Meeting of the Board of Governors

4.00 pm on Thursday, 16 July 2020
via MS Teams

Agenda

No.	Item	Pages	Presenter
1.	Welcome and apologies		JC
2.	Declarations of Interest *Governors are required to declare any interest in any item of business at this meeting*		JC
3.	Minutes of previous meeting	3 - 8	JC
4.	Matters arising	9 - 10	JC

Chair's business

No.	Item	Pages	Presenter
5.	South Bank Academies update	Verbal Report	HM

Items to discuss

No.	Item	Pages	Presenter
6.	VC's report	11 - 26	DP
7.	CFO's report	27 - 42	RF

Items to approve

No.	Item	Pages	Presenter
8.	Strategy 2025 • Board strategy day notes	43 - 62	DP
9.	EDI annual report 2019/20	63 - 86	SC
10.	Enterprise Advisory Board	87 - 110	PI
11.	Group corporate risk approach • 2020/21 Group risk policy • Corporate risk report	111 - 128	RF
12.	Delegations of authority	129 - 130	JS

Items to note
*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*

No.	Item	Pages	Presenter
13.	Updated register of interests	131 - 132	JS
14.	Reports and decisions of committees	133 - 144	JS

Date of next meetings (via MS Teams)
Board Strategy Day: 10.00 am on Thursday, 24 September 2020
Board Meeting: 4.00 pm on Thursday 15 October 2020

Members: Jerry Cope (Chair), Michael Cutbill (Vice-Chair), Duncan Brown, John Cole, Peter Fidler, Mark Lemmon, Nicki Martin, Hilary McCallion, Mee Ling Ng, Jeremy Parr, David Phoenix, Rashda Rana, Tony Roberts, Deepa Shah, Maxwell Smith, Vinay Tanna and Harriet Tollerson

In attendance: Pat Bailey, Michael Broadway, Sarah Cowley (item 9 only), Richard Duke (items 8, 11 only), Richard Flatman, Paul Ivey (item 10 only) and James Stevenson

**Minutes of the meeting of the Board of Governors
held at 4.00 pm on Thursday, 21 May 2020
via MS Teams**

Present
Jerry Cope (Chair)
Michael Cutbill (Vice-Chair)
Duncan Brown
John Cole
Peter Fidler
Nelly Kibirige
Mark Lemmon
Nicki Martin
Hilary McCallion
Mee Ling Ng
Jeremy Parr
David Phoenix
Rashda Rana
Tony Roberts
Deepa Shah
Nazene Smout
Vinay Tanna

Apologies
Richard Flatman

In attendance
Pat Bailey
Kerry Johnson
James Stevenson
Ralph Sanders
Hattie Tollerson (LSBSU President 2020/21)
Maxwell Smith (LSBSU Chair of Student Council 2020/21, from minute 9)

1.   **Welcome and apologies**

The Chair welcomed Professor Nicola Martin to her first meeting as a staff governor, and welcomed Hattie Tollerson and Maxwell Smith (the incoming student governors) as observers.

The Chair noted that this was the last Board meeting for Nelly Kibirige and Nazene Smout, and thanked them for their contributions as student governors.

The above apologies were noted.

The Chair noted that the Board had just received an informative presentation on the impacts of the coronavirus pandemic, and the mitigating actions taken by the executive.

2. **Declarations of Interest**

In relation to Project LEAP, The Board noted the previously authorised interest of Duncan Brown due to his financial relationship with PwC. It was noted that Peter Fidler had an interest in the VC's Report (para 2.2. on global delivery) related to his Senate membership of MDIS Singapore, which had a campus in Tashkent.

No other 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 12 March 2020 and their publication.

4. **Matters arising**

The Board noted the matters arising from the previous meeting. Board members were encouraged to volunteer to act as a continuing observer of the Academic Board as part of the review of academic assurance.

In relation to the review of sub-committee recommendations, the Chair of MPIC had set out requirements for how matters would be reported to the Board. The MPIC Chair confirmed that the LEAP paper (minute 9 below refers) followed these requirements.

5. **Chair's business**

The Chair noted that Tony Roberts would chair the Honorary Awards Joint Committee.

The Chair drew attention to the governance and best practice report, which had been issued to the Board as a supplement.

KPI working group update

The Chair of the Finance, Planning and Resources committee provided a verbal update on the progress of the KPI working group. The Board noted that the group was working to set the aspirational pillar level KPIs for the next five-year planning period. It was noted that the KPIs would be presented to the Board for approval on 16 July 2020.

6. **Coronavirus - business recovery**

The Board noted the strategic overview of the LSBU Group's response to the national coronavirus crisis, including lessons learned and current risk.

