%

in £'m				
Academic Staff Costs	38.4	42.7	4.2	11%
Support & Technicians	33.6	38.1	4.5	13%
Third Party Staff	2.9	1.6	-1.4	-47%
Restructuring Provision	-0.5	1.4	1.9	
Depreciation	9.7	11.2	1.4	15%
Operating Expenses	45.0	43.8	-1.2	-3%
Interest Payable	4.8	4.8	0.0	0%
Exceptional Items	0.0	0.8	0.8	0%
Expenditure	134.1	144.5	10.4	8%
Surplus for the year	3.3	1.0	-2.3	-69%

Surplus as % of income	2.4%	0.7%	0.7%	1.0%
Surplus per student FTE	£221.1	£71.4	£74.0	£109.6

Feb 16/17 Forecast	Monthly Move	Mar 16/17 Forecast	variance to Budget	Budget variance%
12.9	0.0	12.9	0.1	0%
25.7	0.0	25.7	0.2	1%
59.4	-0.2	59.2	-1.5	-3%
8.6	0.4	9.0	0.8	10%
10.9	0.3	11.2	0.5	5%
4.3	-0.1	4.2	-0.2	-5%
9.5	-0.2	9.3	-0.6	-6%
11.4	-0.0	11.4	-0.1	-1%
1.4	0.2	1.5	0.0	2%
0.2	0.0	0.2	0.0	6%
144.4	0.3	144.6	-0.8	-1%

41.4	-0.4	41.0	-1.7	-4%
37.4	-0.1	37.3	-0.8	-2%
2.2	0.0	2.2	0.6	39%
1.4	0.0	1.4	0.0	0%
11.2	0.0	11.2	-0.0	0%
44.1	0.2	44.4	0.6	1%
4.8	0.0	4.8	0.0	0%
0.9	-0.0	0.8	0.0	0%
143.4	-0.2	143.1	-1.3	-1%
1.0	0.5	1.5	0.5	48%

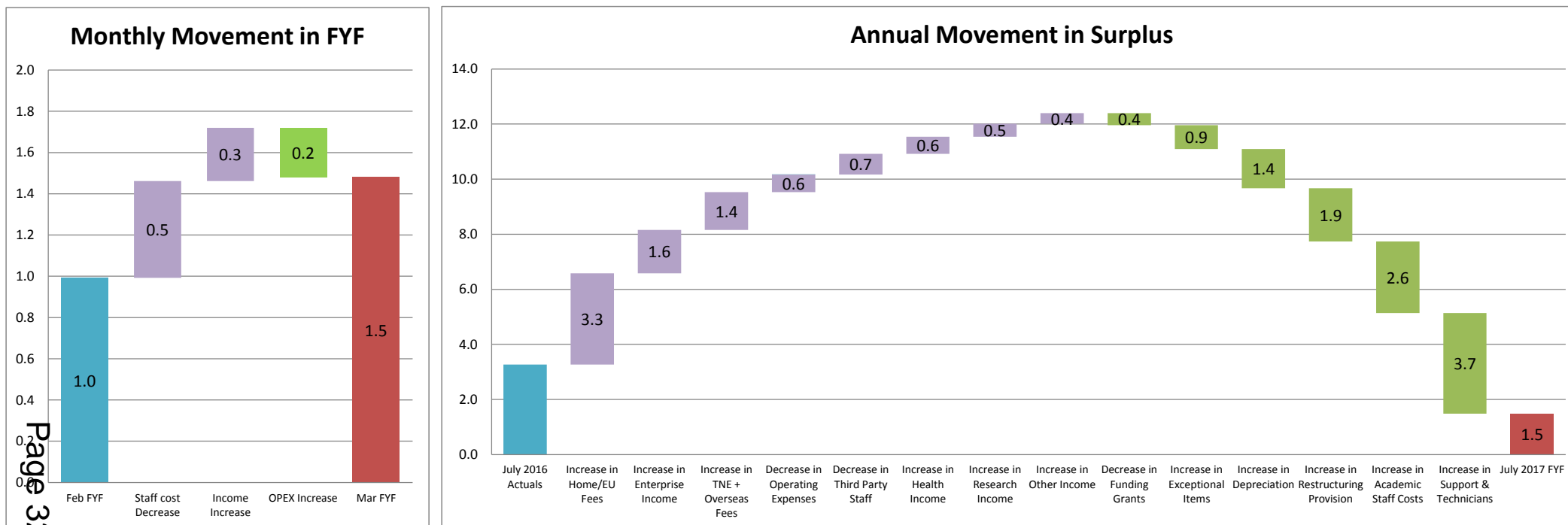
Mar 15 / 16 YTD	Mar 16 / 17 YTD	variance to 15/16	variance to 15/16
9.3	8.9	-0.4	-4%
16.5	17.1	0.5	3%
57.9	59.9	2.0	3%
7.7	9.3	1.5	20%
9.5	10.0	0.5	5%
2.5	2.9	0.4	18%
5.0	5.5	0.6	11%
7.6	7.6	0.1	1%
0.7	0.8	0.1	14%
0.2	0.1	-0.1	-39%
116.8	122.0	5.3	4.5%

25.1	25.9	0.8	3%
22.1	24.0	2.0	9%
1.7	1.8	0.1	4%
-0.0	0.0	0.0	
6.5	6.4	-0.1	-1%
24.2	26.3	2.0	8%
3.2	3.0	-0.2	-7%
0.0	0.0	0.0	0%
82.8	87.4	4.6	6%
34.0	34.7	0.7	2%

65%	64%	YTD Staff Cost %
54%	59%	YTD OPEX Cost %
62%	61%	Total YTD Cost %

5) Forecast Summary

As compared to 15/16 we are now forecasting a £7.3M increase in Income, a £9.1M increase in total expenses and so a reduction of £1.8M in our annual surplus.



The key movements this month were a decrease in staffing expenses primarily within the Schools. Some of these reductions were linked to reductions in Research and Enterprise activity whilst others were within Schools looking to get closer to Budget. The increase in Income primarily relates to the Schools of Business and the School of the Built Environment & Architecture and the reduction within the School of Engineering. The increase in Opex is linked to the reported additional Research and Enterprise activity.

In terms of our year on year position, the University is now forecasting a £3.3M increase in Home/EU fees, a £1.6M increase in Enterprise income, a £1.4M increase in Overseas and TNE income, a decrease in Operating Expenses of £0.6M and a decrease in Third Party staff of £0.7M. The University has forecasted further income increases of £0.6M in Health Contract, £0.5M in Research income and £0.4M in Other income. These income increases and expense reductions are being used to fund a planned reduction of £0.4M in HEFCE funding grants, a £0.9M increase in exceptional items, a £1.4M increase in depreciation, an increase of £1.9M in our restructuring provision, a £2.6M increase in academic staff and a £3.7M increase in support staff.

The increase in exceptional items relates to monies put aside for the £1M Investment Pot and for the research pump priming funds.

6) Risks and Contingencies

The Full Year Forecast still contains a number of further risks. We continue to monitor student withdrawals in order to understand if this year on year increase is due to more effective processing of student withdrawals as there was a significant movement this month. As a result, we have increased our forecast refund income to £4.2M although this is fully factored into our income forecast. There are also a number of costs that are not fully recognised in the forecast including additional funds that may be required to support students with Disabilities and Dyslexia and our year end Bad Debt provision. In order to balance these risks we are currently holding an OPEX contingency of £0.5M. There are no funds remaining in the Investment Pot. There may be funds that we can release from our staffing forecast and we continue to work closely with budgetholders to ensure this is robust.

There is a further risk in terms of our Research and Enterprise income forecasts. Our YTD Research income is 18% higher than in 15/16 and we are on track to deliver the 17% forecast increase in income. Our YTD Enterprise income is just 11% higher than 15/16 and so we may struggle to deliver the forecast growth of 22%. Although some of this stretch income growth was matched with costs there may be an impact on our contribution and so we will monitor this aspect of our portfolio closely over the next few months.

7) Contribution Analysis

The current forecast contribution for the year is £1.8M behind the 15/16 position. This reduction in surplus is due to finishing 15/16 in a much better position than anticipated rather than a deliberate reduction in contribution. Delivering to this forecast will deliver EBITDA at 12.1% which is an improvement on the 11.8% delivered in 15/16. Due to our investments in staffing, our recurring staff cost expressed as a % of income is at 55.7% which is slightly ahead of the 55% target set by the Board of Governors. The forecast also assumes that the University will end the year with cash and investments of £42.5M an decrease of £3.1M from our current position.

Note: In the last month of 15/16 the University recognised £1M of costs associated with the redevelopment of Caxton House and £1M of funding income from Hanban. To avoid any year on year distortions these have been ignored in this analysis.

Contribution per School across Teaching, Research and Enterprise activities

	Applied Sciences		Arts and Creative Industries		Built Environment & Architecture		Business		Engineering		Health & Social Care		Law & Social Sciences		Total All Schools	
	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF
Income (M)	£11.3	£11.2	£9.5	£10.3	£16.3	£18.2	£16.6	£17.4	£19.1	£18.5	£32.7	£34.1	£14.6	£14.8	£120.2	£124.5
Expenditure (M)	£5.2	£5.5	£4.2	£4.9	£6.8	£7.6	£7.3	£7.5	£9.2	£9.7	£17.5	£19.7	£6.5	£7.0	£56.8	£62.0
Contribution (M)	£6.1	£5.7	£5.3	£5.4	£9.5	£10.5	£9.2	£9.9	£9.9	£8.8	£15.2	£14.3	£8.1	£7.9	£63.4	£62.5
Contribution %	54%	51%	56%	52%	58%	58%	56%	57%	52%	47%	46%	42%	56%	53%	53%	50%

In 15/16, 5 of the 7 Schools delivered better than budget and the Schools portfolio as a whole finished the year £1M or 2% better than budgeted contribution. In 16/17 we are forecasting the Schools to deliver £4.3M of additional income to fund £5.2M of additional expenses and so continue the current strategy of investing in the Schools to deliver a better academic experience for students.

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

Contribution per School across Teaching activity only

	Applied Sciences		Arts and Creative Industries		Built Environment & Architecture		Business		Engineering		Health & Social Care		Law & Social Sciences		Total All Schools	
	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF	15/16 Actual	July 16/17 FYF
Teaching Income (M)	£10.8	£10.5	£9.2	£10.1	£15.7	£16.9	£16.3	£17.2	£17.2	£16.2	£28.6	£29.5	£14.0	£14.3	£111.8	£114.7
Teaching Staff (M)	£3.2	£3.1	£2.4	£2.7	£3.9	£4.4	£4.9	£5.0	£4.5	£4.7	£11.6	£13.0	£4.4	£4.6	£35.0	£37.6
Teaching Expenditure (M)	£1.5	£1.9	£1.4	£1.8	£2.0	£2.1	£2.5	£2.3	£2.6	£2.8	£4.0	£4.7	£1.7	£2.1	£15.6	£17.6
Teaching Contribution (M)	£6.1	£5.6	£5.4	£5.5	£9.8	£10.4	£8.9	£9.9	£10.2	£8.7	£12.9	£11.8	£7.9	£7.6	£61.2	£59.5
Contribution %	56%	53%	59%	55%	62%	61%	55%	57%	59%	54%	45%	40%	56%	53%	55%	52%
Student FTE	1,180	1,122	1,043	1,109	1,724	1,854	2,131	2,191	1,671	1,599	3,807	4,012	1,662	1,628	13,218	13,515
Contribution per Stud FTE	£5,200	£5,000	£5,200	£5,000	£5,700	£5,600	£4,200	£4,500	£6,100	£5,500	£3,400	£2,900	£4,700	£4,700	£4,600	£4,400
Return on Academic Investment	191%	179%	223%	202%	249%	235%	184%	197%	226%	188%	111%	90%	179%	166%	175%	158%

In terms of Staff / Student ratios as a whole we are forecast to maintain the current SSR position. The Teaching staffing costs reported above exclude any technicians, administration or research staff and demonstrate that the Schools of the Built Environment & Architecture, Arts & Creative Industries and Business are significantly ahead of the School's average when measured in Return on Academic Investment, whilst the School of Health & Social Care is significantly behind the other Schools. In terms of contribution per student, the Schools of the Built Environment & Architecture, Engineering and Arts & Creative Industries are significantly ahead of the average School position although their costs do not include the cost of centrally funded Labs and Technicians.

8) Student Number Analysis

Whilst NHS enrolments will continue through the Academic Year, there are some clear trends in terms of student numbers.

Firstly in terms of Home/ EU, our New Full Time Undergraduate enrolments are just 42 students behind the 15/16 year end position and so we may end up broadly comparable with the position in 15/16 and once HSC enrolments have completed we may beat last year's recruitment figure. This is considered a good result given the increasingly competitive nature of the Higher Education market and the change in UK demographics. Our continuing Home/ EU FT Undergraduates are ahead of last year's position particularly in year 3, which demonstrated the effectiveness of some of our activities around retention and progression.

In terms of Post Graduate, we have increased our New Home/EU Post Graduate numbers compared to last year by 20% for Full Time students and by 5% for Part Time students and are so are significantly ahead of budget. Part Time Undergraduate numbers are 21% down compared to 15/16 for new and 17% down for continuing students and the University is investing in developing our Apprenticeship portfolio to counter this trend.

In terms of Overseas student enrolments, the 16/17 Roadmap had a target of £9.5M of International Tuition Fee income for 15/16, this was reduced to £9.1M in the budget and was subsequently reduced to £8.5M in October following concerns around Semester 1 enrolment. However Semester 2 enrolment has been strong and we have increased our Income forecast back to £9.4M. This would represent a 7% rise on 15/16.

9) Student Withdrawal Analysis

In 15/16 we refunded £3.6M in income to students who Withdrew or Interrupted. We had budgeted for £3.5M of refunds in 16/17 but have increased our forecast this month to £4.2M as the level of drop outs is higher than expected.

Academic year	YTD Withdrawals
13/14	789
14/15	771
15/16	638
16/17	877

'Lost Income' in £000K	Forecast	YTD	% Lost		Forecast	YTD	% Lost
Applied Science	£525	£397	75.6%	Engineering	£748	£697	93.2%
Arts and Creative Industries	£478	£362	75.7%	Health & Social Care	£208	£172	82.7%
Built Environment & Architecture	£709	£551	77.7%	Law & Social Sciences	£691	£518	75.0%
Business	£866	£830	95.8%	Total	£4,225	£3,527	83.5%

Students are refunded 100% of their Fee if they leave within the first 2 weeks of term, otherwise they are charged 25% for Semester 1, 25% for Semester 2 and the final 50% for Semester 3. The value of each refund will decline during the year but refunds in Semester 2 are typically for 50% - 75% of the course fee and so have a significant impact on School profitability

10) Income Analysis

As detailed above, we have increased our income forecast for the month by £0.3M. Health Contract Income, Home / EU Post Graduate income and total Overseas income including TNE are now forecast to deliver better than budget. The School of Architecture & the Built Environment is currently forecasting year on year income growth of 11%, the School of Arts & Creative Industries is forecasting income growth of 9%, the School of Business is forecasting income growth of 5%, Health & Social Care is forecasting income growth of 4% and Law & Social Sciences is forecasting income growth of 1%. The School of Applied Sciences is forecasting an income reduction compared to 15/16 of 1% whilst Engineering is forecasting a 3% decline in income.

11) Staff Cost Analysis

In terms of staffing, the total YTD position shows a positive variance of £3.1M of which just £1.9M has been recognised. Even after this £1.9M reduction in forecast, the University is still expecting to invest an additional £2.6M in Academic staff and £3.7M in Support staff and Technicians whilst reducing our Third party Staff cost by £0.7M to give a net investment of £5.6M. It should be noted that £0.6M of the forecast increase in support staff is in the Schools whilst total staff costs within the Professional Functions are forecast to increase by £2.4M which would represent a 7% increase. The YTD staff costs in the Professional Functions are up by 5.2% and so this £2.4M increase may be overstated. Academic Staff costs also feels overstated. Our current forecast assumes that our Academic monthly run rate will increase by 13% which is considered unlikely. In total there may well be another £2M of costs to release. We will continue to work closely with budget holders and this may well enable us to absorb any further reductions in our income forecast without compromising our financial outcome for the year.

12) Operating Expense Analysis

In terms of Operating Expenses, we are currently forecasting a year on year reduction of £0.6M and we should be able to deliver that. We have spent £26.2M in the first 8 months of the year and our current forecast is to spend £18.1M in the final 4 months and so we do have some flexibility should our potential surplus be compromised or if we felt it necessary to dramatically improve our surplus.

13) Budget Analysis

There are 31 distinct areas of the University that have separate budgets and each area is expected to deliver to their Budget. 4 of the 7 Schools are forecast to deliver on or ahead of budget, as are 16 areas within the Professional Functions whilst 8 areas within this grouping are expected to finish the year in a deficit position.

14) Investments

In terms of flexible in-year investment the Executive have set aside £2.5M in 16/17. We currently have plans and proposals to spend £2.6M of this and so this funding option is now closed for new proposals. This month we incurred spend of £65K. In terms of capital expenditure there was no significant movement in our forecast this month and we incurred spend of £490K. There are no capital projects that are in an overspend position.

In terms of the Capital Expenditure investment funds, of the £2M ICT infrastructure fund we have now spent £1M YTD, of the £0.5M Innovation fund we have invested £27K but plans for the remaining spend are now in front of that programme board for final approval. Of the £1M Teaching & Learning Equipment Fund we now have plans for £824K of that investment and have spent £147K YTD. Of the £4M identified as possible Estates investment we have agreed plans for £2.6M of expenditure and have spent £309K YTD.

Full Year Outturn Last Year (£)	YTD Actuals Last Year (£)	Description	FULL YEAR				YEAR TO DATE				Full year Forecast less Actual YTD (£)		
			2016 Forecast (£)	2016 Budget (£)	Variance - Forecast to Budget (£) %		Note	2016 Actuals (£)	2016 Budget (£)	Variance - Actuals to Budget (£) %		Note	
(138,327,251)	(116,794,055)	Total Income	(144,624,145)	(145,467,525)	(843,380)	(1%)		(122,045,449)	(123,086,779)	(1,041,330)	(1%)		(22,578,696)
74,501,119	48,847,523	Total Staff Costs	81,954,110	83,829,105	1,874,995	2%		51,729,537	54,837,046	3,107,509	6%		30,224,574
9,749,153	6,491,064	Total Depreciation	11,175,308	11,192,000	16,692	%		6,423,188	6,407,387	(15,801)	(%)		4,752,120
46,052,241	24,233,262	Total Other Operating Expenses	44,390,483	43,824,015	(566,468)	(1%)		26,253,740	28,420,611	2,166,871	8%		18,136,743
4,755,431	3,213,721	Total Interest Payable	4,777,152	4,777,152		%		2,976,699	3,184,768	208,069	7%		1,800,453
		Total Exceptional Items	845,854	845,854		%							845,854
(3,269,308)	(34,008,485)	Contribution	(1,481,238)	(1,000,000)	481,238	48%		(34,662,287)	(30,236,968)	4,425,319	15%		33,181,049
54.2%		Ongoing Staff costs as % of income	55.7%	56.6%				42.3%	44.6%				
2.4%		Contribution %	1.0%	0.7%				28.4%	24.6%				

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Paper title:	Project Larch strategic business case
Board/Committee	Board of Governors
Date of meeting:	18 May 2017
Author:	David Phoenix, Vice Chancellor and Matthew Dunn, Programme Manager
Executive/Operations sponsor:	David Phoenix, Vice Chancellor
Purpose:	Decision
Recommendation:	See below

Matter previously considered by:	Executive	07/09/16 The Executive supported and recommended Approval to Proceed.
	MPIC	20/10/16 The Committee supported and recommended Approval to Proceed.
	MPIC	06/12/16 Updated Committee on progress and confirmation of status of Sycamore. No decision required.
	MPIC	02/03/17 Updated Committee on progress and confirmation of status of Sycamore. No

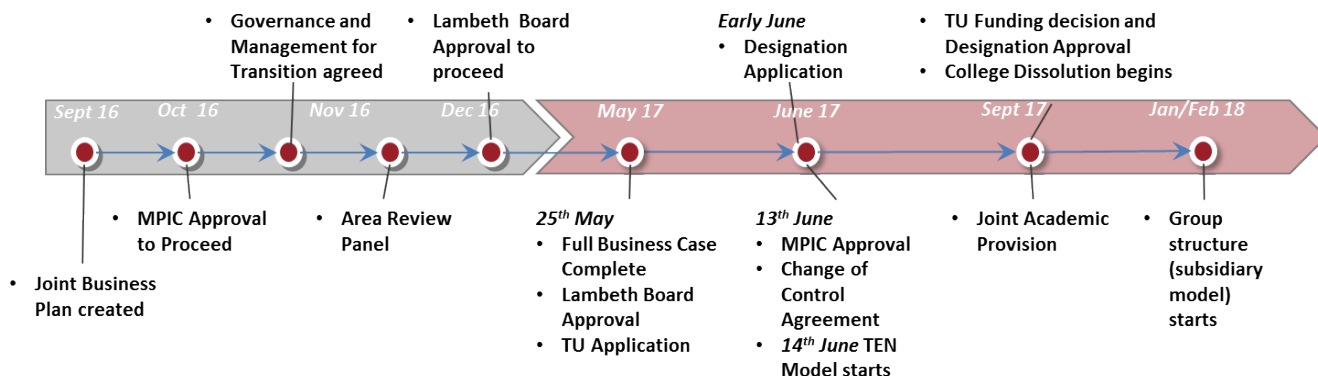
	MPIC	<p>decision required.</p> <p>04/05/17</p> <p>Updated Committee on progress and results of Due Diligence. Approval granted to continue.</p>
Further approval required?	Yes	On 13th June 2017 MPIC – approval to move to TEN model.

