

**Minutes of the meeting of the Board of Governors
held at 4.00 pm on Thursday, 24 November 2016
Boardroom - Technopark, SE1 6LN**

Present

Jerry Cope (Chair)
Andrew Owen (Vice-Chair)
David Phoenix
Temi Ahmadu
Steve Balmont
Michael Cutbill
Douglas Denham St Pinnock
Neil Gorman
Mee Ling Ng
Jenny Owen
Tony Roberts

Apologies

Shachi Blakemore
Carol Hui
Hilary McCallion
Kevin McGrath
Calvin Usuanlele

In attendance

Pat Bailey
Richard Flatman
James Stevenson
Michael Broadway

1. Welcome and apologies

The Chair welcomed members to the meeting.

The above apologies were noted.

Prior to the meeting the Board had received an informative presentation on research, enterprise and innovation.

2. Declarations of Interest

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

3. Minutes of previous meeting

The Board approved the minutes of the meeting of 13 October 2016 and their publication as redacted.

4. Matters arising

The Board noted the matters arising from the previous meeting. Further information on equality, diversity and inclusion statistics as requested at the meeting would be circulated by email.

The Chair reported that the 2016 graduation ceremonies had been successful. The Board congratulated graduating students and noted that the ceremonies had been well organised and thanked the events team.

5. 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 that the Vice Chancellor was attending the Central London area review of further education meeting that evening, which would discuss LSBU's potential alliance with local FE colleges. If appropriate, a full business case would be developed and proposed to the Major Projects and Investment Committee.

The Board noted the proposed international job titles of executive members for use on overseas visits: Vice Chancellor to use "President"; and the Deputy Vice Chancellor and Pro Vice Chancellors to use "Vice President".

The Board discussed the university's TEF2 metrics which would rate the university as "bronze". A submission, due in January 2017, would make a persuasive case to be re-graded to "silver".

The Board discussed recruitment for entry for September 2017 and the potential adverse impact of the move from bursaries to loans for health students.

The Board noted an update on negotiations with UCU on the South Bank Agreement.

The Board discussed South Bank Academies and preparations for an Ofsted inspection in the academy of engineering. The governance structure of the multi academy trust continued to be strengthened and links between the academy schools and with LSBU were being developed.

The Board noted that £5m of capital funding had been received from the London Borough of Southwark to renovate the Passmore Centre as a centre for delivering apprenticeships. A linked grant of £3m from HEFCE would follow.

6. Chief Financial Officer's report

The Board discussed the Chief Financial Officer's report, which included an update on the latest income projections for 2016/17, an update on year end reporting matters and details of the external audit tender process.

The October 2016 management accounts full year forecast indicated a £1m shortfall on income but the target budget surplus of £1m was still expected.

The Board approved the updated pro forma financial commentary for submission to HEFCE as part of the annual accountability return.

The Board noted that the tender for the external audit contract was underway. The audit committee would make a recommendation to the Board at its meeting of 16 March 2016.

The Board discussed an update on pensions. It was noted that the triennial actuarial valuation of the LPFA pension scheme had been undertaken during the year. LSBU had provisionally been assigned "category B". Confirmation was expected before Christmas 2016. The categorisation would have a material impact on cash contributions to the scheme.

7. Key performance indicators report 2015/16 and targets for 2016/17

The Board discussed the Key Performance Indicators (KPI) report and approved the proposed targets for 2016/17. The Board noted that the financial KPI targets were in line with the approved 2016/17 budget.

The Board approved the change of KPI 24 on student satisfaction with facilities and environment. The Institute of Customer Service index would be used instead of teaching room utilisation rate, which would be monitored separately by the Finance, Planning and Resources Committee.

The Board noted that KPI 11 on the percentage of full time undergraduate pre-clearing applications was being reviewed to cover only applications received through UCAS. The Board would be asked to approve a revised target for this KPI at the Board meeting of 16 March 2017.

The Board requested trend analysis on future KPI reports.

David Phoenix left the meeting

8. Corporate strategy progress report

The Board noted the half yearly Corporate Strategy Progress report.

9. Audit Committee annual report to Board

The Board noted the Audit Committee's annual report for 2015/16 which had been approved by the Audit Committee at its meeting of 10 November 2016. The Chair of the Audit Committee reported that the speak up matter referred to in the report had been concluded with a finding of no substance.