The Board noted that a phased return to the SE1 campus from remote working would take place over summer 2020, following government guidance on social distancing. This would enable readiness for semester one. The planned approach would be to ensure an on-campus experience for all students for academic year 2020/21, supplemented with online lectures and seminars. International students would be able to quarantine in halls.

In addition, the move to remote working had provided opportunities to develop new ways of working which would be included in future plans.

The Board noted that the executive was closely monitoring student recruitment for September 2020 but it was too early to accurately predict patterns of behaviour.

The Vice Chancellor drew the Board's attention to the OfS consultation on a new time-limited condition of registration. The new condition would allow OfS to take action (including financial penalties) against higher education providers that engaged in conduct which would not be in the interest of students or the wider sector during the coronavirus pandemic. This condition was proposed to be retrospective.

The Board supported the executive's arrangements for business recovery planning.

7.   **VC's report**

The Board discussed the Vice Chancellor's report.

The Board noted that while the environment remained challenging due to the national coronavirus crisis, LSBU remained on track for most activity and continued to deliver on a wide range of projects.

The Board noted the receipt of a letter from the Education and Skills Funding Agency (ESFA) regarding zero percent apprenticeship completion rates for the first cohort of students, as previously reported to the Board. Due to the small sample size, the ESFA would not undertake any interventions. It was noted that the matter would be formally reported to the next meeting of the Group Audit and Risk Committee.

The Board noted that the executive was working with the Students' Union to help them overcome a number of challenges and to achieve turnaround for the 2020/21 academic year.

The Board noted that a draft term sheet proposing revisions to the SBC grant agreement of January 2019 had been received from the Department for Education (DfE) following the intervention from Gillian Keegan MP, Parliamentary Under Secretary of State for Apprenticeships and Skills. The executive was preparing a response with the aim to progress the NESC development and avoid risks to GLA funding.

The Board noted that recruitment for 2020/21 remained uncertain although applications continued to be favourable. Due to the impact of coronavirus on UCAS timelines it was difficult to compare undergraduate recruitment accurately with the previous year. The concern regarding the impact of the pandemic on the apprenticeship and international markets was noted. The Board would continue to receive updates.

The Board noted that a mock REF (Research Excellence Framework) exercise had been completed and that the resulting report was positive. It was expected that REF 2020 would now be postponed to 2021 due to coronavirus. The Board would be invited to a REF workshop in June 2020.

8. **CFO's report**

The Board discussed the Group Chief Financial Officer's report, which included an update on the current year financial performance, the draft LSBU budget for 2020/21, and an update on the revised cashflow forecast.

The Board noted the current year financial performance as at 31 March 2020. The full year income forecast of £154.8m was a reduction of approximately £5m on previous reports due to the effects of the national coronavirus crisis. The strong current year recruitment had enabled the reduction to be managed within the budget to date.

8.1 Budget 2020/21

The Board noted that the Finance, Planning and Resources (FPR) committee had reviewed the draft 2020/21 budget scenarios in detail. FPR had supported the recommendation of the executive that the Board approves scenario 2(b) as the basis for a draft budget 2020/21. It was noted that the proposed scenario assumed income of £153m (a reduction of £13.5m compared with the pre-virus projection).

The Board noted that a comprehensive budget review would take place in November 2020 when there would be more clarity about recruitment and income forecasts. In addition, work would have been undertaken on the target operating model and Align programme. Further scenarios would be assessed in detail over summer 2020.

The Board discussed the proposed budget in detail, noting the cost base and use of earmarked contingency funds. The Board welcomed continued scenario planning as income streams become clearer in autumn 2020. The executive was urged to continue to be closely connected to the sector and government policy. There was a discussion on the proposed revolving credit facility (RCF), minuted at 8.2 below.

Following detailed discussion, the Board approved the proposed 2020/21 budget.

8.2 Revolving credit facility

The Board noted the update on commercial negotiations regarding the proposed new revolving credit facility (RCF), as discussed in detail by FPR on 28 April 2020.

The Board supported the proposal for an RCF up to £45m. The Board authorised a sub-committee of Rashda Rana, Michael Cutbill and Dave Phoenix, and advised by Richard Flatman, to approve the terms and authorise completion of the revolving credit facility, and the granting of any required security, and additional sources of financing from London Borough of Lambeth.

<u>8.3 Pensions</u>

The Board noted that planning continued for the introduction of a defined contribution pension scheme to new professional staff joining LSBU and SBC. Consultation was due to begin in June 2020, with implementation planned for 1 October 2020. The pensions sub-committee supported these steps.

9.   **Project LEAP business case**

The Board discussed the Project LEAP business case in detail, noting total overall programme cost of £32m, of which £8m was sunk expenditure. The business case proposed purchase of key software, customer relationship management and student record systems for LSBU. The strategic objective was to transform the LSBU student experience.