Background and status update

In 2016 the Government decided to review the current provision of Further Education in England and Wales in order to establish fewer, larger and more resilient FE Colleges. The London Area Review Board (ARB) considered the future of a number of Colleges in South London. LSBU had the opportunity to bring two Colleges (Larch and Sycamore) in to the LSBU Structure to further enhance LSBU's post-16 education offerings from Entry to Level 4.

In December 2016 the ARB made a decision that the Boards of two FE Colleges: Larch and Sycamore could decide which preferred partner to appoint. On December 14th 2016 the Larch Board appointed LSBU as its preferred partner. Sycamore decided to pursue another partner organisation.

Since LSBU's appointment as preferred partner, Larch and LSBU have undertaken the next phase of activities to complete due diligence, build a Full Business Case (FBC), complete an application for Restructuring Finance and an application for dissolution and re-designation of Lambeth College. The current proposed key milestones are as follows:



Contained within this document are:

- The approvals route and requested delegation of authority
- An overview of the vision and rationale for bringing Lambeth College in to the LSBU Group;
- Key 'red line' risks which will need to be addressed and mitigated in order to proceed with the project; and
- Revised Instrument and Articles of Lambeth Corporation.

Recommendations

The Board is requested to:

- Note the conclusion of the Major Projects and Investment Committee that the transaction should continue subject to the 'redlines' indicated in section (c) of this paper (draft minutes as approved by the committee chair will follow for information. The meeting papers are available on modern.gov [here](#)).

And, if it thinks fit, to:

- agree to continue with the development of the full business case and LSBU sponsoring Lambeth College's submission of the Restructuring Facility Application to the Transaction Unit (TU);
- delegate authority to:
 - the Major Projects and Investment Committee to approve the full business case for Project Larch on behalf of the Board, subject to satisfactory mitigation of risks as set out in the 'redlines' (all Board members are invited to the meeting).
 - a sub-group of the Board consisting of Jerry Cope (Chair of the Board), Douglas Denham St Pinnock (Chair of the Major Projects and Investment Committee), Andrew Owen (Vice Chair) and Dave Phoenix (Vice Chancellor), with a quorum of three, to give final approval for legal completion of the "TEN model", subject to being satisfied that the

conditions as set out in the Governance Agreement have been met.

These are:

- the adoption by Lambeth of the New Instrument and Articles of Government following the Consultation Exercise;
- the entry by the parties into the Collaboration Agreement;
- the resignation of the Resigning Governors; the appointment of the Vice-Chancellor, LSBU Governors (at the discretion of LSBU) and Independent Governors as Governors of Lambeth; and
- there having been in the sole opinion of LSBU (acting in its absolute discretion) no material adverse change in the financial, operational, education or other position, circumstances or prospects of Lambeth or the College during the Interim Period.

4) Note the approvals journey

5) Note the powers to be given to LSBU in the new Instrument and Articles of Lambeth College (comparison document is attached)

a) Approvals

Following review of the strategic business case, the Board is requested, if it thinks fit, to:

- authorise the Major Projects and Investment Committee to approve the full business case for Project Larch on behalf of the Board (all Board members are invited to the meeting).
- authorise a sub-group of the Board consisting of Jerry Cope (Chair of the Board), Douglas Denham St Pinnock (Chair of the Major Projects and Investment Committee), Andrew Owen (Vice Chair) and Dave Phoenix (Vice Chancellor), with a quorum of three, to give final approval for legal completion of the “TEN model”, subject to being satisfied that the conditions as set out in the Governance Agreement have been met. These are:
 - the adoption by Lambeth of the New Instrument and Articles of Government following the Consultation Exercise;
 - the entry by the parties into the Collaboration Agreement;
 - the resignation of the Resigning Governors;
 - the appointment of the Vice-Chancellor, LSBU Governors (at the discretion of LSBU) and Independent Governors as Governors of Lambeth; and
 - there having been in the sole opinion of LSBU (acting in its absolute discretion) no material adverse change in the financial, operational, education or other position, circumstances or prospects of Lambeth or the College during the Interim Period.

The current planned approvals journey is set out below:

Date	Committee	Purpose
4 May	MPIC	Update on: <ul style="list-style-type: none"> • Key risks; • Showstoppers; • Full Business Case • Summary of changes to Larch’s I&A to move to TEN model

18 May	Board	<p>Update on transaction</p> <p>To approve:</p> <ul style="list-style-type: none"> • Strategic business case; • Summary of changes to Larch's I&A to move to TEN model; • Delegation of authority to MPIC to approve FBC; and • Delegation of authority to Chair of Board, Chair of MPIC, Vice Chair and VC to legally complete transaction following approval by MPIC
25 May	Larch Board	<p>To approve:</p> <ul style="list-style-type: none"> • Change to Instrument and Articles; • Transaction unit application; • Full business case; • Change of Control and Collaboration agreements • Pro forma completion Board minutes <p>To note:</p> <ul style="list-style-type: none"> • DD reports on LSBU • Members of post-transaction Board and appointment process
28 May		Transaction unit application deadline
13 June	<p>"special" MPIC (all governors have been invited)</p>	<p>To approve:</p> <ul style="list-style-type: none"> • FBC; • change of control agreement HoT; • collaboration agreement HoT; • Appointment of members of Lambeth Board and Chair • Pro forma completion Board minutes

		<p>To note:</p> <ul style="list-style-type: none"> • DD reports – finance, pensions, tax, legal, property • Larch estates strategy • New instrument and articles (to be approved by Larch Board on 25 May) • Newco articles • Update on transaction unit submission
16 June (tbc)		<p>Transaction completion date (tbc)</p> <p>Confirm:</p> <ul style="list-style-type: none"> • Conditions precedent have been met • Issue appointment letters
June (tbc)	Larch Board meeting	New composition to cover post-completion matters and to take control
Sept (tbc)		Transaction unit outcome known
Dec 2017/Jan 2018		Move to Group Structure

b) An overview of the vision and rationale for bringing Lambeth College in to the LSBU Group

Creating the South London Innovation District

1.0 Summary

London South Bank University understands the benefits of co-locating high level education and training, translational research and enterprise. It is seeking partners to realise these benefits through the creation of an “Innovation District” in south London, supporting learners, employers; and job and wealth generation. In this context LSBU and Lambeth College are seeking to enter a formal group structure to meet the needs of local learners and employers.

The arrangement recognises the distinctive nature of FE and HE and hence seeks to maintain clear differentiation through two distinct vehicles – the University and the College.

The vision of the University is to become London’s top modern university by being recognised as an enterprising civic university that address real world challenges.

The vision of the College is to be London’s leading Further Education provider offering learners an entrepreneurial, technologically focused learning environment which delivers education and skills aligned to employer needs.

This arrangement recognises too that the creation of an effective Innovation District requires close co-ordination across both originations through a formal group structure with aligned central resources and strategy.

The shared mission of the Group will be the creation of an Innovation District that transforms lives, business and communities through the provision of access to research, enterprise and skill development for individuals, business and the professions.

2.0 Background

Universities and other research institutions are often central to fostering innovation and driving growth in cities. Frequently, this takes place on isolated campuses and in research centres; however, current thinking (for example, that by The Brookings Institution, a public policy organization based in Washington, DC) recommends an alternative model, proposing new “Innovation Districts” that:

“.....facilitate the creation and commercialization of new ideas and support metropolitan economies by growing jobs in ways that leverage their distinct

economic attributes. These districts build on and revalue the intrinsic qualities of cities: proximity, density, authenticity, and vibrant places. Given the proximity of many districts to low-income neighbourhoods and the large number of sub-baccalaureate jobs many provide, their intentional development can be a tool to help connect disadvantaged populations to employment and educational opportunities”. (“The Rise of Innovation Districts” by Bruce Katz and Julie Wagner).

In 2016 the Centre for London published a report entitled: “Spaces to think: Innovation districts and the changing geography of London’s Knowledge Economy” (author Kat Han). This report considers 16 study sites in London covering universities, clusters and nascent innovation districts including London South Bank University (LSBU). It identified LSBU as uniquely offering a zone 1 opportunity in south London to match the major innovation initiatives in north, west and east London at the Crick Institute, UCL West and Imperial East. It also made a series of recommendations, amongst which is that:

“The London Plan should recognise the role played by innovation districts, especially in secondary areas, and incorporate the innovation district model into the London Plan, ensuring that universities and knowledge economy institutions are included in London’s spatial strategy. The Mayor should encourage district-based inward investment strategies as well as sector-focused strategies.”

The report goes on to state that

“Rather than allowing the development of so-called ‘tech-ghettoes’, innovation districts offer an opportunity to democratise innovation and to energise local communities. As such, innovation districts are not just about maintaining London’s knowledge economy, and ensuring the city has the space, skills, and capital required: there must be equal focus on expanding access to skills and employment opportunities across London’s innovation districts, as well as ensuring that the right mechanisms are in place to capture the spill-over benefits of innovation districts.”

London South Bank University is uniquely placed to be the hub of the South London Innovation District.

3.0 Enterprise

In 2016 London South Bank University was announced as the Time Higher Education Entrepreneurial University of the Year. The award citation focused on the number of people engaged in its enterprise activity, the breadth of opportunities on

offer and the depth of employer engagement. This follows many years of commitment and investment in enterprise activity, activity which aligns closely with the concept of innovation districts.

LSBU supporting Enterprise innovation

LSBU's involvement in Enterprise goes back to the creation of the South Bank Technopark on the LSBU campus in 1985 to foster innovation in south London. LSBU Enterprise and Innovation now operates across three sites totaling 35,000 sq ft of incubator space housing over 90 companies which, in 2016, turned over more than £175m and generated over 40 new jobs. Recently, LSBU invested in creating the Clarence Centre for Enterprise and Innovation, a hub for entrepreneurial and innovation activity; and the heart of a community of start-ups, student and graduate entrepreneurs, micro businesses and SMEs. It is a platform for:

- Raising awareness of enterprise and innovation through talks, events and resources;
- Developing an entrepreneurial mind-set through competitions and challenges and advice;
- Specific support for new businesses through dedicated start-up programmes ranging from 3 to 12 months; and
- “Wrap-around” businesses support services delivered using LSBU's own facilities and academic expertise coupled with external practitioners.

Facilities are accessible to staff, students; graduates; tenants and the local community without the need to have a university-enabled pass. In addition, the Centre offers:

- Dedicated conference and events facilities;
- A Legal Advice Clinic, offering free legal advice from LSBU students supervised by academics;
- The Business Solutions Centre offering free business advice from LSBU students supervised by School of Business academics and the Research, Enterprise and Innovation team; and
- Communal space for work and pleasure.

The Clarence Centre is also home to the University's Research, Enterprise and Innovation (REI) team which provides students and businesses with a wide range of enterprise opportunities. In 2014/15 the REI team worked with over 500 external businesses; generated over £2m in funding through external collaborations and delivered nearly 6,000 hours of enterprise learning. Over 5000 students were

supported by Student Enterprise. This approach will be extended to Lambeth giving students in Further Education access to similar opportunities.

LSBU's enterprise activity reaches well beyond its immediate vicinity and involves increasingly close collaboration with its three Local Borough Councils (Lambeth, Lewisham and Southwark) with which it has established collaboration agreements. LSBU and the three boroughs have been selected to participate in "Leading Places", an area based collaboration programme run by the Higher Education Funding Council for England and the Local Government Association. LSBU is also working with Borough Councils on a series of European Funded projects (worth a total of over £6.5m) to support small business growth. LSBU has close working relationships with local Business Improvement Districts. Developments at Lambeth will enable greater levels of business and community engagement in line with this agenda.

New models to support Enterprise Learning

In forming a strategic partnership with Lambeth College we intend to create coordinated facilities that enable this work to be extended through a hub and spoke model. This will have two key purposes:

1. It will support local business in Lambeth and surrounding areas as described above.
2. It will also be used to engage adult learners in entrepreneurial education as outlined above.

We will also though be seeking to launch new programs based on new models of outreach. Funded through the skills budget and/or local councils, these programs will be based around enterprise. Adult learners (students and members of the local community) will pitch business ideas which if supported are then, converted to a product accompanied by mentoring and access to resource.

This innovative approach to teaching and widening participation based around the concept of experiential learning would engage those outside of traditional education and increase their enterprise and learning skills.

This approach would need to be facilitated through the creation of specialist innovation laboratories with evening and weekend access to local learners (both those registered at the College and others from the local community). These laboratories will offer students access to resources and mentors to help them develop their ideas, explore innovative solutions and to develop new products. They will develop valuable career skills and, importantly, the real world experience that employers look for. This innovative approach will for the first time begin to blend the

enterprise support traditionally found in Higher Education with the needs of students seeking access to Further Education and can be aligned with support for core Maths and English skills as laid out in section 2 below.

Innovation laboratories will align with areas of teaching and will initially include:

1. *Creative digital* – multidisciplinary space with a technology based focus supporting future content and story telling;
2. *Advanced Manufacturing* – utilising digital workshop and fabrication facilities; and
3. *Social ventures* – supporting future change agents with the aim of converting ideas into action and aiding viable social change.

4.0 Education and skills

There is a well-established route for those learners who perform well on the academic pathway, which carries them seamlessly from GCSEs to A-levels and into university. This route is often presented as the norm, but in practice it serves little over a third of the 18 year-old age cohort and much less in some areas and in some social groups.

Despite successive reforms to qualifications, funding and institutions, there has been little thought given to creating pathways which meet the needs of the 60%+ who do not follow what too many in government regard as the “traditional” route from school to university. On the academic pathway, the step between Levels 3 and 4 (GCSE and A-Level) is clear and easily navigated. On the technical pathway it is highly complex and often sees learners falling out of education. This is even more so in the case of apprenticeships where those educated whilst they work show worryingly low progression from Level 3 to 4. Just 10.4% of Level 3 apprentices progressed to HE within 3 years according to BIS Research Paper 107 Progression of Apprentices to Higher Education February 2013.

Adopting an Educational Framework

Key to LSBU’s approach is a belief that any Family of Educational Providers needs a shared and underpinning Educational Framework, with all members adopting an aligned pedagogic and curriculum approach. For the LSBU Family, this means providing learners with an individualised and applied learning experience which builds social capital and confidence.

LSBU’s Educational Framework has *four* elements:

1. Providing knowledge;
2. Creating opportunities to apply that knowledge;

3. Generating the confidence to apply it; and
4. Ensuring the knowledge is current to the professional environment into which the learners progress.

Individualised Learning Pathways supporting learners through the Framework, which enable the learners to learn what they need through the right learning approach for them, not an approach which is overly prescriptive.

The Framework and the accompanying Pathways go beyond delivering qualifications. Through programmes of extracurricular activities, exposure to the work place and volunteering, they develop the professional qualities prized by employers – creativity, team-working, leadership, self-motivation – attributes that LSBU summarises as “underlining entrepreneurial development”. This approach will be developed across the core curricula at Lambeth as it is being developed across LSBU.

The distinctive yet highly linked curriculum offer that will be developed as a result of the inclusion of Lambeth College into the LSBU Family will not only support entry into work; but will also provide a clear upward trajectory for community members who have the capacity to continue to engage with higher level skill development and require the bridge from level 3 to 4 to be more evident as they reach the end of their further education programmes. The focus for education and skills will be based around the development of:

- Entrepreneurial focused activity (as described above);
- Technical progression routes in four areas (Health, advanced manufacturing, creative industries and business);
- Work based learning and apprenticeships; and
- Support for access to HE and adult education.

4.1 Technical Progression Routes

There is a desperate shortage of provision and progression routes into and through the badly-needed middle tier of highly skilled technical and professional roles. These are equivalent to Levels 4 and 5 of the national qualifications framework, such as HNCs, HNDs and Foundation degree awards. Instead, most Further Education provision is at Level 2 (GCSE equivalent) and Level 3 (A-level equivalent). As Lord Baker has noted, “*Only 2.4% of [students in FE colleges] get to Level 4. That is an amazing failure because those are the jobs that are needed – Levels 4, 5, 6 and 7*”

are needed more than Levels 2 and 3. That compares very badly with European performances.”¹

For the great majority of young people, and for almost all those already in employment, the available opportunities are limited, with commensurate constraints on educational achievement and social mobility. As a direct consequence of this systemic failure to provide the opportunities and progression routes that would best fit young talent to business needs, “...*too many young people simply drift into further studies or their first job, which often offers no real prospect of progression. The combined effects of this confusion are damaging to the UK’s economy because they mean that the workforce is not being given the skills it needs.*”² Reports from the OECD show that England has some of the lowest levels of literacy and numeracy amongst young people across developed nations and is ranked 28th of 33 countries for intermediate and professional skills.

LSBU and Lambeth College will work together to align curricula and provide career advice and support to students to help them navigate their way through the wide range of technical progression pathways. The areas of focus will be grouped around the following **four** divisions.

4.1.1 Health and wellbeing

Today’s health challenges are complex and interrelated so care delivery models that use a multi-pronged, technology-enabled approach are more likely to yield positive results. Rather than focus on treating health issues, there is a move to more collaborative care models which address behavioural and physical health issues as well as programmes which address social determinants that may improve patient outcomes at lowered costs. This more integrated approach provides the opportunity to look at how work in areas such as sport science and nutrition can help address issues such as, for example, obesity and diabetes alongside programmes that increase access to clinical roles.

There is a growing need to provide additional entry routes, both to meet the demand for clinical nurse specialists and community nurses, and to also address the issues of a workforce which is both ageing and declining in numbers. This is becoming increasingly prevalent in London. When coupled with the pressures facing the social

¹ Lord Baker of Dorking, House of Lords 2016. Polytechnics Debate Column 1550. <https://hansard.parliament.uk/lords/2016-05-05/debates/160505104000508/Polytechnics> [accessed February 2017]

² Overlooked and left behind: improving the transition from school to work for the majority of young people, Select Committee on Social Mobility, HL Paper 120, April 2016

care workforce, which has long suffered from high turnover, skills' shortages and a lack of standardised training, it presents a clear case for the provision of comprehensive, specialist curricula to support future nursing and care staff to work in an integrated system. Such curricula will need to be delivered by both health and social care educators and will need to be supported by placements in integrated care settings.

It can be delivered alongside education for those looking at employment in various public-private providers that aim to address social determinants required for the populations well-being. To adapt to the demands being made of within the sector, healthcare will need not only to look for people to join the workforce but also to enable those staff – both front line clinical staff and support workers - to engage in development and training that prepares them to meet the needs of the NHS, as well as supporting staff to undertake leadership roles.

LSBU has one of the largest health schools in London and is a national leader in contained professional development for health professionals. This expertise and networks will be used to work with Lambeth College and Local Boroughs to look at further developments in this area.

Technical routes delivered:

- **Health and Science**
- **Social care**

4.1.2 Advanced Manufacturing

The Changing role of technology

Technology will play a central role in driving future societal change. Some of the value being created in 2050 will derive from wholly unanticipated breakthroughs but many of the technologies that will transform manufacturing, such as additive manufacturing, are already established or clearly emerging.

Advanced manufacturing is an area where engineering and science interface and is not only leading to the creation of new products but also the way products are being created in a modern world with requirements for a personalized, differentiated, value add approach. Some of the most important pervasive and secondary technologies for example including ICT, sensors, advanced materials, robotics an AI, will collectively facilitate fundamental shifts in how products are designed, made, offered and ultimately used by consumers when integrated into future products and networks.

Mass personalisation of low-cost products, on demand will become the norm. The historic split between cheap mass produced products creating value from economies of scale and more expensive customised products will be reduced across a wide range of product types. Technologies such as additive manufacturing, new materials, computer-controlled tools, biotechnology, and green chemistry will enable wholly new forms of personalisation. Direct customer input to design will increasingly enable companies to produce customised products with the shorter cycle-times and lower costs associated with standardisation and mass production. The producer and the customer will share in the new value created.

The wide range of application areas for most of these technologies means that, for effective and creative exploitation, expertise in the technology itself needs to be augmented by knowledge and understanding of the various application areas, and this means the need for a range of disciplines to be applied.

This can take place through the creation of multi-disciplinary teams, but will inevitably benefit from inter-disciplinary expertise, in particular in smaller companies and teams, where the cost of bringing together a representative from all the relevant disciplines might be prohibitive. While high-level technical skills are central, there has to also be a commitment to assuring an accelerated supply of capable and competent technical support staff. The commitment in the BIS White Paper to a 'technician class' is encouraging, but, with a poor track record of respect for, and initial formation of, technicians in our country, as compared to most continental European countries, making this happen will require considerably greater commitment than in the past.

LSBU has significant strength in engineering (such as robotics and thin film technology) as well as construction and science with strong employer links and specialist facilities. By working with Lambeth College it will be possible to look at a range of specialist programmes based around experiential learning and work like environments covering levels 3-5.

Technical routes include:

- **Construction**
- **Engineering and Manufacturing**
- **Digital**

4.1.3 Creative industries

The creative and cultural economy is acknowledged today as a major and growing part of the global economy. The global market for creative goods and services has enjoyed an unprecedented growth in recent years and this trend is expected to continue well into the future. The UK has the largest creative sector in Europe and one of the largest in the world. According to Government figures released in 2016, the creative industries are worth £84.1 billion per year to the UK economy.

The creative industries lie at the crossroads between creativity, business, and technology. The new Division of Creative Industries, seeks to position itself at the very same crossroads. The Division's mission statement is to bridge the gap between creativity and enterprise, blending creative, cultural, management and business studies to prepare employment-ready graduates that are creative and business-savvy, dynamic and resilient, and who can survive and thrive within the highly competitive environment of the creative economy.