The Board noted the annual opinion of the internal auditor, PwC, which found that "governance, risk management and control, and value for money arrangements in relation to business critical areas is generally satisfactory". This was the second highest of four ratings.

The Chair of the Audit Committee agreed to sign the report for submission to HEFCE.

10. External audit findings

The Board noted Grant Thornton's audit findings report which had been discussed in detail by the Audit Committee. There were no matters which needed to be brought to the attention of the Board. The final version would be circulated to the Board.

11. Letter of representation to the auditors

The Board noted the letter of representation to the external auditors. It was noted that there were no representations specific to LSBU or as a result of any matters arising during the course of the audit. The Executive confirmed that all material matters had been disclosed to the auditors and that the representations were accurate and reasonable.

The Board approved the letter and authorised the Chair to sign the letter on behalf of the Board.

12. Annual Report and Accounts

The Board discussed the proposed annual report and financial statements for year ended 31 July 2016, which had been reviewed by the Audit committee and the Finance, Planning and Resources committee. The surplus was £3.3m.

The Board noted minor amendments to the accounts made since the Audit Committee.

The Board received assurance from the Chief Financial Officer that no matters had arisen since the Audit Committee meeting of 10 November 2016 that would prevent a full compliance statement being made in the annual accounts.

The Board noted that there had been no material post-balance sheet events.

The Board noted assurances from the Executive that the form and content of the report and accounts were accurate and could be approved by the Board.

After careful consideration, the Board approved the annual report and financial statements for the year ended 31 July 2016 and authorised the Chair and Vice Chancellor to sign on behalf of the Board.

The Board noted that the accounts for South Bank University Enterprises Ltd (SBUEL) had been approved by the SBUEL Board at its meeting of 15 November 2016. As a wholly-owned subsidiary, the accounts of SBUEL were consolidated into the University group accounts.

The Board agreed the resolution in the accounts to re-appoint Grant Thornton as external auditor until 31 July 2017, subject to the external audit tender process. The form of members' resolution is attached to these minutes.

13. Academic Board annual report

The Board discussed the Academic Board annual report, which summarised the work of the Academic Board and its committees during 2015/16. The Board noted that academic key performance indicators were reviewed at each meeting of the Academic Board.

The Board was assured that students were actively involved in the meetings of the Academic Board and its committees.

14. Quality assurance statement

The Board discussed HEFCE's new requirement for a quality assurance by all HE providers. The Board was, for the first time, required to sign an annual statement to confirm that it is assured that "LSBU is maintaining its responsibility for improving student academic experience and student outcomes, and that academic standards are set and appropriately maintained".

The Board noted how LSBU's quality processes were mapped to national quality expectations. The Board noted that Academic Board had reviewed the action plan for continuous improvement of the student academic experience and related material. Audit Committee had reviewed the processes followed to provide assurance to the Board and had satisfied itself that these were appropriate.

Following detailed review by the Academic Board and the Audit Committee, and having noted the role of the Academic Board in relation to quality in the previous item, the Board approved the full assurance statement for submission to HEFCE.

15. Prevent annual return

The Board noted the first annual report on the Prevent duty, prepared in accordance with HEFCE guidance. The report demonstrated how LSBU had had due regard to the need to prevent people being drawn into terrorism.

The Board noted the balance to be struck between complying with the duty and encouraging freedom of speech on campus. It was reported that the Students' Union has not raised any concerns on the way the duty is implemented and that this would continue to be reviewed.

Following detailed review by the Audit Committee, the Board approved the Prevent annual report, subject to minor amendments, and the statement of assurance for submission to HEFCE.

16. Reports on decisions of committees

The Board noted a report on decisions of committees since its last meeting of 13 October 2016.

The Board noted the Modern Slavery Act statement which had been approved on its behalf by the Audit Committee at its meeting of 10 November 2016. The statement would be published on the University's website.

The Board noted the amended Gift Acceptance Policy which had been approved by the Finance, Planning and Resources Committee at its meeting of 8 November 2016.

17. Corporate risk register

The Board noted the corporate risk register.

18. Annual declarations of interest

The Board authorised the declared interests of governors and executive members, with the inclusion of Calvin Usuanlele as the Chair of Student

Council. An updated register of interests would be published on the University's website.

Date of next meeting
4.00 pm, on Thursday, 16 March 2017

Confirmed as a true record

..... (Chair)