It was noted that the FPR committee had reviewed the financial scenarios of the 2020/21 budget in light of the pandemic. The Chair of FPR confirmed that the committee believed Project LEAP to be affordable.

The Chair of the Major Projects and Investment Committee (MPIC) confirmed that it had supported the executive's recommendation that the Board approve the full business case. This was based on FPR's review of affordability, and taking into account the updated cashflow forecasts. MPIC had supported flattening and lengthening the expenditure profile of the programme at this time of considerable financial uncertainty due to the pandemic. The Board noted that this would potentially add £2.4m to the total programme cost, though the additional cost might be lessened through commercial negotiations.

Governors discussed the proposal in detail, querying the capacity of senior management to deliver the programme. The executive confirmed that responsibilities were distributed with no single point of failure.

The Chair of MPIC confirmed that updates on programme progress would be expected at every MPIC meeting.

Following the above discussion the Board approved the full business case and future expenditure of (up to) £25.6m, subject to satisfactory completion of

negotiations of the RCF with banks and/or Lambeth Council to close the existing funding gap (as covered in detail in minute 8 above).

10. **Delegation of authority**

SBC revision of 2019 grant agreement

The Board authorised a sub-committee of Jerry Cope, Rashda Rana, Michael Cutbill, Dave Phoenix and Richard Flatman to consent on behalf of LSBU to SBC's approving a revised grant agreement and any related arrangements with the Department for Education.

11. **Corporate risk**

The Board noted the corporate risk register, which currently included zero critical risks, eleven high risks, fourteen medium risks and one low risk. A detailed review would be carried out by the Group Audit and Risk committee at its next meeting (18 June 2020).

12. **Students' Union election results**

The Board noted the March 2020 SU election results and returning officer's report which demonstrated that the election was run in a fair and democratic manner as required under the Education Act 1994.

13. **Reports and decisions of committees**

The Board noted the report on decisions of committees since the last meeting.

The Board approved the updated terms of reference for the Major Projects and Investment committee, and the Finance, Planning and Resources committee, confirming FPR's responsibility for consideration of capital finance and borrowing proposals.

14. **Declarations of interest (new staff governor)**

The Board authorised the interests of Professor Nicola Martin, to be published on the website.

**Date of next meeting
4.00 pm, on Thursday, 16 July 2020**

Confirmed as a true record

.... (Chair)

BOARD OF GOVERNORS - THURSDAY, 16 JULY 2020
ACTION SHEET

Agenda No	Agenda/Decision Item	Action	Date Due	Officer	Action Status
5.	Chair's business	KPIs to be presented to the Board for approval	16 July 2020	CFO	Underway – update included in agenda item 8.
7.	VC's report	ESFA letter regarding apprenticeship rates to be formally reported to Group Audit and Risk Committee	18 June 2020	PVC (C&FE)	Complete
7.	VC's report	Board to be invited to REF workshop in June 2020	1 June 2020	Governance	Complete
11.	Corporate risk	Detailed review to be carried out by Group Audit and Risk Committee	18 June 2020	CFO	Complete

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	CONFIDENTIAL
Paper title:	Vice Chancellor's Report
Board/Committee	Board of Governors
Date of meeting:	16th July 2020
Author:	David Phoenix, Vice Chancellor
Executive sponsor:	David Phoenix, Vice Chancellor
Purpose:	To update the Board on University matters
Recommendation:	To note the report.

Executive Summary

The Group continues to respond to CoV-19, ensuring the safety of staff and students whilst planning for Semester 1 and managing immediate issues such as campus re-opening and alternative assessment methods.

In recruitment, we have achieved 3,424 Firm Accepts across UGFT provision, which is equivalent to 71% of target. International student numbers are however down and we are looking at extending our January starts to maximise numbers later on in the year.

Work on the campus continues and whilst there are some delays on London Road due to CoV-19 the project is still on course for the building to open fully in September 2021 as planned.

As anticipated, we have seen a decrease in rank for Graduate Outcomes, ranking 88th out of 133 with a score of 69% for Graduate Employment and Study. This is a drop of 18% compared to a score of 88% in the 2016/17 DLHE survey. Graduate outcomes will has to be one of our main focuses for the next academic year along with retention and satisfaction and it's these figures that will drive reputational gain and student numbers.