LSBU aims to attract students who envisage an entrepreneurial career in the creative industries (creative advertising, music industry, fashion promotion to start with; potentially other areas such as live events, entertainment, experience management and content management in future). Our students will be motivated to learn how the creative process functions in the industry, how it can be best managed, and how emerging technologies are reshaping existing practices and sectors. Our aim is to produce the future executives in the creative industries sectors, those who will manage and promote creative talent and those who specialise in marketing it. LSBU has recently undertaken a multimillion pound investment in its state of the art facilities to support higher level learning in work based environments around media, sound and digital. By developing facilities to support level 2-3 activity at Lambeth this will enable progression pathways in some of the fastest growing parts of the London economy.

Technical routes will be based around:

- **Digital**
- **Creative and Design**

4.1.4 Business and enterprise

The service industries include the retail sector, the financial sector, the public sector, business administration and cultural activities. In 2016, the service industries accounted for 80% of total UK economic output (Gross Value Added) and accounted for 84% of workforce jobs in December 2016. Business services could create around

1.5 million more jobs by 2025 and become the second biggest services sector, with distribution, hotels and restaurants in third place.

The rise in business services employment has been particularly striking in recent decades, associated partly with outsourcing from other sectors and partly with strong growth in professional areas like law, accounting, consultancy and real estate services. It is also of note that this has gone alongside a general rise in entrepreneurial activity in the UK. For example, the Department for Business, Innovation and Skills (BIS) estimates that the total number of businesses in the UK's private sector has grown from 3.5 million in 2000 to 4.9 million in 2013 – a rise of just over 40% during this period.

It is worth noting that there has also been a marked rise in self-employment in the UK since the late 1970s. The development of new technology means that the opportunity for entrepreneurs and for those in the service industries will lead to growth in productivity moving forward and new opportunities. Underlying strength in enterprise and support of small and micro business by LSBU is described above (section 3). This division will enable development of individuals in a number of service related areas and apply an entrepreneurial approach to delivery in work like environments which is already a feature of much of Lambeth College's existing activity given its focus as a career college.

Technical Routes will be based around:

- **Business and Administrative**
- **Legal, Finance and Accounting**
- **Sales, Marketing and Procurement**
- **Hair and Beauty**

Though not defined as a Technical Route, we would offer Tourism and Leisure pathways to match the considerable local employer demand.

4.2 Life Long Learning

Further Education has traditionally been the safety net for community members who, owing to changing employment patterns, require re training in order to re-enter the workforce. The innovation district will provide opportunities for fast track skill development to adults who, increasingly, will need to keep their portfolio of skills current in order to keep pace with technological changes with the economic environment.

The joint working of Lambeth and LSBU will provide not only curricula to support individual development and access to higher education but also a programme of activities to support the transition of level 3 students to higher education and to LSBU where appropriate. These structures will continue through application, induction, into the first year here and beyond, contributing to improved access, student experience and ultimately performance.

- Our Extended Degrees in Engineering and Business enable students who for whatever reason missed out on a level three qualification to start their journey to higher education at a level appropriate for them. We intend to develop more courses that straddle the traditional level three/four divide in collaboration with Lambeth.
- The University has an ongoing partnership agreement with OCN London, the awarding body for Access courses, which covers all Access Learners from their validated Colleges across London.
- We are working with Pearson's education currently with a view to setting up a similar agreement for BTEC students.

In addition to ESOL, mathematics and English support, the life-long learning division will therefore provide access courses into Higher education in areas such as:

- Engineering, construction, science and technology
- Healthcare
- Business and enterprise
- Media and design
- Law and social science

4.3 Apprenticeships and work based education.

LSBU's new Institute for Professional and Technical Education (IPTE) will provide that gateway. It will smooth the way into part time education for those in work, initially for qualification levels 3-6; and eventually spanning all levels by offering apprenticeships through the wider LSBU Group and beyond. For example, with Degree Apprenticeship Development Funding from HEFCE we are working with FE College partners to develop a series of apprenticeships to meet the needs of the automotive industry and its supply chain.

The IPTE's hub will be our historic Passmore building which will re-open in 2018. Initially, the focus will be on STEM (primarily construction and engineering) and health-related careers, but the aim is to broaden to other professional areas where there are significant local career opportunities, for example in hospitality and management. The institute will provide:

- A gateway for learners on higher and degree apprenticeships and other employer supported programmes
- A one stop shop for employers seeking to get involved in sponsored study
- Careers advice and guidance for local people
- Teaching facilities to supplement access to university technical facilities
- Personal and academic support for learners

The aim will be to utilise this resource to provide a one stop shop for employers and enable Apprenticeships form level 2-7 to be offered and managed across both institutions. Delivery of level 2-3 will be via the college and degree level by the university. We would aim to increase the volume of apprenticeships 5-10 fold over the coming years.

5.0 Access to Research

Much of the UK's investment in research is concentrated on small number of universities. Most companies are small and do not have easy access to the major research institutions. Micro businesses make up 96% of London's businesses and provide employment for 1.45m Londoners; and 17.6% of the London workforce is now self-employed. The focus on LSBU's research activity is on translating high quality research into commercial and social application and impact working closely with companies and other organizations. Its research institutes are built around the key areas of interest of local businesses and organizations. The Innovation District would provide a gateway to help companies to access and apply research outputs from LSBU and other institutions. The aim will be to signpost local stakeholders to sources of research support, through for example use of knowledge transfer partnerships or LSBUs innovation voucher scheme

c) 'Red Line' Risk Summary

Whilst there are risks spanning the transaction and across all aspects of the Full Business Case, the most prominent risks are financial. The current financial business case is weakened, not because of the future viability of the College as an education provider but as a result of poor historic financial control and management.

Based on the analysis and information to date, the following financial conditions would need to be satisfied:

1. The Restructuring Finance application from the SFA to the Transaction Unit must be acceptable to LSBU. The outcome must not put the Group's future financial position at risk. It must not adversely impact the Group's consolidated balance sheet, income and expenditure account, cashflows or bank covenants;
2. Confidence that LSBU Group can achieve a minimum break even position for Larch within 3-5 years;
3. The final agreed estate option must meet the future needs of LSBU and must be self-funding (there must be no additional investment requirement from LSBU);
4. LEP grants and previous DfE grant for Clapham must be written off or paid back by SFA before Jan 2018 and there must be agreement that there can be no future comeback to LSBU in terms of clawback;
5. The transaction must not impact on LSBU pensions categorisation (category B);
6. Larch pension liabilities do not crystallise (i.e. no cessation) and LSBU is not responsible for funding of past pension deficits; and
7. Any liability for historic Lambeth College actions or decision (financial or otherwise) do not result in any liability or exposure to LSBU staff and governors.

d) Instrument and Articles of Lambeth College

As part of the move to the “TEN model”, the Instrument and Articles (I&A) of Lambeth College will be amended to give LSBU the following powers:

- Nomination rights of the three independent governors, who are then appointed by the Lambeth College Board;
- Appointment of up to five “LSBU governors”, i.e. LSBU senior managers or governors
- The Vice Chancellor will be a governor as group accountable officer
- Rights to appoint the Chair of the Board
- LSBU’s consent will be required if the college wished to amend the articles or dissolve itself

The agreed final form comparison document between the current version and the new version is enclosed for information.

Section 5
STATUTORY REGULATIONS

INSTRUMENT AND ARTICLES
OF GOVERNMENT

THE FURTHER AND HIGHER EDUCATION ACT 1992

THE FURTHER EDUCATION CORPORATIONS (FORMER FURTHER EDUCATION COLLEGES) (MODIFICATION OF INSTRUMENTS AND ARTICLES OF GOVERNMENT) ORDER 2012

The Secretary of State for Business, Innovation and Skills makes the following Order in exercise of the powers conferred by section 22(2) and (3) of the Further and Higher Education Act 1992(a). In accordance with section 22(3)(b) of that Act, the Secretary of State has consulted the Chief Executive of Skills Funding and the further education corporations listed in the Schedule to this Order ("the colleges").

1. This Order may be cited as the Further Education Corporations (Former Further Education Colleges) (Modification of Instruments and Articles of Government) Order 2012 and comes into force on 31st March 2012.

2. The Secretary of State orders that the instrument and articles of government(b) of each of the colleges shall be modified as set out in articles 3, 4, 5, 6 and 7.

Amendments to the Instrument of Government

3-(1). Omit clause 11(1) and renumber the following paragraphs accordingly.

(2) Substitute "paragraph (2)" for "paragraph (3)", wherever those words appear.

4. Omit clause 18.

Amendments to the Articles of Government

5. After article 3(1)(a) insert—

" (aa) publishing arrangements for obtaining the views of staff and students on the determination and periodic review of the educational character and mission of the institution and the oversight of its activities;".

6. Omit article 12(6).

7. After article 24 insert—

" Modification or replacement of the Instrument and Articles of Government

25.-(1) Subject to paragraph (2), the Corporation may by resolution of the members modify or replace its instrument and articles of government, after consultation with any other persons who, in the Corporation's view, are likely to be affected by the proposed changes.

(2) The Corporation shall not make changes to the instrument or articles of government that would result in the body ceasing to be a charity.

Dissolution of the Corporation

26.-(1) The Corporation may by resolution dissolve itself and provide for the transfer of its property, rights and liabilities.

(a) 1992 c.13; subsection (2) was amended by paragraph 23 of Schedule 9 to the Learning and Skills Act 2000 (c.21).

(b) Prescribed by S.I. 2008/3084 for Leeds City College; by S.I. 2008/50 for The Manchester College; by S.I. 2008/1734 for South Staffordshire College; and by S.I. 2011/ 2975 for the South Gloucestershire and Stroud College. Prescribed separately by local order for Salford City College; Hilderstone College; and Redcar and Cleveland College. For all the other further education corporations, prescribed by the Further Education Corporations (Former Further Education Colleges) (Replacement of Instruments and Articles of Government) Order 2007, a local order which came into force on 1st January 2008.

(2) The Corporation shall ensure that a copy of the draft resolution to dissolve the corporation on a specified date shall be published at least one month before the proposed date of such resolution."

30 March 2012

Deputy Director
FE & Skills System Relationship Management Unit
Department for Business, Innovation & Skills

SCHEDULE 1 INSTRUMENT OF GOVERNMENT

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1. Interpretation of the terms used

In this Instrument of Government: and the Articles of Government:

- ~~a) any reference to 'the Principal' shall include a person acting as Principal;~~
a) 'the Articles' means the Articles of Government;
b) 'Chair' and 'Vice-Chair' mean respectively the Chair and Vice-Chair of the Corporation appointed under clause 6 of the Instrument of Government;
~~b)c) 'the Clerk' means the Clerk to the Corporation;~~
d) 'Conflict of Interest' means any Interest of a Governor that conflicts, or may conflict, with the interests of the Corporation and includes a conflict of interest and duty and a conflict of duties;
e) 'Controlled' means:
i. a Subsidiary Company; or
ii. any other entity in which the University has the right to exercise more than 50% of the voting rights; or
iii. any other entity in which the University has a right to nominate more than 50% of the trustees, governors or directors.
~~e)f) 'the Corporation' means any further education corporation to which this Instrument applies;~~
~~e)g) 'the institution' means the institution which the Corporation is established to conduct and any institution for the time being conducted by the Corporation in exercise of its powers under the Further and Higher Education Act 1992;~~
h) 'this Governor' means a member of the Corporation;
~~e)i) 'the Instrument' means this Instrument of Government;~~
~~f) 'the CE of Skills Funding' means the Chief Executive of Skills Funding;~~
j) 'Interest' means any direct or indirect interest (and includes any interest a Governor may have as a consequence of any duty he or she may owe to any other person);
~~g)k) 'meeting' includes a meeting at which the ~~members~~Governors attending are present in more than one room, provided that ~~by the use of video-conferencing facilities~~ it is possible for every person present at the meeting to communicate with each other; (including by video-conference or telephone conference);~~
~~h)l) 'necessary skills' means skills and experience, other than professional qualifications, specified by the Corporation as appropriate for ~~members~~Governors to have;~~
m) 'staff member' ~~the Principal~~ means any person who is undertaking the role of Principal or CEO in respect of the institution who shall be appointed by the University (unless such appointment is specifically delegated to the Corporation by the University) and 'student member' who may be but need not be employed by the University;
n) 'Relevant Matter' means a transaction or arrangement between the Corporation and the University (or, where relevant, another entity Controlled by the University) or any other situation or matter which relates to the relationship between the Corporation and the University (or, where relevant, another entity Controlled by the University);
~~i)o) 'Staff Governor' and 'Student Governor' have the meanings given to them in clause 2;~~
~~j) 'the previous Instrument of Government' means the Instrument of Government relating to the Corporation which had effect immediately before 1st January 2008;~~
~~k)p) 'the Secretary of State' means the Secretary of State for ~~Business, Innovation and Skills~~Education;~~
q) 'senior post' means such senior posts employed by the Corporation as the Corporation may decide for the purposes of the Articles of Government;
r) 'staff' means all the staff who have a contract of employment with the Corporation (which does not include any individual who is employed directly by the University);
s) 'staff matters' means the remuneration, conditions of service, promotion, conduct, suspension, dismissal or retirement of staff; n) 'the students' union'
~~h)t) 'students union' means any association of students formed to further the educational purposes of the institution and the interests of students, as students;~~
u) 'Subsidiary Company' means any company in which the University holds:
i. more than 50% of the shares; or
ii. more than 50% of the voting rights attached to the shares; or
iii. the right to appoint one or more of the directors.
v) 'University' means London South Bank University;

~~m)w)~~ a 'variable category' means any category of ~~members~~Governors whose numbers may vary according to clauses 2 and 3.

2. Composition of the Corporation

2.1 ~~Subject to the transitional arrangements set out in clause 4, the~~The Corporation shall consist of:

- a) ~~external members at least two and no more than three~~ Governors who:
- appear to the ~~Corporation~~University to have the necessary skills and experience to ensure that the Corporation carries out its functions under article 3 of the Articles of Government; ~~(and taking account of the need to ensure continuity of Governorship of the Corporation); and~~
 - ~~the Principal are independent of the institution, unless~~ University being neither Governors nor staff of the University who shall be nominated by the Principal chooses not University and approved and appointed by the Corporation in accordance with clause 5.1 ("Independent Governors");
- b) the Vice Chancellor of the University ex officio ("Vice Chancellor") provided that he or she is willing to be act as a member Governor;
- c) up to five individuals (at least the discretion of the University in accordance with clause 3.1) who are either governors of the University or members of the senior management team of the University and who are appointed and removed by the University;
- e)d) one member Governor who is a member of the institution's staff and has a contract of employment with the institution Corporation and who has been nominated and elected as set out in paragraphs (3), (4) or (5) ('staff members' clause 2.3 below ('Staff Governor')); and
- d)e) ~~at least one member Governor enrolled as a student at the institution and has been nominated and elected by their fellow students, or if the Corporation so decides, by a recognised association representing such the students ('student members' union ('Student Governor')).~~

2.2 A person who is not for the time being enrolled as a student at the institution, shall nevertheless be treated as a student during any period of authorised absence from the institution for study or travel.

2.3 ~~Where the Corporation has decided or decides that there is to be one staff member; the~~ member The Staff Governor may be a member of the academic staff or the non-academic staff and shall be nominated and elected by all staff.

~~2.4 Where the Corporation has decided or decides that there are to be two staff members:~~

- a) ~~one may be a member of the academic staff, nominated and elected only by academic staff; and the other may be a member of the non-academic staff, nominated and elected only by non-academic staff, or~~
- b) ~~each may be a member of the academic or non-academic staff, nominated and elected by all staff.~~

~~2.5 Where the Corporation has decided that there are to be three staff members:~~

- a) ~~all may be members of the academic or non-academic staff, nominated and elected by all staff;~~
- b) ~~one may be a member of the academic or the non-academic staff, nominated and elected by all staff, one may be a member of the academic staff, nominated and elected by academic staff only, and one may be a member of the non-academic staff nominated and elected by non-academic staff only;~~
- c) ~~two may be members of the academic staff, nominated and elected by academic staff only, and one may be a member of the non-academic staff, nominated and elected by non-academic staff only, or~~
- d) ~~one may be a member of the academic staff, nominated and elected by academic staff only, and two may be members of the non-academic staff, nominated and elected by non-academic staff only.~~

~~2.6 The appointing authority, as set out in clause 5, will decide whether a person is eligible for nomination, election and appointment as a member of the Corporation under paragraph (1).~~

3. Determination of ~~membership~~Governor numbers

~~3.1 Subject to paragraph (2) and the transitional arrangements in clause 4, the~~
The number of ~~members~~Governors of the Corporation, and the number of ~~members~~Governors of each variable category shall be that decided by the ~~Corporation in the most recent determination made under the previous Instrument of Government.~~

~~3.2 The Corporation may at any time vary the determination referred to in paragraph (1) and any subsequent determination under this paragraph provided that:~~

~~a) the number of members of the Corporation shall be determined by the Corporation; and~~

~~3.3.1 the numbers of members of each variable category shall be~~University subject to the limit which applies to that category set out in ~~Clause 2~~requirements of this Instrument.

~~3.4.2~~ No determination under this clause shall terminate the appointment of any person who is already a ~~member~~Governor of the Corporation at the time when the determination is made.

4. ~~Transitional arrangements~~[Not used]

~~Where, following the last determination under the previous Instrument of Government, the membership of the Corporation does not conform in number to that determination:~~

~~a) nothing in clauses 2 and 3 of this Instrument shall require the removal of members where the previous Instrument would not have required their removal; but~~

~~b) the Corporation shall ensure that any new appointments are made so that its composition conforms to the determination as soon as possible.~~

5. Appointment of the ~~members~~Governors of the Corporation

~~5.1 Subject to paragraph (2) the Corporation~~The University is the appointing authority in relation to the appointment of ~~its members~~the Governors of the Corporation, except in relation to Independent Governors appointed in accordance with clause 2.1(a) above for whom the Corporation is the appointing authority following nomination by the University.

5.2 If the number of ~~members~~Governors falls below the number needed for a quorum, the Secretary of State is the appointing authority in relation to the appointment of those ~~members~~Governors needed for a quorum.

5.3 The University, as the relevant appointing authority, may decline to appoint a person as a ~~parent, staff~~Staff Governor or ~~student member~~Student Governor if:

(a) it is satisfied that the person has been removed from office as a ~~member~~Governor of a further education corporation in the previous ten years; or

- (b) the appointment of the person would contravene any rule or bye-law made under article 23 of the Articles of Government concerning the number of terms of office which a person may serve, ~~provided that such rules or bye-laws make the same provision for each category of members appointed by the appointing authority;~~ (which for the avoidance of doubt shall not apply to ex officio Governors); or
- (c) the person is ineligible to be a ~~member~~Governor of the ~~corporation~~Corporation because of clause 8.
- 5.4 The ~~corporation~~University may use the power to suspend a ~~member under clause 5.1 of the instrument~~Governor where the ~~member~~Governor is ill or there is some financial or other concern (such as pending investigation, criminal prosecution or disciplinary proceedings) that in the ~~Corporations~~Corporation's view may impact upon the suitability of the person to be a ~~Corporation member~~Governor. The decision to suspend should not be regarded as a punishment but as a neutral act intended to protect the ~~College's~~institution's reputation and/or to ensure it can properly exercise its powers and discharge its legal duties to internal and external stakeholders. The ~~Corporation~~University will undertake such steps to consider the concern as ~~they consider~~it considers appropriate.
- 5.5 Where the office of any ~~member~~Governor becomes vacant the relevant appointing authority shall as soon as practicable take all necessary steps to appoint a new ~~member~~Governor to fill the vacancy, except where a retiring Governor was appointed by the University pursuant to clause 2.1(c) and as such the University has discretion as to whether it replaces that Governor.
- ~~5.6—The~~ Student ~~member(s)~~Governor must be enrolled at the ~~College~~institution as ~~students;~~employment a student. A student who is also employed by the ~~college~~institution, e.g. as an apprentice, and/or in part time work at the ~~College,~~doesinstitution.
- ~~5.7.6~~ is not ~~preclude an enrolled student~~precluded from being appointed as a Student Governor.
- ## 6. Appointment of the Chair and Vice-Chair
- 6.1 The ~~members of the Corporation~~University shall appoint a Chair and a Vice-Chair from among ~~themselves~~the Governors.
- 6.2 ~~Neither the Principal nor any staff or student member~~No Staff Governor or Student Governor shall be eligible to be appointed as Chair or Vice-Chair or to act as Chair in their absence.
- 6.3 If both the Chair and the Vice-Chair are absent from any meeting of the Corporation, the ~~members~~Governors present shall choose someone from among themselves to act as Chair for that meeting.
- 6.4 The Chair and Vice-Chair shall hold office for such period as the ~~Corporation~~University decides.
- 6.5 The Chair or Vice-Chair may resign from office at any time by giving notice in writing to the Clerk. The Clerk shall immediately inform the University.
- 6.6 If the ~~Corporation~~University is satisfied that the Chair is unfit or unable to carry out the functions of office, it may give written notice, removing the Chair from office and the office shall then be vacant.
- 6.7 If the ~~Corporation~~University is satisfied that the Vice-Chair is unfit or unable to carry out the functions of office, it may give written notice, removing the Vice-Chair from office and the office shall then be vacant.
- 6.8 ~~At~~Prior to the last meeting before the end of the term of office of the Chair, or ~~at~~before the first meeting following the Chair's resignation or removal from office, the ~~members~~University shall appoint a replacement from among ~~themselves~~the Governors.

- 6.9 ~~At~~Prior to the last meeting before the end of the term of office of the Vice-Chair, or ~~at~~before the first meeting following the Vice-Chair's resignation or removal from office, the ~~members~~University shall appoint a replacement from among ~~themselves~~the Governors.
- 6.10 At the end of their respective terms of office, the Chair and Vice-Chair shall be eligible for reappointment.

~~Paragraph (~~

- 6.11 ~~Clause 6.10)~~ is subject to any rule or bye-law made by the Corporation under article 23 of the Articles of Government concerning the number of terms of office which a person may serve.

7. Appointment of the Clerk to the Corporation

- 7.1 The Corporation shall appoint a person to serve as its Clerk, but the Principal or Vice Chancellor may not be appointed as Clerk.
- 7.2 In the temporary absence of the Clerk, the Corporation shall appoint a person to serve as a temporary Clerk, but the Principal or Vice Chancellor may not be appointed as temporary Clerk.
- 7.3 Any reference in this Instrument to the Clerk shall include a temporary Clerk appointed under ~~paragraph (2)~~clause 7.2.
- 7.4 Subject to clause 14, the Clerk shall be entitled to attend all meetings of the Corporation and any of its committees.
- 7.5 The Clerk may also be a member of staff at the institution or University.

8. Persons who are ineligible to be ~~members~~Governors

- 8.1 No one under the age of 18 years may be a ~~member~~Governor, except as a ~~student member~~Student Governor.
- 8.2 The Clerk may not be a ~~member~~Governor.
- 8.3 Subject to ~~paragraphs (clauses 8.6) and (8.7)~~, a person shall be disqualified from holding, or from continuing to hold, office as a ~~member~~Governor, if that person has been adjudged bankrupt or is the subject of a bankruptcy restrictions order, an interim bankruptcy restrictions order or a bankruptcy restrictions undertaking within the meaning of the Insolvency Act 1986, or if that person has made a composition or arrangement with creditors, including an individual voluntary arrangement.
- 8.4 Where a person is disqualified by reason of having been adjudged bankrupt or by reason of being the subject of a bankruptcy restrictions order, an interim bankruptcy restrictions order or a bankruptcy restrictions undertaking, that disqualification shall cease:
- on that person's discharge from bankruptcy, unless the bankruptcy order has before then been annulled; or
 - if the bankruptcy order is annulled, at the date of that annulment; or
 - if the bankruptcy restrictions order is rescinded as a result of an application under section 375 of the Insolvency Act 1986, on the date so ordered by the court; or
 - if the interim bankruptcy restrictions order is discharged by the court, on the date of that discharge; or
 - if the bankruptcy restrictions undertaking is annulled, at the date of that annulment.
- 8.5 Where a person is disqualified by reason of having made a composition or arrangement with

creditors, including an individual voluntary arrangement, and then pays the debts in full, the disqualification shall cease on the date on which the payment is completed and in any other case it shall cease on the expiration of three years from the date on which the terms of the deed of composition, arrangement or individual voluntary arrangement are fulfilled.

8.6 Subject to ~~paragraph (clause 9), below~~, a person shall be disqualified from holding, or from continuing to hold, office as a ~~member~~Governor if:

- a) within the previous five years that person has been convicted, whether in the United Kingdom or elsewhere, of any offence and has received a sentence of imprisonment, whether suspended or not, for a period of three months or more, without the option of a fine; or
- b) within the previous twenty years that person has been convicted as set out in sub-paragraph (a) and has received a sentence of imprisonment, whether suspended or not, for a period of more than two and a half years; ~~or~~
- c) that person has at any time been convicted as set out in sub-paragraph (a) and has received a sentence of imprisonment, whether suspended or not, of more than five years; or
- d) he or she is unsuitable to have access to children or vulnerable adults for any other reason in the opinion of the University.

8.7 For the purpose of this regulation there shall be disregarded any conviction by or before a court outside the United Kingdom for an offence in respect of conduct which, if it had taken place in the United Kingdom, would not have constituted an offence under the law then in force anywhere in the United Kingdom.

8.8 Upon a ~~member~~Governor of the Corporation becoming disqualified from continuing to hold office under ~~paragraphs (clause 5) or (this clause 8)~~, the ~~member~~Governor shall immediately give notice of that fact to the Clerk. The Clerk shall immediately inform the University.

9. The term of office of a ~~member~~Governor

9.1 A ~~member~~Governor of the Corporation shall hold and vacate office in accordance with the terms of the appointment, but the length of the term of office shall not exceed four years except for any ex officio role.

9.2 ~~Members~~Governors retiring at the end of their term of office shall be eligible for reappointment, and clause 5 shall apply to the reappointment of a ~~member~~Governor as it does to the appointment of a ~~member~~Governor.

9.3 ~~Members~~Governors are set a maximum of two terms of office. ~~Paragraph (except for~~ Governors appointed under clause 2) 1(c) who may continue to serve consecutive terms of office for so long as they remain a governor of the University or a senior staff member of the University. Clause 9.2 is subject to any rule or bye-law made by the Corporation under article 23 of the Articles of Government concerning the number of terms of office which a person may serve.

10. Termination of ~~membership~~office of a Governor

10.1 A ~~member~~Governor may resign from office at any time by giving notice in writing to the Clerk. The Clerk shall immediately inform the University.

10.2 If at any time the ~~Corporation~~University is satisfied that any ~~member~~Governor:

- a) is unfit or unable to discharge the functions of a ~~member~~Governor; or
- b) has been absent from meetings of the Corporation for a period longer than six consecutive months without the permission of the Corporation, ~~the Corporation may by notice in writing to that member remove the member from office and the office shall then be vacant. or the~~ University; or

~~Any person who is a member~~in the case of the Corporation by virtue of being a member of a Governor appointed under 2.1(c), for any other reason the ~~staff at~~University may by notice in writing to that Governor remove the institution, including ~~Governor from office and~~ the ~~Principal~~office shall then be vacant.

10.3 The Vice Chancellor shall cease to hold office upon ceasing to be Vice Chancellor of the University.

~~10.3~~10.4 A Staff Governor shall cease to hold office upon ceasing to be a member of the staff and the office shall then be vacant.

~~10.4~~10.5 A student member~~Student Governor~~ shall cease to hold office:

- a) at the end of the student's final academic year, or at such other time in the year after ceasing to be a student as the Corporation may decide; or
- b) if expelled from the institution,

and the office shall then be vacant.

11. Members not to hold interests in matters relating to the institution

~~11.1 1 A member to whom paragraph (2) applies shall:~~

~~10.6 disclose to the Corporation~~A Governor appointed under clause 2.1 (c) shall cease to be a Governor on ceasing to be a governor or member of the senior management team of the University.

11. Conflicts of interest

~~11.2~~11.1 A Governor who has or may have a Conflict of Interest shall declare the nature and extent of ~~the interest; and~~such an Interest to the Corporation.

- ~~a) if present at a meeting of the Corporation, or of any of its committees, at which such supply, contract or other matter as is mentioned in paragraph (2) is to be considered, not take part in the consideration or vote on any question with respect to it and not be counted in the quorum present at the meeting in relation to a resolution on which that member is not entitled to vote; and~~
- ~~b) withdraw, if present at a meeting of the Corporation, or any of its committees, at which such supply, contract or other matter as is mentioned in paragraph (2) is to be considered, where required to do so by a majority of the members of the Corporation or committee present at the meeting.~~

~~11.3 This paragraph applies to a member who:~~

- ~~a) has any financial interest in:
 - ~~i) the supply of work to the institution, or the supply of goods for the purposes of the institution;~~
 - ~~ii) any contract or proposed contract concerning the institution; or~~
 - ~~iii) any other matter relating to the institution; or~~~~
- ~~b) has any other interest of a type specified by the Corporation in any matter relating to the institution.~~

11.2 Subject to clauses 11.3, 11.7 and 14.5, a Governor who has or may have a Conflict of Interest in relation to any transaction, arrangement or matter relating to the Corporation shall:

- a) withdraw from the meeting or that part of the meeting to which his/her Conflict of Interest relates;
- b) not count in the quorum for that part of the meeting to which his/her Conflict of Interest is discussed; and

c) withdraw from the vote in relation to any matter that his or her Conflict of Interest relates.

11.3 Clause 11.2 shall not apply where:

a) the Conflict of Interest relates to a Relevant Matter and the Governor concerned is:

i. not a governor of the University or, where relevant, a governor, director or trustee of any entity Controlled by the University; or

ii. has not voted in respect of the Relevant Matter as a governor of the University or, where relevant, as a governor, director or trustee of any entity Controlled by the University; or

b) subject to clause 11.5, the Governors having no Conflict of Interest have authorised the Governor concerned to attend the meeting, count in the quorum and vote having decided it would be in the best interests of the Corporation to allow this.

11.4 For the avoidance of doubt and in accordance with clause 12.6, a Governor shall at all times act in the best interests of the Corporation including where he or she has a Conflict of Interest and is authorised to vote under clause 11.3.

11.5 Governors having no Conflict of Interest may only authorise a Governor with a Conflict of Interest to attend a meeting, count in the quorum and vote where the Governor with a Conflict of Interest has no personal financial interest in relation to that transaction, arrangement or matter.

~~11.4~~11.6 This clause shall not prevent the ~~members~~Governors considering and voting upon proposals for the Corporation to insure them against liabilities incurred by them arising out of their office or the Corporation obtaining such insurance and paying the premium.

~~11.5~~11.7 Where the matter under consideration by the Corporation or any of its committees relates to the pay and conditions of all staff, or all staff in a particular class, a staff member:

~~a) need not disclose a financial interest; and~~

~~b)~~a) may take part in the consideration of the matter, vote on any question with respect to it and count towards the quorum present at that meeting, provided that in so doing, the staff member acts in the best interests of the Corporation as a whole and does not seek to represent the interests of any other person or body, but

~~e)~~b) shall withdraw from the meeting if the matter is under negotiation with staff and the staff member is representing any of the staff concerned in those negotiations.

~~11.6~~11.8 The Clerk shall maintain a register of the interests of the ~~members~~Governors which have been disclosed and the register shall be ~~made available during normal office hours at provided to~~ the ~~institution to any person wishing to inspect it~~University.

12. Meetings

12.1 The Corporation shall meet at least once in every term, ~~and~~subject to a minimum of 4 meetings in each calendar year. The Corporation shall hold such ~~other~~further meetings as may be necessary.

12.2 Subject to ~~paragraphs (clauses 12.4) and (12.5)~~ and to clause ~~13(4)~~, 13.4, all meetings shall be called by the Clerk, who shall, at least seven calendar days before the date of the meeting, send to the ~~members of the Corporation~~Governors written notice of the meeting and a copy of the proposed agenda.

12.3 If it is proposed to consider at any meeting the remuneration, conditions of service, conduct, suspension, dismissal or retirement of the Clerk, the Chair shall, at least seven calendar days before the date of the meeting, send to the ~~members~~Governors a copy of the agenda item concerned, together with any relevant papers.

12.4 A meeting of the Corporation, called a 'special meeting', may be called at any time by the Chair or at the request in writing of any five ~~members~~Governors.

12.5 Where the Chair, or in the Chair's absence the Vice-Chair, decides that there are matters requiring urgent consideration, the written notice convening the special meeting and a copy of the proposed agenda may be given within less than seven calendar days.

12.6 Every ~~member~~Governor shall act in the best interests of the Corporation and shall not be bound to speak or vote by mandates given by any other body or person.

13. Quorum

13.1 Meetings of the Corporation shall be quorate if ~~the number of members present is at least 40% of the number of currently appointed members~~at least three Governors are present, including at least one Independent Governor.

13.2 If the number of ~~members~~Governors present for a meeting of the Corporation does not constitute a quorum, the meeting shall not be held.

13.3 If during a meeting of the Corporation there ceases to be a quorum, the meeting shall be terminated at once.

13.4 If a meeting cannot be held or cannot continue for lack of a quorum, the Chair may call a special meeting as soon as it is convenient.

14. Proceedings of meetings

14.1 Every question to be decided at a meeting of the Corporation shall be decided by a majority of the votes cast by ~~members~~Governors present and entitled to vote on the question.

14.2 Where, at a meeting of the Corporation, there is an equal division of votes on a question to be decided, the Chair of the meeting shall have a second or casting vote.

14.3 A ~~member~~Governor may not vote by proxy or by way of postal vote.

14.4 No resolution of the ~~members~~Governors may be rescinded or varied at a subsequent meeting unless consideration of the rescission or variation is a specific item of business on the agenda for that meeting.

14.5 Except as provided by procedures made pursuant to article 16 of the Articles of Government, a ~~member~~Governor of the Corporation who is a member of staff at the institution, ~~including the Principal~~, shall withdraw:

a) from that part of any meeting of the Corporation, or any of its committees, at which staff matters relating solely to that member of the staff, as distinct from staff matters relating to all members of staff or all members of staff in a particular class, are to be considered;

b) from that part of any meeting of the Corporation, or any of its committees, at which that ~~member's~~Governor's reappointment or the appointment of that ~~member's~~Governor's successor is to be considered;

c) from that part of any meeting of the Corporation, or any of its committees, at which the matter under consideration concerns the pay or conditions of service of all members of staff, or all members of staff in a particular class, where the member of staff is acting as a representative (whether or not on behalf of a recognised trade union) of all members of staff or the class of staff (as the case may be); and

d) if so required by a resolution of the other ~~members~~Governors present, from that part of any meeting of the Corporation or any of its committees, at which staff matters relating to any member of staff holding a post senior to that ~~member's~~Governor's are to be considered, except those relating to the pay and conditions of all staff or all staff in a particular class.

- 14.6 ~~A~~The Principal ~~who has chosen not to be a member of the Corporation~~ shall ~~still~~ be entitled to attend and speak, or otherwise communicate, at all meetings of the Corporation and any of its committees, except that the Principal shall withdraw in any case where the Principal ~~would be~~ is required to withdraw ~~under paragraph (5)~~ by majority vote of the Corporation.
- 14.7 A ~~student member~~Student Governor who is under the age of 18 shall not vote at a meeting of the Corporation, or any of its committees, on any question concerning any proposal:
- for the expenditure of money by the Corporation; or
 - under which the Corporation, or any ~~members~~Governors of the Corporation, would enter into any contract, or would incur any debt or liability, whether immediate, contingent or otherwise.
- 14.8 Except as provided by rules made under article ~~18 (3)~~18.3 of the Articles of Government relating to appeals and representations by students in disciplinary cases, a ~~student member~~Student Governor shall withdraw from that part of any meeting of the Corporation or any of its committees, at which a student's conduct, suspension or expulsion is to be considered.
- 14.9 In any case where the Corporation, or any of its committees, is to discuss staff matters relating to a member or prospective member of staff at the institution, a ~~student member~~Student Governor shall:
- take no part in the consideration or discussion of that matter and not vote on any question with respect to it; and
 - where required to do so by a majority of the ~~members~~Governors, other than ~~student members~~the Student Governor, of the Corporation or committee present at the meeting, withdraw from the meeting.
- 14.10 The Clerk:
- shall withdraw from that part of any meeting of the Corporation, or any of its committees, at which the Clerk's remuneration, conditions of service, conduct, suspension, dismissal or retirement in the capacity of Clerk are to be considered; and
 - where the Clerk is a member of staff ~~at the institution~~, the Clerk shall withdraw in any case where a ~~member~~Governor of the Corporation is required to withdraw under ~~paragraph (clause~~ 14.5).
- 14.11 If the Clerk withdraws from a meeting, or part of a meeting, of the Corporation under ~~paragraph (clause 14.10)~~, the Corporation shall appoint a person from among themselves to act as Clerk during this absence.
- 14.12 If the Clerk withdraws from a meeting, or part of a meeting, of a committee of the Corporation, the Corporation shall appoint a person from among themselves to act as Clerk to the committee during this absence.
- ## 15. Minutes
- 15.1 Written minutes of every meeting of the Corporation shall be prepared, and, subject to ~~paragraph (2)~~, clause 15.2, at every meeting of the Corporation the minutes of the last meeting shall be taken as an agenda item.
- 15.2 ~~Paragraph (Clause 15.1)~~ shall not require the minutes of the last meeting to be taken as an agenda item at a special meeting, but where they are not taken, they shall be taken as an agenda item at the next meeting which is not a special meeting.
- 15.3 Where minutes of a meeting are taken as an agenda item and agreed to be accurate, those minutes shall be signed as a true record by the Chair of the meeting.

15.4 Separate minutes shall be taken of those parts of meetings from which ~~staff members~~Staff Governors, the Principal, ~~student members~~Student Governor or the Clerk have withdrawn from a meeting in accordance with clause 14~~(5), (14.6), (14.8), (14.9)~~ or ~~(14.10)~~ and such persons shall not be entitled to see the minutes of that part of the meeting or any papers relating to it.

16. Public access to meetings

16. The Corporation shall decide any question as to whether a person should be allowed to attend any of its meetings where that person is not a ~~member, the Clerk~~Governor or the ~~Principal~~Clerk and in making its decision, it shall give consideration to clause 17~~(2)~~.

17. Publication of minutes and papers

17.1 ~~Subject to paragraph (2), the~~ The Corporation shall ~~ensure that a copy~~make by laws under article 23 of the Articles of Government relating to the publication of:

- a) the agenda for every meeting of the Corporation;
- ~~b) the draft minutes of every such meeting, if they have been approved by the Chair of the meeting;~~
- ~~e)~~b) the signed minutes of every such meeting; and
- ~~d)~~c) any report, document or other paper considered at any such meeting.

~~shall as soon as possible be made available during normal office hours at the institution to any person wishing to inspect them.~~

17.2 There shall be excluded from any item made available for inspection to any person not being a Governor or the University any material relating to:

- a) a named person employed at or proposed to be employed at the institution;
- b) a named student at, or candidate for admission to, the institution;
- c) the Clerk; or
- d) any matter which, by reason of its nature, the Corporation is satisfied should be dealt with on a confidential basis.

~~17.3 The Corporation shall ensure that a copy of the draft or signed minutes of every meeting of the Corporation, under paragraph (1), shall be placed on the institution's website, and shall, despite any rules the Corporation may make regarding the archiving of such material, remain on its website for a minimum period of 12 months.~~

~~17.4 The Corporation shall review regularly all material excluded from inspection under paragraph (2)(d) and make any such material available for inspection where it is satisfied that the reason for dealing with the matter on a confidential basis no longer applies, or where it considers that the public interest in disclosure outweighs that reason.~~

18. Copies of the Instrument of Government

A copy of this Instrument shall be given free of charge to every ~~member~~Governor of the Corporation and at a charge not exceeding the cost of copying or free of charge to any other person who so requests a copy, and shall be available ~~for inspection at the institution~~ upon request, during normal office hours, to every member of staff and every student.

19. Change of name of the Corporation

The Corporation may change its name with the approval of the Secretary of State.

20. Application of the seal

The application of the seal of the Corporation shall be authenticated by:

- a) the signature of either the Chair or of some other member authorised either generally or specially by the Corporation to act for that purpose; and
 - b) the signature of any other member.
-

~~SCHEDULE 2-~~

ARTICLES OF GOVERNMENT

CONTENTS

1. Interpretation of the terms used
2. Conduct of the institution
3. Responsibilities of the Corporation, the Principal and the Clerk
4. The establishment of committees and delegation of functions generally
5. The ~~search~~[academic standards, quality and student experience](#) committee
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20. Co-operation with the ~~CE of Skills Funding's~~ [Funding Agency's](#) auditor
21. Internal audit
22. Accounts and audit of accounts
23. Rules and bye-laws
24. Copies of Articles of Government and rules and bye-laws
25. Modification or replacement of the Instrument and Articles of Government

26. Dissolution of the Corporation

[27. Obligations of University](#)

1. Interpretation of the terms used

In these Articles of Government:

- ~~a) any reference to 'the Principal' all terms shall include a person acting as Principal;~~
- ~~b) 'the Articles' means these Articles of Government;~~
- ~~c) 'Chair' and 'Vice Chair' mean respectively the Chair and Vice Chair of the Corporation appointed under clause 6 of the Instrument of Government;~~
- ~~d) 'the Clerk' has have the same meaning as in the Instrument of Government;
'the Corporation' has the same meaning as unless otherwise defined in the Instrument of Government; these Articles.~~
- ~~e) 'the CE of Skills Funding' means the Chief Executive of Skills Funding;~~
- ~~f) 'parent member', 'staff member' and 'student member' have the same meanings as in the Instrument of Government;~~
- ~~g) 'the Secretary of State' means the Secretary of State for Business, Innovation and Skills;~~
- ~~h) 'senior post' means the post of Principal and such other senior posts as the Corporation may decide for the purposes of these Articles;~~
- ~~i) 'the staff' means all the staff who have a contract of employment with the institution;~~
- ~~j) 'the students' union' has the same meaning as in the Instrument of Government.~~

2. Conduct of the institution

The institution shall be conducted in accordance with the provisions of the Instrument of Government, these Articles, any rules or bye-laws made under these Articles and any trust deed regulating the institution.

3. Responsibilities of the Corporation, the Principal, Vice Chancellor and the Clerk

3.1 The Corporation shall be responsible for the following functions:

- a) the determination and periodic review of the educational character and mission of the institution and the oversight of its activities;
~~publishing arrangements for obtaining the views of staff and students on the determination and periodic review of the educational character and mission of the institution and the oversight of its activities;~~
- b) approving the quality strategy of the institution;
- c) the effective and efficient use of resources, the solvency of the institution and the Corporation and safeguarding their assets;
- d) approving annual estimates of income and expenditure;
- e) the appointment, grading, suspension, dismissal and determination of the pay and conditions of service of the holders of senior posts and the Clerk, including, where the Clerk is, or is to be appointed as, a member of staff, the Clerk's appointment, grading, suspension, dismissal and determination of pay in the capacity of a member of staff; and
- f) setting a framework for the pay and conditions of service of all other staff.