Vice Chancellor's Report July 2020

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 Complete University Guide

The Complete University Guide (CUG) 2021 was released on 9th June 2020. The usual publication date in April was postponed due to uncertainty regarding the publication date of graduate outcomes data, which was also delayed. As a result, the CUG have not included an updated employment measure in the publication and have reused the 2017/18 DLHE results published in the prior year tables.
LSBU has declined in rank by 2 places, from 87/131 to 89/130. Although LSBU has now overtaken Greenwich and Salford as both have declined to 92nd and 90th. At LSBU there were improvements in scores for NSS student satisfaction (rank +63 places), academic services spend and good honours. However there was deterioration in scores for entry tariff (rank -8 places), staff student ratio (rank -14 places), facilities spend and degree completion. Score change and rank change were not always corresponding, as rank is dependent on performance of others in the table.

LSBU appeared in 33 subject tables, 10 of which were ranked in the top 50 percent ranking for the subject. 18 subjects improved in percentile rank, 1 maintained and 14 declined. The largest rank improvements were in Education (+15 places) and English (+18 places) and the largest declines were in Sports Science (-20 places) and Computer Science (-14 places).

In the 2020 Corporate Strategy, LSBU set out to be the London's top modern university. In this ranking, the only London modern ahead of LSBU is West London University, so given its position of the second lowest London Modern in 2015 (only London Metropolitan University was below LSBU), this is a significant achievement.

1.2 QS World University Ranking 2021

The QS World University Ranking 2021 publication includes 1002 ranked Institutions, with 47 new entrants one of which was from the UK. UK performance has been poor this year and nearly three-quarters of UK universities slipped down. Of the UK's 84 ranked universities, 66 saw their staff to student ratio decline while 59 had a drop in research citations. International student numbers at 51 universities

also fell. Oxford is the highest placed UK university, at 5 (down one place from last year), followed by Cambridge that remains at 7 and UCL (10, down two places).

Summary of key findings:

- LSBU has declined by one banded rank from 701-750 to 751-800 this places LSBU within the 64th percentile of Institutions.
- LSBU's overall score has declined from 15.2 to 14.9, this was mainly due to a decline in the staff student ratio.
- LSBU is ahead of 17 UK institutions, which are all ranked 801-1000.
- At 99 globally, the International Students measure is the strongest indicator for LSBU.
- When comparing the UK Post 1992 HEI's, only 3 have improved in rank, 15 have maintained and 10 including LSBU have declined in rank.

Analysis of LSBU Performance year on year change:

LSBU's overall score has declined from 15.2 to 14.9.

- The score for the academic reputation survey has improved from 3.2 to 3.4 out of 100, this may be as a result of the additional contacts submitted for surveying this year. However, the rank in this indicator has declined suggesting competitors have improved at a greater rate. This measure accounts for 40% of the survey and is the highest weighted metric.
- The standardised score for citations improved from 8.2 to 9.5 however, the rank in this indicator declined suggesting competitors have improved at a greater rate.
- LSBU has also improved in score and rank for International Faculty (+8.7) although this indicator only accounts for 5% of the overall ranking.
- The standardised score for the employment reputation survey has declined from 2 to 1.8 out of 100.
- The standardised score International students has declined by 0.3 to 68.9.
- The standardised score for staff student ratio score has declined by 5.4 points to 16.6. The SSR submitted changed from 13.7 to 14.4 which was due to an increase in student FTE by over 600.

1.3 Graduate Outcomes

LSBU is ranked 88th out of 133 with a score of 69% for Graduate Employment and Study for full time, undergraduate, UK domiciled respondents. This is a drop of 18% compared to a score of 88% in the 2016/17 DLHE survey. Overall the Sector average is 75% which is a 2% decline compared to the DLHE. Within the competitor and aspirational institutions, Aston is the top performing with 80% in graduate level outcomes and a rank of 31st, LSBU is mid rank, Roehampton and East London are the lowest performing with 60% in graduate outcomes and a rank of 127th for both. Liverpool Hope has seen the largest decline compared to DLHE for this score

(-21%), followed by LSBU (-18%) and Roehampton (-14%). Table 1 below, compares LSBU performance to aspirational and competitor institutions. Table 2 details LSBU's subject level performance. The EPI population represents full-time, first degree, UK domiciled students, which is the metric used in league tables. The School of the greatest concern is Business, which saw a decline from the last DLHE survey score of graduate level employment/further study of 91.4% to 39.2% in the GO survey.

Table 1

Group	Row Labels	GO 17/18 % Graduate level outcome	Outcome Population	GO Rank (/133)	DLHE 16/17 % Graduate level outcome	Outcome Population	Difference	DLHE Rank (/133)
Aspirational	Aston University	80%	1035	29	78%	1386	2%	62
Aspirational	Oxford Brookes University	76%	1640	48	78%	2285	-2%	57
Aspirational	Keele University	75%	1020	51	82%	1236	-6%	33
Competitor	The University of Greenwich	73%	1705	60	70%	2556	3%	104
Aspirational	The University of Lincoln	72%	1860	69	83%	2146	-11%	25
Competitor	St Mary's University, Twickenham	69%	605	87	74%	808	-4%	84
Competitor	**London South Bank University**	69%	1075	88	88%	2011	-18%	6
Competitor	Kingston University	68%	1680	94	66%	2754	2%	121
Competitor	The University of West London	67%	900	101	75%	1286	-9%	74
Competitor	University of the Arts, London	66%	1060	107	71%	1638	-6%	96
Competitor	The University of Westminster	65%	1340	109	71%	2077	-5%	101
Competitor	Middlesex University	63%	950	122	75%	1402	-12%	75
Competitor	London Metropolitan University	61%	725	125	73%	1199	-12%	85
Aspirational	Liverpool Hope University	61%	615	126	82%	656	-21%	34
Competitor	Roehampton University	60%	730	127	75%	1048	-14%	77
Competitor	The University of East London	60%	1095	127	67%	1809	-7%	119

Table 2

	School	Graduate Outcome % (Final)	Graduate Outcome % (DLHE 16/17)	Difference	Positive Outcome % (Final)	Positive Outcome % (DLHE 16/17)	Difference	Outcome Population (Final)	DLHE 16/17 population	Difference
OVERALL	Applied Sciences	56.3%	66.6%	-10.2%	94.6%	93.2%	1.4%	168	323	-155
	Arts and Creative Industries	55.6%	73.3%	-17.6%	94.7%	96.0%	-1.3%	132	273	-141
	Built Environment and Architecture	82.7%	90.5%	-7.8%	96.4%	98.1%	-1.7%	388	782	-394
	Business	62.2%	78.7%	-16.5%	91.8%	94.8%	-3.0%	378	694	-316
	Engineering	58.2%	79.8%	-21.6%	86.3%	95.9%	-9.6%	234	435	-201
	Health and Social Care	92.7%	96.1%	-3.4%	99.3%	99.5%	-0.2%	915	1401	-486
	Law and Social Sciences	63.0%	77.8%	-14.8%	93.7%	94.3%	-0.6%	303	545	-242
	Grand Total	**75.4%**	**85.0%**	**-9.6%**	**95.3%**	**96.9%**	**-1.6%**	**2518**	**4453**	**-1935**
EPI (FT FD UK)	Applied Sciences	54.2%	74.4%	-20.3%	95.0%	91.3%	3.7%	101	173	-72
	Arts and Creative Industries	52.7%	78.3%	-25.6%	94.9%	96.1%	-1.2%	99	181	-82
	Built Environment and Architecture	76.5%	88.2%	-11.8%	94.3%	95.1%	-0.8%	53	102	-49
	Business	39.2%	76.0%	-36.8%	91.4%	89.5%	1.9%	105	200	-95
	Engineering	59.3%	85.1%	-25.8%	84.9%	93.1%	-8.2%	119	188	-69
	Health and Social Care	92.3%	98.8%	-6.5%	99.5%	99.7%	-0.2%	365	649	-284
	Law and Social Sciences	58.8%	75.1%	-16.3%	92.3%	92.5%	-0.2%	142	241	-99
	Grand Total	**68.9%**	**86.2%**	**-17.3%**	**94.6%**	**95.3%**	**-0.7%**	**984**	**1734**	**-750**

1.4 LEO

The LEO dataset includes the employment and earnings outcomes for graduates that are first degree level and UK domiciled. LEO data is based on tax data from HMRC and student datasets. It looks at outcomes one, three and five years after graduation (YAG) starting with the first full tax year after leaving education, generally around eighteen months after graduation. The latest release published on 25th June 2020 is the third annual LEO release.

Number of subjects per percentile band

Number of subjects (prior year number in brackets)	Sustained employment, further study or both			Median Annualised Earnings		
Percentile	1YAG	3YAG	5YAG	1YAG	3YAG	5YAG
Top 50	3 (3)	3 (1)	1 (0)	11 (8)	8 (8)	10 (5)
51 - 75	5 (8)	6 (2)	2 (1)	5 (5)	6 (8)	5 (6)
76 - 90	6 (2)	3 (6)	8 (5)	1 (2)	4 (1)	3 (0)
91 - 100	5 (5)	8 (9)	9 (7)	2 (3)	1 (1)	2 (1)

LSBU ranks higher in median annualised earning than in Sustained employment or further study outcomes in the majority of subjects, due to a high proportion of graduates working in London. The best performing subject is Nursing and midwifery which is ranked in the top 10% for median annualised earning in all Years After Graduation (YAG). The worst performing subjects are Business and management and English studies with below 90% employment or further study outcomes in all YAG categories. Table 3 shows results by subject area.