3.2 Subject to the responsibilities of the Corporation, the Principal shall be the Chief Executive of the institution, and shall be responsible for the following functions:

- a) making proposals to the Corporation about the educational character and mission of the institution and implementing the decisions of the Corporation;
- b) the determination of the institution's academic and other activities;
- ~~c) preparing annual estimates of income and expenditure for consideration and approval by the Corporation, and the management of budget and resources within the estimates approved by the Corporation;~~

- ~~d) the organisation, direction and management of the institution and leadership of the staff;~~
- ~~e) the appointment, assignment, grading, appraisal, suspension, dismissal and determination, within the framework set by the Corporation, of the pay and conditions of service of staff,~~
- ~~f)c) other than the holders of senior posts or the Clerk, where the Clerk is also a member of the staff of the institution; and~~
- g)d) maintaining student discipline and, within the rules and procedures provided for within these Articles, suspending or expelling students on disciplinary grounds or expelling students for academic reasons.

3.3 Unless otherwise agreed by the Corporation and the Skills Funding Agency (or any successor body) then the accountable officer of the institution with the Skills Funding Agency (or any successor body) shall be the Vice Chancellor.

~~3.3.3.4~~ 3.3.4 The Clerk shall be responsible for the following functions:

- a) advising the Corporation with regard to the operation of its powers;
- b) advising the Corporation with regard to procedural matters;
- c) advising the Corporation with regard to the conduct of its business; and
- d) advising the Corporation with regard to matters of governance practice.

4. The establishment of committees and delegation of functions generally

4.1 The Corporation may establish committees for any purpose or function, other than those assigned in these Articles to the Principal or Clerk and may delegate powers to:

- a) such committees;
- b) the Chair, or in the Chair's absence, the Vice-Chair; or
- c) the Principal.

4.2 The number of members of a committee and the terms on which they are to hold and to vacate office, shall be decided by the Corporation.

4.3 The Corporation may also establish committees under collaboration arrangements made ~~with other universities.~~ further education institutions or maintained schools (or with both), and such joint committees shall be subject to any regulations made under section 166 of the Education and Inspections Act 2006 governing such arrangements. (where applicable).

5. The ~~search~~academic standards, quality and student experience committee

~~5.1~~ 5.1 The Corporation shall establish a committee, to be known as the '~~search~~academic standards, quality and student experience committee', to advise on:

- ~~a) the appointment of members (other than as a parent, staff or student member); and~~
- ~~b) such other matters relating to membership and appointments as the Corporation may ask it to.~~

~~5.2.1~~ 5.2.1 ~~The Corporation shall not appoint any person as a member (other than as a parent, staff or student member) without first consulting~~the Corporation's academic standards, quality and considering the advice of the search committee~~student experience.~~

5.2 The Corporation may make rules specifying the way in which the ~~search~~academic standards, quality and student experience committee is to be conducted. ~~A copy of these rules, together with the search committee's terms of reference and its advice~~

5A. The finance committee

5A.1 The Corporation shall establish a committee to be known as the 'Finance Committee', to the

~~Corporation, other than any advice which the Corporation is satisfied should be dealt with~~ advise on a confidential basis, matters related to the Corporation's finances and financial controls.

5A.2 The Finance Committee shall be published on the institution's website and shall be made available for inspection consist of at the institution by any person during normal office hours. least three Governors. Unless the Governors resolve that it would be in the best interests of the Corporation that the Finance Committee include members who are also on the Audit Committee (or vice versa), members of the Audit Committee are not eligible to be members of the Finance Committee (and vice versa). Any such resolution to include members of the Audit Committee on the Finance Committee must be minuted setting out the rationale for the decision. In any event, the Chair of the Audit Committee must not be a member of the Finance Committee.

~~5.3—5A.3~~ The Corporation ~~shall review regularly all material excluded from inspection under paragraph (3) and shall~~ may make any such material available for inspection where it is satisfied that rules specifying the reason for dealing with way in which the matter on a confidential basis no longer applies, or where it considers that the public interest in disclosure outweighs that reason. Finance Committee is to be conducted.

6. The audit committee and other committees

6.1 The Corporation shall establish a committee, to be known as the 'audit committee', to advise on matters relating to the Corporation's audit arrangements and systems of internal control.

6.2 The audit committee shall consist of at least three persons including at least one Independent Governor and may include members of staff at the institution ~~with~~ but shall not include any person who is precluded from membership by the exception Joint Audit Code of those in senior posts, Practice and shall operate in accordance with any requirements of the ~~GE of Skills Funding Agency (or any successor body).~~

6.3 The Corporation may establish such other committees as it sees fit.

6.4 The Corporation shall make terms of reference for the audit committee (which comply with the Joint Audit Code of Practice) and may make rules specifying the way in which other committees are to be conducted.

7. Composition of committees

Any committee established by the Corporation, ~~other than the committee referred to in article 10,~~ may include persons who are not ~~members~~ Governors of the Corporation.

8. Access to committees by non-~~members~~ Governors and publication of minutes

The Corporation shall ~~ensure that:~~

adopt a written statement of its policy regarding attendance at committee meetings by persons who are not committee members; ~~and~~

~~a) the minutes of committee meetings, if they have been approved by the Chair of the meeting,~~

~~are published on the institution's website and made available for inspection at the institution by any person, during normal office hours.~~

9,10,11 Delegable and non-delegable functions

9. The Corporation shall not delegate the following functions:

- a) the determination of the educational character and mission of the institution;
- b) the approval of the annual estimates of income and expenditure;
- c) the responsibility for ensuring the solvency of the institution and the Corporation and for safeguarding their assets;
- d) the appointment of the ~~Principal or holder of a~~ senior post holders;
- e) the appointment of the Clerk, (including, where the Clerk is, or is to be, appointed as a member of staff the Clerk's appointment in the capacity of a member of staff); and
- f) the modification or revocation of these Articles.

10.1 The Corporation may not delegate:

- a) the consideration of the case for dismissal, and
- b) the power to determine an appeal in connection with the dismissal

of ~~the Principal, the Clerk or the holder of a~~ senior post holders and the Clerk, other than to a committee of ~~members~~Governors of the Corporation.

10.2 The Corporation shall make rules specifying the way in which a committee having functions under ~~paragraph (article 10.1)~~ shall be established and conducted.

11. The Principal may delegate functions to the holder of any other ~~senior~~ post other than: any functions that have been delegated directly to the Principal by the Corporation.

- ~~a) the management of budget and resources; and~~
- ~~b) any functions that have been delegated to the Principal by the Corporation.~~

12,13 Appointment and promotion of staff

~~12.2~~ 12.1 Where there is a vacancy or expected vacancy in a senior post, the Corporation shall:

- ~~a) advertise the vacancy nationally; and~~
- ~~b) appoint a selection panel consisting of:~~
 - ~~i) at least five members of the Corporation including the Chair or the Vice-Chair or both, where the vacancy is for the post of Principal; or~~
 - ~~ii) the Principal and at least three other members of the Corporation, where the vacancy is for any other senior post.~~

~~12.3~~ The members of the selection panel shall:

- ~~a) decide on~~ determine the arrangements for ~~selecting the applicants for interview;~~
- ~~b) interview the applicants;~~ advertisement, selection and where they consider it appropriate to do so, recommend to the Corporation for appointment ~~one of the applicants they have interviewed~~ of a successor.

~~12.4~~ If the Corporation approves the recommendation of the selection panel, that person shall be appointed.

~~12.5~~ If the members of the selection panel are unable to agree on a person to recommend to the Corporation, or if the Corporation does not approve their recommendation, the Corporation may make an appointment itself of a person from amongst those interviewed, or it may require the panel to repeat the steps specified in paragraph (2), with or without first re-advertising the vacancy.

~~12.6~~ 12.2 Where there is a vacancy in of a senior post holder or Clerk or where a senior post ~~or where the holder of a senior post~~ or Clerk is temporarily absent, until that post is filled or the absent post holder returns, a member of staff:

- a) may be required to act ~~as Principal or~~ in the place of any ~~other~~ senior post holder or the Clerk; and
- b) if so required, shall have all the duties and responsibilities of the ~~Principal or such other~~ senior post holder or Clerk during the period of the vacancy or temporary absence.

13. The Principal shall have responsibility for selecting for appointment all members of staff other than:

- a) senior post holders; and
- b) where the Clerk is also to be appointed as a member of staff, the Clerk in the role of a member of staff.

14. Rules relating to the conduct of staff

~~After consultation with the staff,~~ the Corporation shall make rules relating to ~~their~~ the conduct of staff.

15. Academic freedom

In making rules under article 14, the Corporation shall have regard to the need to ensure that academic staff at the institution have freedom within the law to question and test received wisdom, and to put forward new ideas and controversial or unpopular opinions, without putting themselves at risk of losing their jobs or any privileges which they may enjoy at the institution.

16. Grievance, suspension and disciplinary procedures

16.1 After consultation with the ~~staff,~~ the Corporation shall make rules setting out:

- a) grievance procedures for all staff;
 - b) procedures for the suspension of all staff; and
 - c) disciplinary and dismissal procedures for: all staff.
- ~~i) senior post holders, and~~
~~ii) staff other than senior post holders~~

and such procedures shall be subject to the provisions of articles ~~3(1)(e)(f), 3(2)(e), 9(d), 9(e), 10(1)~~ and 17.

16.2 Any rules made under ~~paragraph (article 16.1)(b)~~ shall include provision that where a person has been suspended without pay, any appeal against such suspension shall be heard and action taken in a timely manner.

16.3 Any rules made under ~~paragraph (article 16.1)(c)(i)~~ shall include provision that where the Corporation considers that it may be appropriate to dismiss a person, a preliminary investigation shall be conducted to examine and determine the case for dismissal.

17. Suspension and dismissal of the Clerk

~~17.1 Where the Clerk is also a member of staff at the institution, the Clerk is to be treated as a senior post holder for the purposes of article 16(c).~~

~~17.2~~17.1 Where the Clerk is suspended or dismissed under article 16, that suspension or dismissal shall not affect the position of the Clerk in the separate role of Clerk to the Corporation.

18. Students

- 18.1 Any students' union shall conduct and manage its own affairs and funds in accordance with a constitution approved by the Corporation and no amendment to, or rescission of, that constitution, in part or in whole, shall be valid unless approved by the Corporation.
- 18.2 The students' union shall present audited accounts annually to the Corporation.
- 18.3 After consultation with representatives of the students, the Corporation shall make rules concerning the conduct of students, including procedures for their suspension and expulsion (including expulsion for an unsatisfactory standard of work or other academic reason).

19. Financial matters

The Corporation shall set the policy by which the tuition and other fees payable to it are determined, subject to any terms and conditions attached to grants, loans or other payments paid or made by the ~~CE of Skills Funding~~ Agency (or any successor body).

20. Co-operation with the ~~CE of Skills Funding's~~ Funding Agency's auditor

The Corporation shall co-operate with any person who has been authorised by the ~~CE of Skills Funding~~ Agency (or any successor body) to audit any returns of numbers of students or claims for financial assistance and shall give any such person access to any documents or records held by the Corporation, including computer records.

21. Internal audit

- 21.1 The Corporation shall, at such times as it considers appropriate, examine and evaluate its systems of internal financial and other control to ensure that they contribute to the proper, economic, efficient and effective use of the Corporation's resources.

21.2 The Corporation may arrange for the examination and evaluation mentioned in ~~paragraph (article 21.1)~~ to be carried out on its behalf by internal auditors.

- 21.2 The Corporation shall not appoint persons as internal auditors to carry out the activities referred to in ~~paragraph (article 21.1)~~ if those persons are already appointed as external auditors under article 22.

22. Accounts and audit of accounts

22.1 The Corporation shall:

- a) keep proper accounts and proper records in relation to the accounts; and
- b) prepare a statement of accounts for each financial year of the Corporation.

22.2 The statement shall:

- a) give a true and fair account of the state of the Corporation's affairs at the end of the financial year and of its income and expenditure in the financial year; and
- b) comply with any directions given by the ~~CE of Skills Funding~~ Agency (or successor body) as to the information to be contained in it, the manner in which the information is to be presented, the methods and principles according to which it is to be prepared and the time and manner of publication.

- 22.3 The accounts and the statement of accounts shall be audited by external auditors appointed

by the Corporation in respect of each financial year.

22.4 The Corporation shall not appoint persons as external auditors in respect of any financial year if those persons are already appointed as internal auditors under article 21.

22.5 Auditors shall be appointed and audit work conducted in accordance with any requirements of the ~~CE of Skills Funding-~~ Agency (or any successor body).

22.6 The 'financial year' means the first financial year and, except as provided for in ~~paragraph (8),~~ article 22.7, each successive period of twelve months.

~~22.7 The 'first financial year' means the period from the date the Corporation was established up to the second 31st July following that date, or up to some other date which has been chosen by the Corporation with the CE of Skills Funding's approval.~~

~~22.8~~ 22.7 If the Corporation is dissolved:

- a) the last financial year shall end on the date of dissolution; and
- b) the Corporation may decide, with the ~~CE of Skills Funding's~~ Funding Agency's (or any successor body's) approval, that what would otherwise be the last two financial years, shall be a single financial year for the purpose of this article.

23. Rules and bye-laws

The Corporation shall have the power to make rules and bye-laws relating to the government and conduct of the institution and these rules and bye-laws shall be subject to the provisions of the Instrument of Government and these Articles.

24. Copies of Articles of Government and rules and bye-laws

A copy of these Articles, and of any rules and bye-laws, shall be given free of charge to every ~~member~~ Governor of the Corporation and at a charge not exceeding the cost of copying or free of charge, to any other person who requests a copy and shall be available for inspection at the institution upon request, during normal office hours, to every member of staff and every student.

25. Modification or replacement of the Instrument and Articles of Government

25.1 Subject to paragraph ~~(25.2)~~ the Corporation may by resolution of the ~~members~~ Governors modify or replace its instrument and articles of government, ~~after consultation with any other persons who, in~~ with the ~~Corporation's view, are likely to be affected by~~ prior written consent of the ~~proposed changes~~ University.

25.2 The Corporation and University shall not make changes to the instrument or articles of government that would result in the body ceasing to be a charity.

26. Dissolution of the Corporation

26.1 The Corporation may with the prior written consent of the University by resolution dissolve itself and provide for the transfer of its property, rights and liabilities.

26.2 The Corporation shall ensure that a copy of the draft resolution to dissolve the corporation on a specified date shall be published at least one month before the proposed date of such resolution.

27. Obligations of University

Where in the Instrument or Articles of Government of the institution the University has a right or obligation then such right or obligation shall be exercised in the best interests of the institution.

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	CONFIDENTIAL
Paper title:	Corporate Strategy Progress Report
Board/Committee	Board of Governors
Date of meeting:	18 th May 2017
Authors:	Executive Goal Leads
Executive/Operations sponsor:	Pat Bailey – Deputy Vice-Chancellor
Purpose:	Information
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	The report details progress made against each of the goals of the Corporate Strategy during the first half of the 16/17 academic year.
Recommendation:	The Board is requested to review and note the progress report.

Executive Summary

The Executive Summary is presented on page 1 of the report.

The subsequent report has 1 page for each goal of the strategy, which details the latest information regarding the related KPIs, and progress against the priorities identified within the Corporate Roadmap documents.

The Board is requested to review and note the progress report.

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Corporate Strategy Progress Report - May 2017

DVC Executive Summary:

Summary of overall progress on goals of Corporate Strategy – DVC (Pat Bailey)

This mid-year review provides us with a snap-shot of progress since November 2016, and allows us to identify some of the actions and achievements that should enable us to meet the corporate targets.

This is the second academic year of the fully restructured University, and we have seen the processes and structures become refined and fully embedded, as well as a range of substantial projects and new initiatives. The major successes have included:

- The forecast DLHE results (5% ahead of target for graduate employment, 2.5% ahead of target for all employment; sector-wide results to be published shortly)
- New student appeals process has reduced formal complaints by 84%
- Research proposals (115 submissions) have already exceeded the target of 100 bids
- Research funding includes two EU grants worth over £2M for which LSBU is the lead
- British University in Egypt student numbers have grown to 2700 this year (from 900 last year)
- £8M from Southwark Borough Council and HEFCE to develop Higher Apprenticeships and the Institute for Professional & Technical Education (IPTE) in the refurbished Passmore Centre
- Up to 108 in CUG (from 120/123 3 years ago), and in THE World Rankings (for the first time)

The reputation of the University has been recognised through a substantial number of nominations and awards, including:

- Chosen as an exemplar of good practice for the Prevent programme
- Silver RoSPA Award 2017 for Health & Safety
- Accountancy College of the Year – Public Sector Award in the School of Business
- Shortlisted for two THE Leadership and Management Awards, for 'Outstanding Financial Performance' and 'Outstanding Student Services Team' (outcomes in June)
- And of course, **Entrepreneurial University of the Year 2016** (announced after the last report)

There are also a number of major projects, initiatives and systems that are very important to our future:

- The new HR IT system (iTrent) delivered on time and in budget
- The Edison project now providing staff with a student dashboard
- Very successful academic promotions round (6 new SLs, 12 APs, 5 Profs)
- Staff engagement schemes, including *Dignity at Work* and the *Wellbeing* initiative
- New annual monitoring process for research (AURA) linked with launch of Research Centres
- The Estates development, especially the St George's Quarter plans (target: 2019 completion)
- The Family of Educational Providers

There are of course some areas of concern. The Staff Engagement Survey last year led to a range of activities to address issues raised, and we hope that the Pulse Survey (underway now) will show significant progress. Linked to this, we are doing a huge amount to ensure equality and diversity across the University, so we were disappointed to (just) slip out of the top 100 for Stonewall, and to miss out on receiving an Athena SWAN bronze award (although success is quite low for first time submissions). Undergraduate student numbers are also challenging; we did incredibly well to achieve our 2500 UG intake in October without dropping our entry tariffs, but this year looks to be even more challenging.

As ever, the external environment is challenging, and ever-changing; we are well positioned (we think) to resubmit to TEF next year if we miss out on a 'Silver' rating this year (improving metrics, DLHE looks good, awaiting NSS). The HERB has now been passed, and it will affect every aspect of our activities.

Goal 1:		Teaching & Learning					
#	KPI	Competitor Group 12/13 average	13/14	14/15	15/16	16/17 Target	Forecast
1	Graduate level employment (EPI population)	n/a (local indicator)	49%	68%	76%	77%	81.8%

Executive Commentary: *(PVC S&E - Shân Wareing)*

The forecast DLHE result indicates another strong result against this metric, well ahead of target.

Senior leadership for the Centre for Research Informed Teaching (CRIT) was finalised in June 2016 and the team has prioritised establishing awareness of pedagogic developments and community building for the role of the new Centre within the institution. In addition to ongoing activities for the existing Skills for Learning and Academic Staff Development teams, the Centre has delivered as part of its community building:

- A new £35K fund for curriculum development received 26 applications and 7 bids were awarded an average £5000 per small-scale project
- Focus groups with students, alumni and employers as the basis for the development of draft graduate attributes for inclusion in new course specifications
- A new CRITical Conversations seminar series with internal and external speakers with topics including student feedback, “proactive reciprocity”, the digital landscape in HE, and learning gain
- An event on the NSS for Course Directors was held in January 2017, and CRIT will be hosting an event on Masters dissertation for PGT Course Directors, Dissertation Module Leads and PGT supervisors in May 2017
- Support for the Student Union in delivering student feedback projects on Timetabling and course organisation, Digital environment at LSBU, Feedback on assessment and Student engagement with the LSBU community

The Head of Digitally Enhanced Learning has led on the development of an institutional digitally enhanced learning strategy for project implementation from 2017/18.

A review of the course approval process is being led by Janet Bohrer (AQE) and Tom Hall (CRIT) to develop an improved process for engaging staff, students and employers in curriculum development.

Related Risk Matters

Establishing the full staffing for CRIT has been difficult – we have been unable to appoint to three vacancies in two rounds of recruitment to date, and the retirement of the Acting Head of Academic Development in April 2017 has resulted in the Centre operating on reduced staffing for most of 2016/17. We hope to rectify this shortly, to ensure that the Centre can have increasing impact on the student experience. Recruitment to the vacant CRIT posts will require a coherent attractive academic development strategy.

The continued uncertainty around the outcome of the TEF means there is a real risk it could focus attentions and effort on metrics that have no real link with pedagogy or teaching excellence. The formal set of TEF metrics included recent positive performance from LSBU the January submission of narrative statements provided an opportunity to demonstrate the scale and impact of relevant activity across the institution.

Goal 2:		Student Experience					
#	KPI	Competitor Group 12/13 average	13/14	14/15	15/16	16/17 Target	Forecast
2	NSS scores – overall satisfaction	81.7%	80%	82%	82%	84%	
3	International Student barometer (% recommending LSBU)	not available	72.40%		77.0%	78%	
4	PGT experience (% satisfaction)	not available	77%	74%	74%	76%	
5	Student Staff Ratio	21.2	17.2:1	16.4:1	17:1	17.5:1	

Executive Commentary: (PVC S&E - Shân Wareing)

Our new 3 stage process for appeals has been successfully implemented. The number of appeals has dropped from 567 in 2015 to 263 in 2016. The number of Completion of Procedures letters written has fallen from 347 in 2015 to 55 for 2016, a reduction of 84%. This project has been shortlisted in the Outstanding Student Services Team category in the 2017 THELMAs from Times Higher Education.

The rollout of the learning analytics dashboard occurred in January, with it now available to all academic staff, and to Professional Services staff working in student support.

A 'Making Assessment Work' programme of professional development activity has been developed by AQE and CRIT, and an academic audit of assessment practices is currently underway, that will inform an assessment focus for professional development provision in 2017/18.

A range of initiatives have taken place to encourage greater student participation in sports and other activities, including the #teamLSBU campaign to connect with SU societies, and free gym memberships for 1st years. The 'This Girl Can' campaign championed female involvement through women only sessions, and 'give it a go' free sessions encouraged people to trial sports in a non-competitive environment. The first ever varsity programme took place against Middlesex University across 7 disciplines, and there was ever greater participation in the Inter-Halls cup competition.

The institutional digitally enhanced learning (DEL) strategy is currently being considered by Executice and Academic board, and seeks to provide a step-change in the student experience through IT.

The EPIIC values are not only being embedded in the activities of the student-facing teams, but are at the core of the Graduate Attributes, which form part of the new Educational Framework.

Student Attendance Monitoring has now been superceded by an approach centred around student engagement, led by the Student Administration team and customised for Schools. Recent graduate interns have made personal interactions with students, which has been positively received and has already reduced exam board decisions involving attendance, and student complaints ; we remain hopeful of significant improvements in student progression to year 2 as a result of this scheme.

Related Risk Matters

We need to maintain our capability to ensure the consistent quality of the student experience across all of our provision (NSS impact), including that delivered in partner institutions in the UK and overseas. Resource for overseas partners and TNE is being considered.

Many projects and initiatives in this area involve information technology, and delivery within anticipated timescales could challenge or support requirements could be under-resourced once plans are realised. To mitigate, the Executive collaborate to prioritise high impact activity, and the ICT pipeline is reviewed by the Operations Board. A digital project plan is under development as part of budget setting.

Goal 3:			Employability				
#	KPI	Competitor Group 12/13 average	13/14	14/15	15/16	16/17 Target	Forecast
6	DHLE entry to employment or further study (EPI)	88.5%	85.5%	90.2%	90.4%	92%	94.6%
7	Number of Student start ups	47.86	1	30	50	70	

Executive Commentary: *(PVC S&E - Shân Wareing)*

The Restructure of the Employability Service team has been completed. The InPlace software system to support placements has been rolled out across all schools, and the Head of Employability and Placements is now working with each School on developing their placement offering.

The software build has been completed for the Higher Education Achievement Report (HEAR), and the launch event for students and staff is due to take place shortly. The work to build in academic references for students is now at the exploration stage.

The Procurement phase has been completed for the LSBU employment and temping agency, Keystone was awarded the contract, and we are currently recruiting staff and expected to be operational by July 2017 – ready for the start of the 17/18 academic year.

The new structure of the employability service has a Student and Business Engagement Manager role, and the team are currently recruiting to this manager post. They will take forward the engagement of alumni in partnership with alumni office, alongside employers.

A programme of quarterly enterprise review meetings has been established with Schools, and these now include school level data in relation to start ups and student engagement with the activities of the Entrepreneurship Institute.

The University has continued to invest in its technical resources & industrial facilities across the campus, prioritising digitally enhanced learning and impact on teaching and learning. The managed capital equipment projects involve a total spend of £0.6M, and include:

- Scanning Electron Microscope facility
- IPTV backbone for Elephant Studios
- Product development and Engineering workshop machinery
- Lecture Capture / Voice over digital media - Law
- Equipment Enhancements for Education.
- Clinical Skills and Simulation Equipment - HSC
- EEG Gaming Systems for ACI
- Advanced Library Training Room facilities
- Equipment for Advanced Vehicle Research Centre

The DLHE result looks set to be a further improvement on the 15/16 data.

Related Risk Matters:

There are risks associated with the new agency, but an internal audit report into placement management found 5 recommendations for good practice that are now being implemented, and which should help to ameliorate the risks.

Goal 4:			Research & Enterprise				
#	KPI	Competitor Group 12/13 average	13/14	14/15	15/16	16/17 Target	Forecast
8	Research Income (non Hefce)	£6.1	£1.8	£2.0	£1.9	£2.6	£2.4
9	Enterprise Income	not available	£8.4m	£8.1	£7.8	£9.9	£9.3

Executive Commentary: *(PVC R&E - Paul Ivey)*

The Annual University Research Audit (AURA) has been introduced, and there has been an initial analysis of findings, as part of beginning the preparation for the next REF submission.

The REI profile has been enhanced with new [Institutes](#), all with increased supporting activity, and bespoke brochure presentations. Research Centres (14) and Groups (33) have now been agreed with Schools.

Further awareness of research activity is being built by publication of outputs & impact in two brochures 'Our Research' and 'Our research community'. Researcher development initiatives include School research away days, researcher training and School forums to ensure skills development and compliance with UKRC Concordats.

A working group has been established to determine what role the Professoriate can take to support the development of the research environment across LSBU.

The submission target of >100 bids for research funding has already been exceeded at 115 submissions. SME partnerships above 350 will be achieved by the end of the calendar year given the delayed start on new ERDF programmes.

Two LSBU led ERDF projects have been secured – Access to Innovation (A2i) and Simulation for Digital Health (SimDh). Both will work with circa 400 SMEs over the next 3 years, and have a total value of around £2 million.

LSBU is also a partner organisation for two further ERDF projects, the DeK Growth programme with London Borough of Lewisham, and Enterprise steps, with Newham college of Further Education, with a total value of £1M.

Overall, the research and enterprise forecasts for 16/17 are more encouraging than 6 months ago, and this is largely due to a focus on the income pipelines and support/encouragement for the submission of more bids.

Related Risk Matters

Brexit and the potential impact on EU funding remains a threat to our planned growth. The highest perceived risk is to ERDF rather than research grants. While funding is guaranteed, we are proceeding with an aggressive bidding strategy, and are starting to assess new international sources.

Goal 5:		Access					
#	KPI	Competitor Group 12/13 average	13/14	14/15	15/16	16/17 Target	Forecast
10	% recruitment from low participation neighbourhoods	6.4%	7.4%	7.7%	8.4%	7.5-8.5%	9.2%
11	% FT UG students (excluding HSC) recruited before Clearing	not available	73.6%	71.8%	71.8%	72%	71%
12	First Degree Completion (at or above benchmark)	-3.13%	-9.5%	-7 %	-5.8%	-4%	
13	Year 1 progression	not available	69.9%	73.1%	77.2%	79%	
14	Good Honours	62.2%	61.0%	61.2%	66.4%	63-67%	
15	PGT completion	not available	54.8%	61.5%	58.7%	65%	

Executive Commentary: (C.O.O. - Ian Mehrtens)

The 2017/18 cycle has seen a slow start, with the national applications down by -4%. LSBU has received 17,281 applications to date for FT UG study. This is -17% down on this time last year, but excluding HSC (student funding changes), the shortfall reduces to -6%. Our competitor set are down by -9%. The recruitment to HSC looks like it should hold up (fewer applications, strong conversion).

Despite this, we continue to focus on the recruitment of at least 2,500 home UG students, with a stretch target of 2,750, and on maintaining our current tariff floor. LSBU has received 595 FT UG firm acceptances so far this cycle from Home applicants. This is -17% down on the same time last year.

We continue to work on generating late applications, but our main focus is now on conversion activity and reversing the current negative trend in UG FT acceptances, ensuring as many of LSBU's on-time applications convert through to firm accept as possible ahead of UCAS Extra and clearing.

Also supporting our recruitment effort are the "value added" packages for students that were initially developed last cycle and refined for this year, both at University and School level. We have also launched an unconditional offer scheme for applicants who show academic promise via GCSE results.

In addition, our recruitment team are working with our school and college partners delivering bespoke activity. To date, we have engaged over 20,000 prospective students. By improving efficiencies and rationalising our activity, we will have exceeded last year's engagement figure by the end of the cycle.

2017/18 will be another tough recruitment year, but if we can maximise conversion throughout the cycle (at 90% or above) we would expect to meet baseline home recruitment targets.

An Apprenticeships Team has been created to provide employers with a single point of contact for all study completed by their employees (both through apprenticeships and employer sponsored study) dealing with every stage of the process from recruitment through to completion. The team communicates regularly with around 5,500 employers. 22 new Higher and Degree Apprenticeships are now being offered for 2017-8 within 5 Schools, and more are planned with academic staff actively engaged with creating new apprenticeship standards via employer trailblazer groups. LSBU is already an HE leader in apprenticeships and was one of only 18 institutions to receive funding from the HEFCE Degree Apprenticeship Development Fund.

Related Risk Matters

Established patterns of activity around recruitment continue to be disrupted by sector changes, with competitor institutions lowering tariffs in order to take greater numbers of students each year. Majority of focus in recent years has been on undergraduate activity. We will need to increase focus on postgraduate support and experience next academic year to ensure PG is not left behind.

Goal 6:

Internationalisation

#	KPI	Competitor Group 12/13 average	13/14	14/15	15/16	16/17 Target	Forecast	Result
16	QS Star Rating	not available	2 (prov.)	3 stars	3 stars	3		3 stars
17	Overseas student income (millions)	£29.5m	£9.3 m	£11.2	£9.8	£10.7	£11.2	

Executive Commentary: *(PVC R&E - Paul Ivey)*

As part of the Leadership Forum strategy events for senior managers, staff participated in activities to gather an understanding of LSBU's current approach to **Internationalisation**, what it meant and where it wished to develop this further. This will be followed through at the next Leadership Forum to set out the strategy and to operationalise it.

The Operations Board commissioned a working group led by the Director International to ensure that the new **Partnership Process** would be better aligned to manage risk appropriately. The process puts equal weight on the financial, legal and operational aspects of partnerships, in addition to the quality process.

European recruitment has been merged with International and is benefiting from the sharing of good practice. There is a healthy rise in the number of offers in both areas which is a positive indicator for enrolments the Autumn. The rise is currently in the region of 60% for both areas. However conversion, because of the visa requirements for international students, is not straightforward and this number will fall in terms of enrolments.

Following the successful approval by the Ministry of Education in Bahrain, LSBU Engineering programmes will begin in ASU in September, while the numbers in British University in Egypt continue to grow from 900 last year to 2700 this year.

Related Risk Matters:

Post Brexit uncertainty in the international marketplace is having a significant impact on the attractiveness of the UK as a study destination.

We continue to manage the visa situation very effectively, and are well below the refusal levels that place our HTS at risk.

The international student recruitment opportunities may be limited by the cap in our visa quota, and it does not currently look likely that students will be excluded from the immigration stats; we continue to monitor the situation carefully, both so as to manage the risks and so that we can take advantage of opportunities should they arise.

Goal 7:		People & Organisation					
#	KPI	Competitor Group 12/13 average	13/14	14/15	15/16	16/17 Target	Forecast
18	Appraisal completion %	not available	37%	90%	91%	95%	
19	Average Engagement Score as as %	70%	58%		58%	62%	

Executive Commentary (EDHR - Mandy Eddolls)

A draft career development framework for professional services staff has been developed and is currently being presented to staff forums for feedback and development. The framework incorporates LSBU values, leadership attributes and the Association of University of Administrators (AUA) continuous professional development (CPD) framework. LSBU has committed to achieving the AUA 'Mark of Excellence' which formally recognises the embedding of excellent practice into all aspects of learning & development provision.

The HR IT system project remains on time and within budget. Data integration with payroll is complete and whilst there remains work to do to fully integrate and improve some processes such as HPL payments, duplication and error rates are reduced and cooperation between the two teams increased. Modules for recruitment, learning and development, self-service (for payslips and updating personal details) have been rolled out and absence and expenses will follow in June.

The staff intranet was launched at the start of February 2017 with over 15,000 unique page views in less than a week. As part of this we have also been pushing Yammer, with more than 1000 colleagues now using the platform & messages sent via the system currently increasing between 40-400% every week.

LSBU's 2016 Stonewall Workplace Equality Index result was 102 out of 439 organisations. We increased our score but missed Top100 by a few points. LSBU was 15 out of 56 participating HEIs. The Stonewall staff survey showed that 83% of our LGBT staff feel able to be themselves in the workplace, and 86% believe they have not experienced barriers to career progression in the workplace. These scores are higher than the average top 100 organisational scores.

The Dignity At Work Scheme was launched to staff on the 25th Jan 2017. Following training by an external provider as well as the EDI Team, 15 Dignity At Work Advisers are now in place.

LSBU was awarded in April the ROSPA (Royal Society for the Prevention of Accidents) H&S silver award for demonstrating good health and safety practice and systems. HEFCE, in consultation with the London Royal Prevent advisers, has identified LSBU as demonstrating exemplary practice and has asked the Foreign Office to work in partnership to roll out our approach internationally.

LSBU's first Wellbeing Activity Day was held on 29 March with activities ranging from free massages, courtesy of the Confucius Institute, to lectures on stress management and 'Express Yourself' creativity sessions. A range of reduced rate health insurances for staff were launched alongside an alcohol awareness campaign and an on-line drink checker tool kit. The day was well attended, by 350 staff.

The Schools and PSGs are progressing with their engagement plans, with most actions rated amber or green; some have created action planning groups to ensure continual monitoring and review of the action plans, which are reviewed bi-monthly by Operations Board. We await the results of the Pulse Survey, which is currently underway.

Related Risk Matters

To avoid an overload of new systems, the iTrent appraisal module has been deferred for a year, and we will use the interim solution developed by ICT that proved successful last year. We plan to introduce the iTrent module in 2018/19 and MidlandHR has confirmed development costs will be held at current levels.

Goal 8:			Resources & Infrastructure					
#	KPI	Competitor Group 12/13 average	13/14	14/15	15/16	16/17 Target	Forecast	Result
20	Surplus as % of income	9.6%	2.3%	0.9%	2.4%	0.7%	1.0%	
21	Income (£m)	£188.2m	£134.8m	£140.8m	£138.2m	£144.5m	£144.6	
22	EBITDA margin (EBITDA expressed as % of income)	9.20%	11.4%	9.2%	11.8%	11.7%	11.7%	
23	Student satisfaction ratings with facilities & environment	82.7%	83.0%	87.7%	90.0%	90.0%		
24	ICS Service Index %	-	-	68%	76%	78%		66%

Executive LDP Commentary: (C.O.O. - Ian Mehrtens)

The Transformative Estates Development Plan which outlines aspirations for new developments and improvements to existing facilities on the Southwark Campus is nearing completion. The priorities are for the development of St. George's Quarter and the refurbishment of the London Road building including a move of the Academy of Sport (AoS) to new purpose built accommodation on the roof, the creation of high quality multi-use laboratories in the space vacated by the AoS and re-cladding and re-fenestration to the exterior of the building. The proposal to redevelop Technopark with a Development Partner is now on hold and will be reconsidered in 2020 on completion of the two above projects.

Approximately 500 PCs across the campus are being replenished this academic year, and a new virtual desktop has been piloted and will be rolled out this academic year to enable greater flexible working anytime and anywhere. Technology to enable live capture and video streaming of lectures are currently being piloted.

Following the centralisation of the timetabling project in the 2016/17 academic year, a number of teething problems have been identified and are being addressed through the Timetabling Working Group. The implementation of an updated timetabling management package, CMISGo, in September 2017 will result in a more user friendly system and clearer, more accessible timetables for staff and students. Access to accurate information regarding room utilisation levels has resulted in a review of space available/required, which will inform future development plans on campus.

The 2020 carbon footprint reduction target of 34% against the 2006/7 baseline has almost been achieved three years early. In February 2017 alone, electricity usage was reduced by 16% and gas by 22% compared to the same period in 2016.

A number of potential additional income streams are being proposed, including increased weekend and out of hours use of the Campus.

Our 2016 Institute of Customer Service benchmarking programme has broken new ground as almost all key PSGs were involved and we captured staff and student experience in a number of services for the first time. Our ICS service index score of 66% was reduced; however, last year we measured key student facing services which have been conversant with a customer service ethos for much longer. Our ServCheck results, the self-assessment surveys, varied considerably among areas from 44% to 71%.

Related Risk Matters

The Internal Audit report into Data Security revealed some potential weaknesses with the current environment and controls, and action is currently underway to address these findings.

University Level:

9: League Tables

#	KPI	Competitor Group 12/13 average	13/14	14/15	15/16	16/17 Target	Result
25	Times - League table ranking	92.3	122/123	120 / 127	120 / 128	115	
26	Guardian – League table ranking	87.1	112/116	111 / 119	107 / 119	102	
27	Complete University Guide – League table ranking	85	120/123	119 / 126	115 / 127	110	108 / 129

Executive Commentary (*DVC – Pat Bailey, incorporating analysis from the Business Intelligence Unit*)

The first of the significant University League Tables came out in April, and LSBU continued to improve its position, rising to 108th – more details below; the Guardian and Times league tables will be out later in the year. A much more limited Student Satisfaction Survey carried out by the THE (from interviews with a small number of self-selecting students) had led to a disappointing outcome, and we are exploring how best to engage with this survey so that it provides a fairer reflection of LSBU. However, a terrific achievement has been our inclusion in the list of 1000 top universities in the World Rankings; this is our first appearance in this league table, which identifies the top 2% of universities globally.

Complete University Guide (CUG) 2018: more detailed analysis LSBU's Performance

In the 2018 Complete University Guide, LSBU improved its rank by 7 places, moving from 115/127 to 108/129. LSBU increased its score from 443 in the 2017 table to 536 in the 2018 publication (93 point increase), an increase of 21% (the sixth largest increase). It should be noted that average scores increased consistently across the table (only 18 out of 127 institutions didn't increase their score). It is unclear if this reflects a methodical change or a clustering of scores.

How close to the top 100?

In the 2017 table, 99th position was held by South Wales, with a score of 515 (72 greater than LSBU's 2017 score). In the 2018 table, 99th place is held by Birmingham City, with a score of 567 (31 greater than LSBU). Therefore LSBU is making good progress towards an appearance in the top 100.

How can we improve our ranking?

NSS scores have the highest weighting in the table, so this is the main factor on which we should focus. Analysing the results in more detail, it is apparent that optimisation of staff and finance HESA returns to improve spend per student and SSRs can have a significant impact, and increasing the % of students who achieve good honours results is another potential area for improvement. All of these are areas that also have impact on other league tables (but with varying weighting and/or methodology).

Conclusion

This ranking publication represents a significant milestone in terms of evidencing that LSBU has made progress in improving its competitive performance. The 2015 publication (published in 2014) saw LSBU ranked 120/123, and we are now 108/129. Small improvements in performance going forward have the potential to have a significant impact on future rankings, with the top 100 in this table a realistic prospect in the 2019 publication (published April 2018); NSS results, due to be announced in July/August, are crucial to this end.

	CONFIDENTIAL	
Paper title:	Report on decisions of Committees	
Board/Committee	Board of Governors	
Date of meeting:	18 May 2017	
Author:	Michael Broadway, Deputy University Secretary	
Board sponsors:	Relevant committee chairs.	
Purpose:	To update the Board on committee decisions.	
Recommendation:	To note the report.	
Matter previously considered by:	As indicated	N/A
Further approval required?	No	N/A

Executive Summary

A summary of Committee decisions is provided for information. Minutes and papers are available on modern.gov in the links for each meeting.

The Board is requested to note the reports.

South Bank Academies – [30 March 2017](#)

The Board discussed:

- Ofsted readiness of the University Academy of Engineering School
- The recruitment of students at both the UTC and Academy
- The consolidated financial management report for February 2017 for the two schools
- The MAT risk register
- The feedback from the Academy's assurance visit, carried out by the directors of South Bank Academies
- The governance effectiveness self-assessment of the board, committees, local governing bodies and subcommittees, including the performance of individual directors and local governors
- Process of co-opting directors and local governors

The Board approved:

- The appointment of John Taylor, as Principal to the University Academy of Engineering, including starting salary

Major Projects and Investment Committee, [4 May 2017](#)

The Committee discussed:

- Project Larch, and received updates on:
 - Key risks
 - Showstoppers
 - Full business case
 - Governance structure
 - Approvals journey
 - Due diligence: finance, pensions, VAT
 - Instrument and articles

The Committee concluded that the known project risks were manageable and that the project should be pursued for its major strategic benefits.

- Elephant Studios post investment review

Finance, Planning and Resources Committee, [9 May 2017](#)

The Committee discussed:

- Management accounts to 31 March 2017
- HEFCE grant settlement
- Treasury management report
- Student recruitment update
- Key performance indicators – strategic enablers
- Strategic HR report
- Corporate roadmaps
- Strategic HR report

	CONFIDENTIAL
Paper title:	Board Strategy Day draft report
Board/Committee	Board of Governors
Date of meeting:	18 May 2017
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	Jerry Cope, Chair of the Board
Purpose:	To update the Board on key outcomes of the Board strategy day of 26 April 2017
Recommendation:	The Board is requested to note the report

Introduction

As part of its annual plan the Board holds a strategy day twice a year. The following draft notes, subject to approval by the Chair, are a record of the strategy day held on 26 April 2017.

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Joint Board and Academic Board strategy day notes – 26 April 2017

H10, Waterloo Road

The Chair welcomed governors, Academic Board members and Executive members to the meeting.

External policy environment (session 1)

The Vice Chancellor presented a review of the external policy environment.

The meeting noted opportunities and threats, in relation to the following:

- Higher Education Research Bill (HERB), including: TEF and differentiation, Office for Students (OfS), ‘challenger’ institutions, and the impact of increasing fees on LSBU’s demographic.
- Regulatory environment, including: multiple regulators, data protection, Competition and Markets Authority, Institute for Apprenticeships.
- “Brexit”, including: staff and student recruitment, loss of access to Horizon 2020 and European Social Funds.
- Industrial Strategy, including: emphasis on skills and apprenticeships, translational research, devolution and funding drain.
- International, including: threats around policy and process, opportunities for partnerships in Europe, internationalisation potential limits.
- Research, including: low numbers of research active staff, partnerships, increased R&D fund, postdoctoral loans, HERB and REF2021.
- Recruitment, including: increased competition, fees increases, London cost of living, changes to NHS bursaries.

LSBU’s response is to:

- Establish LSBU as a leader in professional and technical education; and
- Establish LSBU as ‘anchor institution’ supporting broad educational and enterprise offer.

The meeting discussed the opportunities in relation to:

- Additional research and enterprise partnerships;
- The range of potential educational pathways and partnerships; and
- Apprenticeships (discussed in more detail in session 3 below).

The student experience in higher education (session 2)

The Pro Vice Chancellor for Education and Student Experience (PVC(ESE)) outlined a vision of an integrated learning “ecosystem” across both virtual and physical environments.