Subject	2016/17 Tax Year			2017/18 Tax Year			YoY Difference		
	1 YAG (14/15 Cohort)	3 YAG (12/13 Cohort)	5 YAG (10/11 Cohort)	1 YAG (15/16 Cohort)	3 YAG (13/14 Cohort)	5 YAG (11/12 Cohort)	1 YAG	3 YAG	5 YAG
Agriculture, food and related studies	86.1	80	75	-	76.9	73.9	-	-3.1	-1.1
Allied health (Other subjects allied to medicine in previous year)	91.9	88.4	-	83.3	93	92.1	-8.6	4.6	-
Architecture, building and planning	86	82.7	82.9	86.2	84	83.7	0.2	1.3	0.8
Biosciences	65.8	77.1	-	87.7	79.7	74.2	21.9	2.6	-
Business and management	77.4	77.5	72.2	80.6	76.5	76	3.2	-1	3.8
Computing	85	71.7	79.1	84.7	83.1	73.5	-0.3	11.4	-5.6
Creative arts and design	78.9	80.4	72.2	80	80.9	79.7	1.1	0.5	7.5
Education and teaching	92.2	82.1	-	80	83.3	88.2	-12.2	1.2	-
Engineering	84.2	82	84.1	88.5	83.7	76.9	4.3	1.7	-7.2
English studies	86.4	78.7	-	80.6	57.6	71.6	-5.8	-21.1	-
General, applied and forensic sciences	96	75	66.7	81.8	93.3	81.6	-14.2	18.3	14.9
Health and social care	91.7	85.7	-	82.8	92.3	87.7	-8.9	6.6	-
Law	77	75.2	80	93.5	84.2	77.5	16.5	9	-2.5
Media, journalism and communications	73.6	81.8	75.5	76.7	81.5	79.3	3.1	-0.3	3.8
Medical sciences (New subject)	-	-	-	90.1	88.3	83.7	-	-	-
Nursing and midwifery	94.6	92.1	89	96	93.3	88.9	1.4	1.2	-0.1
Performing arts (New subject)	-	-	-	81.9	76.1	82.4	-	-	-
Psychology	84.5	81.6	75.2	93.2	82.6	78.4	8.7	1	3.2
Sociology, social policy and anthropology	86	76.1	72.7	84.9	72.2	78.7	-1.1	-3.9	6
Sport and exercise sciences	95.5	94.7	66.7	80	86.7	84.2	-15.5	-8	17.5

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 Income Diversity

Research and enterprise activities have continued throughout this period, with a focus on mitigating risks to project delivery as a result of the campus closure and the moratorium on face to face research. Colleagues are liaising with funders to understand the changes to their funding priorities and identify opportunities for the LSBU Group associated with the post-Covid 19 recovery. For example, the GLA have recently published new European Social Fund (ESF) calls with a mid-July deadline with a focus on youth unemployment: LSBU will be submitting two proposals related to STEM and the creative industries, with a number of partners from the private and public sector. Interdisciplinary research bids related to Covid-19 from across Schools are being supported which may result in additional research income in 20/21. We have issued notice to The Welding Institute (TWI) that we wish to close our Innovation Centres and negotiations around the closure of the Innovation Centres are now progressing. Extensions to a number of European Regional Development Fund (ERDF) projects have been recently secured, which mean that LSBU's programmes to support small businesses to innovate in the food tech, low carbon and health tech sectors continue to September 2023. We are continuing to prepare for the submission of the Research Excellence Framework (REF) and Knowledge Exchange Framework (KEF) and this is progressing well through using virtual collaboration tools. More detailed updates have been covered in the REF and KEF Board workshops.

2.2 Global Delivery

LSBU Global launched on 18th May and needs to manage the journey from a professional services group to a successful commercial entity as we look towards the new strategy. It is envisaged some activity will be provided through LSBU and some non-primary purpose activity through SUBEL. Hubs are currently being worked on in Egypt, Uzbekistan, India, Canada and Dubai. China is still an option too but the situation there is being looked at very closely. Each TNE project will be considered a discrete entity capable of demonstrating sustainability. LSBU Global provides IP and academic product; the partner provides the investment and on-the-ground expertise. The benchmark net income, depending on the market, will run between 10-15% of the tuition fee as the licence to operate an LSBU award or through surplus in the case of a branch campus. There will be additional charges for content and capacity development with the partners.

Working with LSBU Enterprise, LSBU Global can engage with a broader agenda than traditional TNE. The development of science/business parks, CPD work and access to projects otherwise difficult to connect with, can be facilitated through networks and connections in country.