A short video produced by LSBU students' union was played to the meeting in which students commented on their learning experience at LSBU, identifying pro and cons, and their preferences for development.

The presentation highlighted seven principles to improve the student experience in line with the vision.

- **Adaptable:** The physical and technological environments should be adaptable.
- **Seamless:** an integrated single 'sign on' across LSBU applications, and the integration and exchange of data between systems.
- **Experimental:** digital and physical spaces for exploring digitally enhanced learning, teaching and assessment.
- **Automated:** develop the range of automated tasks to reduce workload, improve consistency, lower training barriers, and focus on important tasks.
- **Collaborative and social:** create digital and physical spaces to enable working across boundaries, and facilitate collaboration between groups of learners, teachers, and employers.
- **Device agnostic:** environment should be WiFi enabled, mobile friendly, and enable use of a range of devices, both LSBU and privately owned.
- **Industry standard:** use industry standard tools, e.g. Office 365, to build tools for learning which are intrinsically part of the working environment.

The meeting supported the approach to modernise the digital and physical environments to better meet student expectations and competition from other institutions.

The meeting emphasised that developing the digital environment and infrastructure should be led by the Educational Framework and teaching and learning strategies, and not by a focus on any one particular tool, e.g. lecture capture.

The Chair of the Board of Governors requested a report to the Board in autumn 2017 on initial developments and early wins.

Apprenticeships (session 3)

The Director of Corporate Affairs gave a presentation on the development of LSBU's Apprenticeship programmes.

The meeting noted that LSBU is making progress in developing programmes, and that apprenticeships:

- support LSBU strategic objectives: student success, real world impact, and access to opportunity.
- offer access to significant new income streams.
- offer the opportunity for LSBU to become a leader in professional and technical education, and gain government, sector and industry acknowledgement for quality provision.

The important difference for the educational approach is that apprenticeships are driven by employers, who are stakeholders as well as the student. In addition, the students may have considerable professional experience and knowledge in their field.

Session with the Board of Governors only

Financial overview (session 4)

The Chief Financial Officer presented an update on the financial position of the university and the five year forecasts.

The board noted that:

- The external environment remains challenging (discussed in session 1);
- The Executive was on track to deliver the 2016/17 budget;
- The future strategy and targets were broadly unchanged since the last five year forecasts (submitted to HEFCE in July 2016), although full time home/EU student recruitment growth aspirations had been lowered meaning that growth and profitability had slipped a year;
- The assumptions in the forecasts were prudent.
- The Executive would continue to proactively manage the cost base. The forecasts include mitigations particularly around staff cost management; and
- Key financial challenges are around Lambeth College potentially joining the LSBU group and funding wider estates plans. The forecasts would need to be updated as plans in these areas develop

The full time undergraduate recruitment target had been reduced to 2500 p.a. This reduction had been offset by increased performance in other areas.

The three priorities were:

- Improving the student experience, including developing the estate and digital learning;
- Developing the LSBU of educational institutions; and
- Ensuring the longer term sustainability of the University

Family of Educational Institutions (session 5)

The Vice Chancellor outlined the concept of a family of educational institutions. The aim was to establish a number of specialist educational providers linked in a formal group structure providing a learning pathway from level 1 to level 8 across academic, vocational and apprenticeships.

The proposed governance structure of the group was discussed. The proposal was for each entity's legal board to:

- set the vision of the entity in line with the University's mission;
- oversee the use of resources; and
- provide a link to the University

Each educational institution could have a local governing body to oversee learner attainment, the quality of learning and teaching and to engage with local stakeholders.

There would be group-wide audit, finance, and major projects committees.

The Board expressed concern at the:

- potential independence of local governing bodies and therefore potentially not following LSBU policy; and
- additional Board time required to adequately oversee all parts of the group.

The Board agreed to set up a time limited working group to consider the group structure in more detail and to report to the Board in due course.

The Board requested the additional information on the membership and powers of each Board and local governing body in the group.

LSBU governance team

May 2017

Present

Board of
Governors: Jerry Cope (Chair), Andrew Owen (Vice-Chair), David Phoenix, Steve Balmont (*for sessions 4 and 5*), Shachi Blakemore, Michael Cutbill, Douglas Denham St Pinnock, Neil Gorman, Hilary McCallion, Mee Ling Ng and Jenny Owen, Tony Roberts

Additional
members of
the
Academic
Board: Sodiq Akinbade, SU
Stephen Barber, Reader and Programme Manager, Business
Craig Barker, Dean of Law & Social Science
Janet Bohrer, Director of Academic Quality Development Office
Kirsteen Coupar, Director of Student Services
Gurpreet Jagpal, Director of Enterprise
Janet Jones, Dean of Arts & Creative Industries
Lesley Roberts, Head of Skills for Learning
Warren Turner, Dean PVC Health & Social Care

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

With: Stuart Bannerman, Director of International
Michael Broadway, Deputy University Secretary
Joe Kelly, Governance Officer
Mike Simmons, Director of Corporate Affairs
Sally Skillett-Moore, Deputy Director, Teaching Quality and Enhancement

Apologies: Temi Ahmadu, student governor,
Ian Albery, Acting Dean of Applied Sciences
Pat Bailey, Deputy Vice Chancellor
Charles Egbu, Dean of Built Environment & Architecture
Carol Hui, independent governor
David Mba, Dean of Engineering
Kevin McGrath, independent governor
Mike Molan, Pro Vice Chancellor (Enhancement), Dean of Business
Shushma Patel, Director of Education and Student Experience, Engineering
Calvin Usuanlele, student governor

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	CONFIDENTIAL
Board/Committee:	Board of Governors
Date:	15 th March 2017
Paper title:	SU Elections Results and report
Author:	Steve Baker, LSBSU Chief Executive
Executive sponsor:	James Stevenson, University Secretary and Clerk to the Board of Governors
Recommendation:	That the Board notes the SU election results and that the election was carried out in a fair and democratic manner
Communications – who should be made aware of the decision?	Executive & Governance Teams

Executive summary

Students' Union elections for sabbatical officers for 2017/18 took place in February/March 2017.

The new sabbatical officers for 2017/18 are as follows:

- President (& Student Governor): Sodiq Akinbade
- Vice President: Welfare & Equalities: Samantha Robson
- Vice President Education: Patricia Robson
- Vice President: Activities & Employability: Kat Colangelo

Under the Education Act 1994 the Board has a duty to take such steps as are reasonably practicable to ensure that appointment of the sabbatical offices should be by fairly and properly conducted election in a secret ballot in which all members are entitled to vote.

The Returning Officer's report is attached which confirms that the election was run in a fair and democratic manner.

Attached: Returning Officer's Report

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Returning Officer Report



London South Bank Students' Union 2017

Returning Officer	Lorna Reavley - CEO, Solent Students' Union
Deputy Returning Officer	James-J Walsh - Head of Representation & Advice - LSBSU
Independent Staff Member	Steve Baker - Chief Executive - LSBSU

Election details

Election Dates	6 th - 10 th March 2017
Method of Election	24hr online election
Number of candidacies in total this year	228
Number of students that voted this year	4,325
Election turnout of membership this year (%)	28.5%
Number of candidacies in total last year	56
Number of Students that voted last year	4,245
Election turnout of membership last year (%)	28.1%
Election turnout difference between this year and last year (%)	+0.4%

Complaints

Number of complaints submitted during election	3
Number of complaints submitted before election	0
Number of complaints during the election upheld	2
Number of official sanctions issued	2
Number of candidates disqualified from election	0

Returning Officer Report



Elections overview

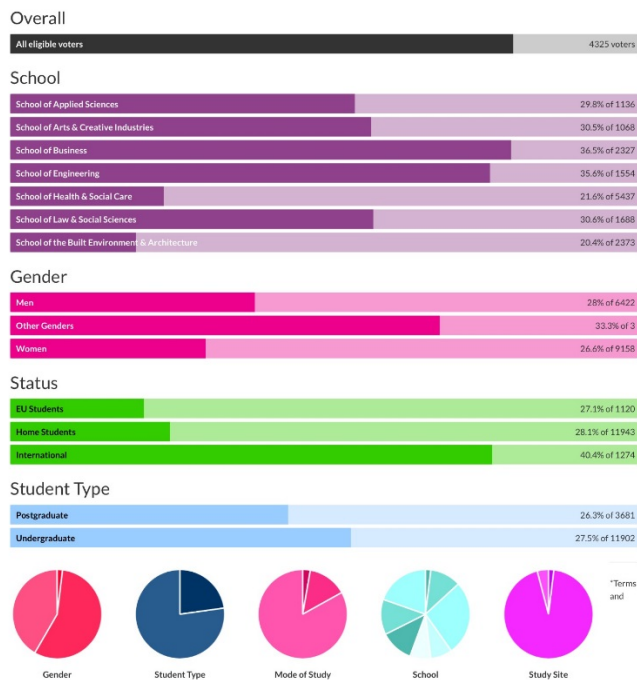
Members of the Board will be delighted to hear that this year's election set three new South Bank Records for participation in the University.

These are:

- Highest **number of candidates** nominating 228 (+172) (for 20 positions)
- Highest **number of voters** 4,325 (+80)
- Highest voter **turnout percentage** 28.5 (+0.4%)

These Electoral returns place the London South Bank University Students' Union Elections within the top 5% of UK, if not the top 10 in the UK.

Voter Statistics



School Participation - based on %turnout

1. School of Business (36.5%)
2. Engineering (35.6%)
3. Social Science & Law (30.6%)
4. Arts & Creative Ind. (30.5%)
5. Applied Sciences (29.8%)
6. Health & Social Care (21.6%)**
7. Built Env. & Architecture (20.4%)

**Whilst ranked 6th, HSC had the largest number of students vote comprising 27.7% of the vote share.

Returning Officer Report



Voter demographics

Women's representation 56.4%

Postgraduates 22.4%

Part-time students 17%

Info: *Further breakdowns on engagement will be available on request from the SU Representation Office.*

Returning Officer Rulings

Ruling one

Candidate	Ali Anzam Jewel
Election:	Vice President: Student Activities & Employability
Date of ruling	25 th February 2017
Rule	No electioneering before campaigning week begins
Circumstance	Prior to the official election period, Jewel began campaigning online asking random students via social media for their support.
Decision	Suspended from campaigning for 24hrs
Appeal	No appeal was submitted.

Ruling two

Candidate	Yash Meghwal
Election:	Vice President Education
Date of ruling	8 th March 2017
Rule	No electioneering before campaigning week begins. All election materials must be declared on Election Financial Return Form.
Circumstance	Yash used materials not T by the Election Team, and not declared on his Election Budget. When the investigation was carried out, it transpired that he lied further to the investigating officer around the number of unauthorised copies released, and the duration they were in circulation for.
Decision	Suspended for 24hrs
Appeal	No appeal was submitted.

Ruling Three

Candidate	Yash Meghwal
Election:	Vice President Education

Returning Officer Report



Date of ruling	7 th March 2017
Rule	No unauthorised campaign materials to be distributed.
Circumstance	This candidate produced a video before the official campaigning weeks begun. When investigated it was discovered that this was in order, as candidates are allowed, and in fact encouraged to produce their campaign materials prior to elections starting.
Decision	No case to answer
Appeal	N/A

Non-acceptance of nomination

Candidate	Johnathan Wilson
Election:	President
Date of ruling	7 th March 2017
Rule	All nominees must be in good standing with the University. Nominations will not be accepted from members who have been suspended, excluded or have been disciplined under the University's disciplinary procedure.
Circumstance	After an issue arose with the candidate, he identified to the Deputy Returning Officer he had been subject to a University disciplinary procedure.
Decision	Nomination not accepted.
Appeal	N/A

Declared Major Post Officers for AY17/18



President (& Student Governor #1)
Sodiq Akinbade

[Manifesto](#)

[Video Manifesto](#)

[CQT Video 1](#)

[CQT Video 2](#)

[CQT Video 3](#)

sodiq.akinbade@lsbsu.org



Vice President: Education
Patricia Godwin

[Manifesto](#)

[CQT Video 1](#)

[CQT Video 2](#)

[CQT Video 3](#)

patricia.godwin@lsbsu.org



Vice President: Welfare & Equalities
Samantha Robson

[Manifesto](#)

Candidate not at CQT

samantha.robson@lsbsu.org



VP: Activities & Employability
Kat Colangelo

[Manifesto](#)

[CQT Video 1](#)

[CQT Video 2](#)

[CQT Video 3](#)

kat.colangelo@lsbsu.org

Additionally...



University Student Governor (Ordinary) #2

Suleyman Said

[Manifesto](#)

Student No: 3417722

suleyman.said57@live.com

Full election returns for these and all posts can be found [here](#)

Returning Officer Recommendations

It was noted that the Universities ICT Service "Shibboleth" was not able to handle the number of request placed on it by the students logging in to authenticate their student status and membership of the Union, this affected all candidates equally, and as such the election remained in order, however turnout, whilst the largest yet, was hampered by this capacity issue. It is recommended that the SU/University investigate ways to increase this server capacity ahead of next year's elections.

The University and Union, ahead of Elections 2018, need to agree arrangements and processes for sharing information about previous university disciplinary actions. To aide this a clear definition and criteria of "in good standing" should also be agreed by both institution and union.

Confirmation of fair election

I hereby declare that this election was run in a fair and democratic manner which satisfies the stipulations as laid out within the 1994 Education Act.

Returning Officer Signature & Date

Signature: *Nana Reauby*

Date: 17.03.17



	CONFIDENTIAL
Paper title:	Corporate Risk Register
Board/Committee	Board of Governors
Date of meeting:	18 May 2017
Author:	John Baker, Corporate & Business Planning Manager
Executive/Operations sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	Information
Which aspect of the Strategy/Corporate Delivery Plan will this help to deliver?	The risks relate to the achievement of corporate objectives and are linked to the corporate goals as illustrated in the summary section of the document.
Recommendation:	To note the document

Matter previously considered by:	Operations Board	25 April 2017
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Executive Summary

To enable the Board of Governors to ensure that the corporate risk register is an accurate reflection of the University's exposure to significant risks, & details the range of action being taken in response to these, and progress made.

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

Date: 19th April 2017

Author: John Baker – Corporate & Business Planning Manager

Executive Lead: Richard Flatman – Chief Financial Officer

Page 19	<p>4 Critical <i>fail to deliver corporate plan / removal of funding or degree awarding status, penalty /</i></p>	<p>1: Lack of capability to respond to policy changes & shifts in competitive landscape (DP)</p>	<p>2: Revenue reduction if course portfolio, and related marketing activity, does not achieve Home UG recruitment targets (IM)</p>	
	<p>3 High <i>significant effect on the ability for the University to meet its objectives and may result in the failure to achieve one or more corporate objectives</i></p>	<p>37: Affordability of Capital Expenditure investment plans (RF)</p> <p>494: Inconsistent delivery of Placement activity across the institution (SW)</p> <p>495: Higher Apprenticeship degrees (PB)</p>	<p>6: Management Information perceived as unreliable, doesn't triangulate or is not presented (RF)</p> <p>14: Loss of NHS contract income (WT)</p> <p>305: Data not used / maintained securely (IM)</p> <p>362: Impact of Low staff engagement (ME)</p> <p>3: Increasing pensions deficit reduces flexibility (RF)</p> <p>402: Unrealised research & enterprise £ growth (PI)</p> <p>467: Progression rates don't rise (SW)</p> <p>519: Negative Quality Assessment (SW)</p>	<p>517: Impact of EU Referendum result on operating conditions & market trends (DP)</p>
	<p>2 Medium <i>failure to meet operational objectives of the University</i></p>		<p>398: Academic programmes not engaged with technological and pedagogic developments (SW)</p> <p>457: Anticipated international & EU student revenue unrealised (PI)</p>	<p>518: Failures in core student systems (SW)</p>
	<p>1 Low <i>little effect on operational objectives</i></p>			
		1 - Low	2 - Medium	3 - High
		<i>This risk is only likely in the long term</i>	<i>This risk may occur in the medium term.</i>	<i>The risk is likely to occur short term</i>
Residual Likelihood				
Executive Risk Spread: VC – 3, DVC – 1, CFO – 3, PVC-S&E – 5, PVC-R&EE – 2, COO – 2, Dean Health – 1, ExD-HR – 1, US - 0				

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

Reference	Risk title	Completed Actions & Risk Changes	Overdue Actions
Goal 1: Teaching & Learning: Ensuring teaching is highly applied, professionally accredited & linked to research & enterprise			
398 (SW)	Low engagement with tech or pedagogic developments		DEL Appointments progress note: Interviews for Academic Developer & Learning Technology Developer took place in February, but we were not able to appoint to either position. The CRIT team are now reviewing the JDs for these roles.
467 (SW)	UG Progression rate doesn't rise	Regulations amendment completed: The regulations were amended to update procedures around withdrawal.	
Goal 2: Student Experience: Seeing students as learning participants & encouraging and listening to the student voice.			
518 (SW)	Failure in Core Student System operations		My LSBU staffing progress note: Developer role not filled during Feb. A service review has been conducted, and work is underway with ICT to implement the changes.
519 (SW)	Negative Quality Assessment		
Goal 3: Employability: Ensuring students develop skills, aspiration and confidence.			
494 (SW)	Inconsistent delivery of Placement activity across institution	Policy & Agreement ProForma action completed: Agreement pro-forma completed. Quality assurance action completed: Quality assurance templates and processes for placement providers now signed off.	
Goal 4: Research & Enterprise: Delivering outstanding economic, social and cultural benefits from our intellectual capital.			
402 (PI)	2020 £ growth through Research & Enterprise		
Goal 5: Access: Work with local partners to recruit, engage and retain students with the potential to succeed.			
495 (PB)	Impact of Higher Apprenticeship degrees on existing recruitment markets		
Goal 6: Internationalisation: Developing a multicultural community of students & staff through alliances & partnerships.			
457 (PI)	International & EU student £income unrealised		
517 (DP)	Impact of EU Referendum		
Goal 7: People & Organisation: Attracting proud, responsible staff, & valuing & rewarding their achievements.			
1 (DP)	Response to environmental		

	change & reputation		
362 (DP)	Poor Staff Engagement	Action plan review completed: Controls updated to include champions, campaigns and Ops Board review of plans	
Goal 8: Resources & Infrastructure: Investing in first class facilities and outcome focused services, responsive to academic needs.			
2 (PI)	Home UG Recruitment income targets		
3 (RF)	Pensions deficit		
6 (RF)	Quality and availability of Management Information	Scenario planning action completed: To address concerns around conversions rates, a University-wide unconditional offer scheme has been put in place, with candidates being phoned personally by tutors to discuss this, supporting an extensive range of 'personalised' communications with applicants.	
14 (WT)	Loss of NHS income		
37 (RF)	Affordability of Capital Investment plans		Student Centre negotiations action progress update: Programming expert engaged to adjudicate on the decisions taken in respect of the refused extension of time claim. We await a meeting with the senior Director of Balfour Beatty early in 2016.
305 (IM)	Data Security	Mandatory training action completed: An online mandatory training programme for 'Data Protection, Info security & FOI' has been developed with the ODT team, and has now been made available to all staff through the new 'Learning Station' online modules: available via OurLSBU or https://learningstation.lsbu.ac.uk/my/	

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
398	Academic programmes do not employ suitable technological and pedagogic developments to support students and promote achievement	Shan Wareing	<p>Cause: Sustained underinvestment in expertise and dedicated human resource to support utilisation of learning technologies, comparative to new and existing competitors.</p> <p>Effect: LSBU does not effectively exploit the learning potential of new technologies, impacting negatively on student retention, achievement, or cost base (eg in terms of physical estate, inability to use virtual facilities) and our ability to delivery new provision such as apprenticeships Curriculum do not adapt sufficiently to remain relevant, jeopardising the employability of LSBU graduates. More flexible and efficient educational models which enable us to remain adaptable and competitive are out of institutional reach Support mechanisms do not provide some students with the learning support they need to navigate and succeed in the learning environment so retention does not meet the targets within the 5 year forecast. Market appeal of courses is impaired, impacting negatively on recruitment.</p>	I = 2 L = 2 Medium (4)	<p>The Student Experience Committee reports regularly to the Quality & Standards Committee on the Achievements of work undertaken by CRIT (Centre for Research Informed Teaching).</p> <hr/> <p>Delivery of the Technologically Enhanced Learning Strategy (TEL) through the Educational Framework and Quality Processes, monitored by Academic Board.</p>	I = 2 L = 2 Medium (4)	Marc Griffith	Appoint to positions within DEL team to develop and support use of MyLSBU and Digitally Enhanced pedagogies.	23 Dec 2016

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
467	Progression rate across undergraduate programmes does not rise in line with targets of Corporate Strategy	Shan Wareing	<p>Cause: Students admitted through clearing with lower tariff and less commitment to the course. High risk students are not identified in a timely way and supported sufficiently. Failures in timetabling, organisation and communication increase during periods of change, and high risk students are more vulnerable. New initiatives don't engage students. Provision fails to meet immediate needs of students entering through non-traditional access routes. Unable to finance student support adequately to meet level of demand.</p> <p>Effect: Progression rate fails to increase sufficiently . HEFCE, or OFS could view LSBU as high risk. Data could have negative impact in TEF metric assessment. Considerable loss of income from UG non-progression to level 5 and 6.</p>	I = 3 L = 2 High (6)	Study Support & Skills Sessions provided by the Library & LRC	I = 3 L = 2 High (6)	Shan Wareing	Review current Job Description for Course Directors, ensuring fit with current priorities and Career Pathway structure.	22 Dec 2017
					Student Welfare advice and support provided by Student Life Centre		Jamie Jones	Review impact of Engagement and Attendance Monitoring Strategy.	31 Jul 2017