Whilst a key part of our 2025 strategy the current CoV-19 crisis has accelerated the need to fill a long-standing gap with the TNE online provision and this will be pursued with a different business approach which should produce better margins for less risk.

The overseas operations net fee income was £1.88m and with the partnership charge to CEG OnCampus at £125k, the final total for the year was £2.004m

2.3 REF 2020 Update

The REF submission deadline has been confirmed as March 31 2021. The Impact deadline for Impact case studies has been extended to 31 December 2020: this means that Impact from research submitted to REF 2021 can be realised up until the end of 2020. All other REF deadlines essentially remain unchanged.

In August/September 2020 the university will be confirming which staff have Significant Responsibility for Research (SRR), i.e. will be submitted to REF. To be identified as having SRR, a staff member must have ≥20% of their time in their workload model allocated to research.

We are aware that these are challenging times for researchers, especially for colleagues with caring responsibilities. We are liaising with colleagues to ensure staff are supported: a working group has been set up within one of our schools to advise on equality-related issues pertaining to COVID-19 and we will be engage with this group to develop and roll out any recommendations arising from our consultations. LSBU's REF Impact case studies are progressing well and we are working with a range of stakeholders to develop the case studies and to acquire Impact evidence.

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 Semester 1 Recruitment Update – Home/EU/OS

The university has achieved 3,424 Firm Accepts across UGFT provision as at 28 June, which is equivalent to 71% of target (4,825 Firm Accepts). 95% of our offer-

holders have now replied, while the remainder have until 20th July. Firm Accepts will slightly increase until then, but this is near enough our final Main Cycle position - and it is a strong position going into Clearing. Our challenge will be retaining our Firm Accepts. We are continuing to focus on offer holder engagement, on Semester 1 delivery and on wider student experience plans, including the potential use of Unibuddy to introduce classmates together and introduce students with teaching teams prior to arrival.

3.1.1 LSBU Recruitment Overall

Across all provision the university has generated a total of 4,715 Firm Accepts to date, equivalent to 60% of its Semester 1 target of 7,820 Firm Accepts overall. It represents a 6% increase in Firm Accepts year-on-year (4,443 last year to date). Within this, overseas acceptances are down 56% overall (with 194 fewer Unconditional-Firm Accepts in UG, and 150 fewer in PG. We are taking steps to maintain engagement with the international applicant base and reviewing options for increasing the number of courses starting in January 2021.

3.2 Apprenticeships

LSBU has 1468 apprentices on programme. The current 19/20 achievement rate is 48.4%. LSBU expects to end the academic year with achievement between 55% and 60%. This will place LSBU between 15-20% above the sector average and a significant improvement on 18/19. Retention remains high across apprenticeship programmes at 94.7%. Currently the number of firm accepts on apprenticeship programmes for 20/21 in 9.3% behind last year. This is due the School of Built Environment and Architecture unable to validate 7 standards in the time frame expected, rather than any COVID-19 related challenges. This impacted on our links to some clients and we need to ensure we are able to progress course approvals in more commercial timeframe moving forward.

LSBU - Apprenticeship Achievement report 19/20					
Prog Type Name	App Standard Name	Hybrid End	Standard Achievement Overall %	Continuing	Complete
Apprenticeship standard	Chartered Surveyor (degree) - 050	19/20	50.00	10	1
Apprenticeship standard	Healthcare Assistant Practitioner - 102	19/20	47.54	31	29
Apprenticeship standard	Building Services Design Engineer (degree) - 198	19/20	100.00	0	1
			48.44	42	31

The apprenticeship team is enrolling 37 Nursing Associates in July 2020. The Engineering School has launched the Rail Engineering apprenticeship with 58

apprentices enrolling in July 2020. The GLA have granted the Mayor's Construction Academy project an additional 6 months extension resulting in the project running until the end of 2021. The Passmore Centre has a tentative reopen date 21st September 2020 and this has been communicated with Southwark Council.

An interim Deputy Director Quality (apprenticeships) is in place. They are tasked with drafting a fit for purpose self-assessment, and quality improvement plan for apprenticeships, as well as reviewing the current the current apprenticeship validation process to ensure its fit for purpose.

4.0 Group Issues and Environment

4.1 South Bank Academies Trust

Trust leaders have been closely following evolving government guidance in relation to education delivery and operations. Since lockdown and national school closures began, we have been able to educate remotely, with online and live lessons, pastoral care and enrichment activities all being offered, with generally good levels of uptake. Where device access and data poverty has been identified, we have procured and offered loan laptops and routers to minimise the well-publicised learning gaps experienced by disadvantaged learners. Significant work has been done to support the wellbeing and welfare of our communities, including through the provision of supermarket e-vouchers in place of free school meals, and 'care packages' including stationery and books to read for pleasure.