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
518	Failures in core student systems negatively impact student experience	Shan Wareing	<p>Cause: Core business processes and systems - e.g. QL, timetabling, Moodle, MyLSBU – already requiring manual and emergency interventions to function, or fail completely due to increased activity, e.g. January starts.</p> <p>Effect: Confusion amongst students and staff, NSS impact and reputational damage. students unable to attend teaching sessions, submit work on time or receive marks, so progression suffers Staff compensating for systems failures are distracted from other activity leading to failures elsewhere. Staff morale suffers and sickness rate and turnover rate increase.</p>	I = 2 L = 3 Medium (6)	SRS Replacement Project Updates scrutinised at Academic Board, to oversee progress and assess fit with strategy and existing practice. Operational Issues reported and tracked through ICT TopDesk system, with internal escalation protocols.	I = 2 L = 3 Medium (6)	Andrew Wignall	Review possibility of utilising the automated functions of timetabling system	01 May 2017
							Jennifer Laws	Amend QL to mitigate known problems with Sessions with January starts.	28 Jul 2017
							Marc Griffith	Upgrade our Moodle VLE during the summer recess to improve the service further.	11 Sep 2017
							Marc Griffith	Allocate staffing to support my LSBU	30 Nov 2016
							Shan Wareing	Complete review of requirements for new Student Record System, and complete procurement proposal.	31 Jul 2017



Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
519	Negative Quality Assessment	Shan Wareing	<p>Cause: Reductions in staffing, or increase in activity could lead to overstretched teams and a failure to complete adequate quality processes in the Schools or PSGs. Academic staff are insufficiently prepared for quality processes, (because of being new to HE or not having had appropriate professional development) do not follow quality processes. High risk activity with partners (placement, international partners, UK partners (particularly FE or schools education) does not have adequate resource or expertise allocated to it to identify and manage risks.</p> <p>Effect: Failures in quality: Negatively impacts on Board of Governors ability to sign off HEFCE assurances, affecting income, reputation and university status. Negative affect on Annual Provider Review, and TEF outcome, impacting negatively on income through reputational impact on recruitment and through static fee levels. Could act as barrier to recruitment of international students, affecting income and reputation.</p>	I = 3 L = 3 High (9)	Academic Audit process monitored by Academic Board via periodic reports from Quality & Standards Committee (QSC).	I = 3 L = 2 High (6)	Janet Bohrer	Review approach to electronic document management, in conjunction with ARR and the Governance team, to seek to manage harmonisation of Curriculum details across the institution.	30 Sep 2017
							Janet Bohrer	Facilitate series of 3 workshops "Course Approval and Validation" with the aim to establish new Quality processes for implementation in 2017/18 that will meet the requirements for LSBU course approval and facilitate course enhancement and to put improved student experience at the centre of our new processes.	01 Aug 2017

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
494	Inconsistent delivery of Placement activity across institution	Shan Wareing	<p>Cause: Insufficient human resource allocation centrally and in Schools Insufficient expertise within LSBU. Lack of allocation of sufficient central and School human resource. Speed of implementation without underpinning project planning or learning from the sector. Lack of assurance over offsite workplace conditions.</p> <p>Effect: Placement practice may not comply with Chapter B10 of the Quality Code, so may be a quality risk. LSBU may not be able to provide a placement, internship or professional opportunity for all UG students entering in 2016 and after, leading to a CMA risk Placements may not deliver a good student experience, creating a risk to achievement of NSS improvement plans. Duty of care to students re workplace safety may not be met, creating a reputational risk. Potential insurance risk.</p>	I = 3 L = 2 High (6) 	Utilisation of new software platform 'InPlace' enables efficiencies in the Schools & the centre, and supports constancy of process and knowledge sharing.	I = 3 L = 1 Medium (3) 	Sukaina Jeraj	Establish Placements Steering Group; with representatives from each School and relevant PSGs, to review operations managed through InPlace system and develop practice and procedure across the university in relation to the recruitment guarantee.	28 Apr 2017
							Sukaina Jeraj	Oversee upload to OurLSBU of Placements agreement and assurance pro-formas, and related comms to staff.	31 May 2017

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
402	Income growth expected from greater research and enterprise activity does not materialise	Paul Ivey	<p>Cause:</p> <ol style="list-style-type: none"> 1) Challenging market environment with high competition for similar opportunities and funders. 2) Lack of proven forecasting systems & recent static performance 3) Aggressive and complex turnaround required carries intrinsic high risk. 4) Dependence on HSC CPPD income (circa 50% of enterprise£) 5) New structures fail to entice and encourage academic participation in activity. 6) Limitations of academic capacity and capability. 7) Internal competition for staff time over and above teaching. 8) TNE partnerships are not approved, present quality risks, or break down due to absence of adequate support structures, or when contacts relocate. <p>Effect:</p> <ol style="list-style-type: none"> 1) Income growth expectations unrealised. 2) Undiversified enterprise portfolio. 3) Lower financial contribution, as an increased proportion of delivery is sourced outside core academic staff. 4) Increased dependency on generating enterprise opportunities via Knowledge Transfer outreach as opposed to an academic-led stream, results in higher opex costs. 5) The holistic benefits for teaching and the student experience are reduced. 6) Proportion of staff resource diverted to winning new funding is significantly increased. 7) Reduced research income adversely affects the research environment, publication rates, evidence of impact, student completions, & ultimately LSBU REF 2020 rating. 8) Inability to align academic resource with identified market opportunities. 9) TNE enterprise expectations unrealised. 	I = 3 L = 2 High (6)	<p>Operation of Sharepoint Enterprise Approval Process for authorisation of new income opportunities.</p> <hr/> <p>R&E activity Pipeline Reports (Financial & Narrative) will be provided to each Operations Board Meeting to aid constant scrutiny and review of progress against 5 year income targets.</p> <hr/> <p>Bid writing workshops for academic staff delivered routinely</p> <hr/> <p>Enterprise Business Plan & strategy submitted for approval annually to SBUEL Board (which has 2 Non-Executive Directors) for monitoring & quarterly updates provided at LSBU Board meetings.</p>	I = 3 L = 2 High (6)	Shan Wareing	Ensure financial model recognises the costs of managing risks to quality and the student experience	01 Aug 2017

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
495	Impact of Higher Apprenticeship degrees on existing recruitment markets	Pat Bailey	<p>Cause: The Introduction of Higher Apprenticeship degrees may present an opportunity for LSBU to grow student numbers in a new market.</p> <p>Effect: These degrees could cannibalise existing employer sponsored students. This represents a risk to existing income and markets. LSBU currently has c.4,000 students on part-time courses, majority employer-sponsored & initial estimations are that income from 1,400 students (£3.3m of surplus) could be affected.</p>	I = 3 L = 1 Medium (3)			John Baker	Oversee Internal Audit Review into administration of Apprenticeships.	28 Apr 2017
							Pat Bailey	Oversee 'launch' events, planned during 16/17 to raise the profile of IPTE at key points in the recruitment cycle.	31 Oct 2017

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
457	Anticipated international & EU student revenue unrealised	Paul Ivey	<p>Cause: UK government process / policy changes. Restriction on current highly trusted sponsor status. Issues connected with english language test evidence. Anticipated TNE growth does not materialise.</p> <p>Effect: LSBU unable to organise visas for students who wish to study here. International students diverted to other markets. Expected income from overseas students unrealised. Conversion impact of LSBU TNE students doesn't materialise.</p>	I = 2 L = 3 Medium (6)	<p>Regular reporting of Visa refusal rates to Director of Internationalisation by Immigration Team.</p> <hr/> <p>International Office runs annual cycle of training events with staff to ensure knowledge of & compliance with UKVI processes.</p> <hr/> <p>Recruitment Reports presented to each meeting of Ops Board.</p>	I = 2 L = 2 Medium (4)			

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
517	Impact of EU Referendum result on operating conditions & market trends	David Phoenix	<p>Cause: Following the vote to 'Leave', the Government is working towards a plan to extract the UK from the European Union. Whilst we appear to be a long way from the triggering of article 50, itself a 2 year process, the news of the outcome of the plebiscite has already seen impact in markets and international opinion.</p> <p>Effect: Staff impact: The outcome could impact on the ability of some existing staff to remain in the UK, and could impair the ability for future recruitment, both from Europe, and from other overseas territories. Recruitment impact: Currently EU students pay home fees & can access the UK student loan system. It is likely that higher fees and removal of this access will have a significant impact on the appeal of the UK to European applicants long term. Additionally the reporting of the Brexit outcome is having a negative impact on the reputation of the UK as a welcoming destination. These impacts on the sector could also cause changes in recruitment patterns at well-ranked institutions, which could have a negative impact on applicant pools elsewhere. Research Funding: Leaving the EU is likely to remove the ability of LSBU to partner in EU research projects, and access Horizon 2020 funding opportunities. Legislative Compliance: There could be additional administration cost in updating many EU compliant processes if regulations are amended. Impact on bond yields could affect year end pension liabilities.</p>	I = 3 L = 3 High (9)			Gurpreet Jagpal	Add 4 academic leads to Research Institutes, to build strategic relationships with UKRI, UK research Councils and UK (Russell Group) HEIs.	30 Apr 2018
							David Phoenix	Continue to monitor closely, through UUK and other sector bodies, the potential impacts and responses.	31 Jul 2017
							Mandy Eddolls	Monitor situation with regard to employment law and right to work, and ensure that appointments are made in compliance with any changes to regulation.	28 Jul 2017

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
1	Failure to position LSBU to improve reputation & effectively respond to policy changes & shifts in competitive landscape	David Phoenix	<p>Cause:</p> <ul style="list-style-type: none"> - Changes to fees and funding models - Increased competition from Private Providers - TEF and Apprenticeship development - Failure to anticipate change - Failure to position (politically) - Failure to position (capacity/structure) - Failure to improve League Table position <p>Effect:</p> <ul style="list-style-type: none"> - Failure to recruit students - Failure to differentiate 	I = 4 L = 3 Critical (12)	<p>Ketchum appointed to advise LSBU on the ongoing changes to the political environment for higher education & its external communications in response to these changes.</p> <hr/> <p>Financial controls (inc. forecasting & restructure) enable achievement of forward operating surplus target communicated to Hefce in July Forecast.</p> <hr/> <p>Planning Performance & Assurance team provides Senior Managers with trend analysis and competitor benchmarking against KPIs</p> <hr/> <p>A horizon scanning report produced by the Policy Unit</p> <hr/> <p>Maintain relationships with key politicians/influencers, boroughs and local FE</p> <hr/> <p>Annual review of corporate strategy by Executive and Board of Governors</p>	I = 4 L = 1 High (4)			

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
362	Low staff engagement impacts performance negatively	Mandy Eddolls	<p>Cause:</p> <ul style="list-style-type: none"> •Bureaucracy involved in decision making at the University •Systems and structure do not facilitate teamwork between areas of the University •Staff feeling that they do not receive relevant information directly linked to them and their jobs •Poor pay and reward packages •Poor diversity and inclusion practises <p>Effect:</p> <ul style="list-style-type: none"> •Decreased customer (student) satisfaction •Overall University performance decreases •Low staff satisfaction results •Increased staff turnover •Quality of service delivered decreases 	I = 3 L = 3 High (9)	<p>Cascade messages from Ops Board circulated for Cascade / Congress / Town Hall Meetings within each School & Professional Service Group.</p> <hr/> <p>Local Area action plan RAG progress reports are monitored at every other Operations Board meeting.</p> <hr/> <p>Planning process promotes golden thread connection from Corporate Strategy, through Roadmaps to Staff Appraisal.</p> <hr/> <p>Direct staff feedback is encouraged through the "asktheVC@" email address and through feedback forms on OurLSBU, and through discussions on Yammer.</p> <hr/> <p>An ongoing campaign by Internal Comms to promote Employee engagement using the #wevalueyourvoice hashtag</p> <hr/> <p>Employee engagement champions established for each Shools & PSG with regular network meetings to actively support engagement initiatives.</p>	I = 3 L = 2 High (6)	Cheryl King-McDowall	Conduct EES Pulse survey for key themes.	31 May 2017

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
2	Revenue reduction if course portfolio, or related marketing activity and admissions process does not achieve Home UG recruitment targets	Ian Mehrtens	<p>Cause:</p> <ul style="list-style-type: none"> - Changes to UGFT fees - Increased competition (removal of SNC cap in 15/16) - Failure to develop and communicate brand & lsbu graduate attributes - Lack of accurate real-time reporting mechanisms - Poor league table position - Portfolio or modes of delivery do not reflect market need - Tighter tariff policy during clearing <p>Effect:</p> <ul style="list-style-type: none"> - Under recruitment - loss of income - Loss of HEFCE contract numbers - to 14/15 - Failure to meet related income targets - cost of legal challenge relating to CMA guidance 	I = 4 L = 3 Critical (12)	<p>Report on student applications is presented to every monthly meeting of Operations Board & reviewed by Board of Governors</p> <hr/> <p>Weekly Report linking student numbers to anticipated income levels circulated to Ops Board.</p> <hr/> <p>Advance predictions of student recruitment numbers informs the Annual five year forecast submitted to Hefce each July</p> <hr/> <p>Differentiated marketing campaigns are run for FTUG, PTUG and PG students on a semesterised basis.</p>	I = 4 L = 2 Critical (8)			

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
3	Staff pension scheme deficit increases	Richard Flatman	<p>Cause:</p> <ul style="list-style-type: none"> - Increased life expectancies - Reductions to long term bond yields, which drive the discount rate - Poor stock market performance - Poor performance of the LPFA fund manager relative to the market - Impact of change from FRS17 to FRS102 - Further change to accounting requirements for TPS & USS schemes <p>Effect:</p> <ul style="list-style-type: none"> - Increased I&E pension cost means other resources are restricted further if a surplus is to be maintained - Balance sheet is weakened and may move to a net liabilities position, though pension liability is disregarded by HEFCE - Significant cash injections into schemes may be required in the long term - Inability to plan for longer term changes 	I = 3 L = 3 High (9)	<p>Regular monitoring of national/sector pension developments and attendance at relevant conferences and briefing seminars</p> <hr/> <p>Annual FRS 102 valuation of pension scheme</p> <hr/> <p>Regular participation in sector review activity through attendance at LPFA HE forum, & UCEA pensions group by CFO or deputy.</p> <hr/> <p>Regular Reporting to Board via CFO Report</p> <hr/> <p>DC pension scheme for SBUEL staff.</p> <hr/> <p>Tight Executive control of all staff costs through monthly scrutiny of management accounts</p> <hr/> <p>Strict control on early access to pension at redundancy/restructure</p>	I = 3 L = 2 High (6)			

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
6	Management Information is not meaningful, reliable, or does not triangulate for internal decision or external reporting	Richard Flatman	<p>Cause:</p> <ul style="list-style-type: none"> - Lack of strategic vision for ICT - Proliferation of technology solutions - Data in systems is inaccurate - Data in systems lacks interoperability - Resource constraints & insufficient staff capability delay system improvement - Lack of data quality control and assurance mechanisms <p>Effect:</p> <ul style="list-style-type: none"> - Insufficient evidence to support effective decision-making at all levels - Inability to track trends or benchmark performance - Internal management information insufficient to verify external reporting - unclear data during clearing & over-recruitment penalties - League table position impaired by wrong data - Failure to satisfy requirements of Professional, Statutory and Regulatory bodies (NHS, course accreditation etc) 	I = 3 L = 3 High (9)	<p>Data Assurance Group meets to review matters of data quality and provides reports to Operations Board.</p> <hr/> <p>Internal Auditors Continuous Audit programme provides regular assurance on student and finance information, including UKVI compliance.</p> <hr/> <p>Engagement between International Office, Registry & School Admin teams to ensure UKVI requirement compliance, specifically regarding:</p> <ul style="list-style-type: none"> - Visa applications and issue of CAS - English language requirements - Reporting of absence or withdrawal <hr/> <p>Systematic data quality checks and review of key data returns prior to submission by PPA team.</p> <hr/> <p>Sporadic internal audit reports on key systems through 3 year IA cycle to systematically check data and related processes:</p> <ul style="list-style-type: none"> - HR systems - Space management systems - TRAC - External returns 	I = 3 L = 2 High (6)	Shan Wareing	Develop a specification for a new Student Record system, underpinned by configuration requirements and workflows.	29 Jul 2017

Standard Risk Register



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Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
14	Loss of NHS contract income	Warren Turner	<p>Cause: NHS financial challenges/ structural change is resulting in a total review of educational commissioning by Health Education England with an expected overall reduction in available funding (affecting CPPD).</p> <p>Plus London Educational Contracts (pre-registration) are running out from Sept 2017 with students paying their own fees via student loan system. Recruitment to contracted programmes could dip following shift from bursaries to tuition fees. Applications numbers are down overall, but quality of applications generally higher.</p> <p>Effect: Reduction in income Reduced staff numbers Reduced student numbers</p>	I = 3 L = 3 High (9)	<p>Named Customer Manager roles with NHS Trusts, CCGs and HEE.</p> <hr/> <p>Monitor quality of courses (QCPM and NMC) annually in autumn (QCPM) and winter (NMC)</p> <hr/> <p>Support with numeracy and literacy test preparation.</p> <hr/> <p>Complete review in 2016/17 of all post-registration/ PG and CPPD courses and modules to ensure these remain leading edge and fit for the future. Review programmed to involve all stakeholders and to be employer driven.</p>	I = 3 L = 2 High (6)	Anthony Mcgrath	FE progression agreements - we are discussing with FE colleges in central, south and north-east London additional progression agreements and partnerships to encourage FE students into pre-reg/ UG health courses. We are also leading a project with Guy's & St Thomas's Hospitals NHS Foundation Trust to develop a 16-18 cadetship apprenticeship which will also provide links to FE providers locally and to health careers/ courses at LSBU	25 Sep 2017
							Sue Mullaney	Improve NSS participation & scores Develop action plans for Departments and School from results of 2015 NSS	28 Feb 2017
							Warren Turner	Havering lease - EAF dealing with negotiations with NHS Properties - extension of lease to 2021 had been offered. Potential for further/ alternative location at either Care City site (Barking) or Purfleet New Town site.	27 Sep 2021
							Warren Turner	Grow into new markets for medical and private sector CPPD provision - include as part of Ipsos Mori bi-annual survey to identify workforce/ education requirements. Include these in CPPD course review	25 Sep 2017
							Sheelagh Mealing	Increase uptake in band 1-4 activity Support Trusts in seeking external (non NHS) funding Work with NHS partners to meet demand for apprenticeship programmes/ Foundation Degrees (esp around Assistant/ Associate Practitioner roles)	31 Mar 2017
37	Affordability of Capital Expenditure investment plans	Richard Flatman	<p>Cause: - Poor project controls - Lack of capacity to manage/deliver projects - Reduction in agreed/assumed capital funding - Reduction in other government funding</p> <p>Effect:</p>	I = 3 L = 3 High (9)		I = 3 L = 1 Medium (3)			

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
			<ul style="list-style-type: none"> - Adverse financial impact - Reputational damage - Reduced surplus - Planned improvement to student experience not delivered - Inability to attract new students 		<p>Management Accounts, with a CAPEX report section, are provided to each meeting of the FP&R Committee, and the Board receives business cases in relation to all planned capital expenditure > £1million.</p> <hr/> <p>Full Business Cases prepared; using guidance and process approved by Executive - including clarity on cost and funding, for each element of Estates Strategy, and approved by Board of Governors where cost = >£1M</p> <hr/> <p>Clear requirement (including authority levels) for all major (>£1m) capital expenditure to have Board approval</p> <hr/> <p>Major Projects & Investments Committee (MPIC) is a Board sub-committee with remit to review all property related capital decisions, and is empowered to approve all unplanned capital expenditure > £500K but <£1M.</p> <hr/> <p>Capex reporting routines established and embedded into regularly updated financial forecasts & management accounts and regular Board reports.</p> <hr/>		Ian Mehrtens	Complete report on the final Student Centre negotiations. Update: the 12 month defects liability period concluded & working through the final defect list. POE was due by Feb 14.	30 Apr 2013
							Ian Mehrtens	Creation and submission of business case for wider estate development programme to MPIC Board Committee.	28 Feb 2017

Standard Risk Register



Risk Ref	Risk Title	Risk Owner	Cause & Effect	Inherent Risk Priority	Risk Control	Residual Risk Priority	Person Responsible	Action Required	To be implemented by
					LSBU Project methodology & Estates & Facilities Dept project controls, including Governance arrangements applied to all Capex projects.				
305	Student & corporate data not accessed and stored securely or appropriately	Ian Mehrtens	<p>Cause: Loss or inappropriate access to data, or breach of digital security; either en masse (e.g. address harvesting) or in specific cases (e.g. loss of sensitive files / data)</p> <p>Effect: Reputational damage, regulatory failure, undermining of academic credibility or compromise of competitive advantage.</p>	I = 3 L = 2 High (6)	Responsibility for control over data protection risks at an institutional level allocated to Director of ARR (Academic Related Resources)	I = 3 L = 2 High (6)			



	CONFIDENTIAL
Paper title:	Schedule of Matters Reserved update
Board/Committee	Board of Governors
Date of meeting:	18 May 2017
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Executive/Operations sponsor:	James Stevenson, University Secretary and Clerk to the Board of Governors
Purpose:	Approval
Recommendation:	The Board is requested to approve the proposed amendments to the Schedule of Matters Reserved to the Board

Executive Summary

A new approval process for international collaborations has been agreed by the Executive. A summary is provided in the Vice Chancellor's Report. Following this new process an amendment is required to the Schedule of Matters Reserved, as follows:

1.	Mission and strategy	Reference	Delegation to a committee of the Board?
1.4	** Extension of LSBU's undertaking into new material activities such as opening new campuses or joint ventures		no delegation
1.6	Approval of large scale, strategically significant international collaborations.		Executive

The Board is requested to approve this amendment to the Schedule of Matters Reserved to the Board.