The conventional examination cycle has been cancelled due to Covid in 2020, with schools required to submit Centre Assessed Grades (CAG) for GCSE and A level. At South Bank Academies, a robust process was followed to ensure the grades submitted are valid, accurate and rooted in assessment evidence. CAG are subject to national standardisation and moderation, but as submitted represent a strong improvement in both schools both at GCSE and A level. For example, English and maths pass rates, Attainment 8 and progress measures are improved at both schools over 2019 data while A level average grades and pass rates have improved too. BTEC outcomes remain strong.

Risk assessments have been completed and approved by governors in advance of partial reopening in June, with considerable adjustments made to minimise risk of infection spread and to minimise learning loss. Personalised risk assessments have been completed for all staff in line with best practice to support curriculum and staffing planning.

At the time of writing government guidance on September reopening has been recently released, with all students expected back in year group 'bubbles'. Planning is underway to support this safely in line with our accommodation and staffing

constraints. A summer programme to support transition and catchup is in the final planning stages.

The School Advisory Boards and Quality Committees have been supporting and challenging leaders, for example on development planning and feedback models. A standardised approach to self-evaluation and improvement planning has been adopted supporting consistency and the ability to track trends over time. Risk registers have been updated with the addition of an overview to enhance the ability to track high and increasing risks. An external audit is supporting further improvements in our approach to risk.

Students numbers are poised to increase in both schools, with the UTC benefiting from a new health specialism to attract more Year 12s, as well as a new Year 14 programme. Budgets have been prepared in line with forecasts and show continued viability. Development work is progressing including our engineering PGCE programme with LSBU, a joint LSBU EU bid for STEM education funding, and due diligence work to potentially increase the size of the trust through the acquisition of another UTC.

4.2 South Bank Colleges

We are working with the Skills and Economic Development team at Lambeth and exploring ways in which we can ensure close alignment with the council to ensure we can meet the needs of local employers and residents.

We have adapted our offer in light of COVID, responding to local need including via the GLA and Lambeth Council. Pre-Covid we were successful in our application to the GLA Innovation fund securing £500k for programmes to support 19-24 year olds at risk of serious youth violence and a programme for health care workers supporting the development of leadership skills and English and maths.

We are ensuring that we have appropriate courses in place, clearly signposted for groups hardest hit by COVID, including:

- 19-24 year olds not able to access entry level jobs
- 19+ year olds delaying going to university
- Adults who want to retrain

We have also been successful in our allocation to the COVID recovery bid securing £500k for programmes supporting the delivery of digital skills, construction and entry to employment programmes. We are also developing a new English and maths offer for staff at GSTT through the new English, maths and digital skills offer at the new Health Skills Centre at Tabard Street.

New courses have been developed in partnership with colleagues at the university in particular Access to Law, Social Work and Social Sciences. These courses add a valuable progression opportunity as an alternative to A level routes into these careers. We are launching new HNCs in Business and Engineering for Autumn 2020 working in close partnership with the University. This new offer includes agreed progression plan, co-ordination on unit choice and promotion across the group.

4.2.1 Lambeth College and Managing CoV-19

We have submitted student results using a combination of completed work and centre assessed grades. Results will be published on the 20th August at the same time as GCSE results.

In terms of our re-opening we have invited in 300+ students, an average of 20 a day. We have approximately 30 staff a day on site including members of support staff, teachers and CLG. We have new one-way systems in place, sneeze shields installed at reception and customer services (they have also been installed in the LRC and canteen, ready for wider re-opening). Classrooms have been reconfigured to allow for 2 metre social distancing and hand sanitisers installed throughout. There is training and a campus briefing process in place for all staff and students visiting the Clapham campus.

4.3 Croydon Campus

Negotiations with the landlord of Electric House continue in respect of the establishment of a new campus in Croydon and the proposed lease is currently being drafted Following two pre-application meetings with Croydon Council, the landlord submitted a formal planning application for the refurbishment on 30th June 2020. The landlord requires an Agreement for Lease to be exchanged by 16th July 2020 conditional upon successful Listed Building and Planning Consent

 Assuming planning permission and internal approvals are received, we will commence a programme of marketing and recruitment to support a September 2021 opening. In the meantime, we continue to engage with local stakeholders including Croydon Council, with which we are in regular contact and which remains highly supportive and committed to the opening. We continue to work closely with the Council around developing relationships with local education providers to establish feeder pathways and will also to continue to work with them to explore further funding opportunities.

It is planned to provide Business School and Health and Social Care courses at the facility as well as the creation of an Enterprise Zone in conjunction with Croydon

Council. Plans for the internal layout of the building are currently being finalised with stakeholders.

4.4 Tabard Street Health Education and Skills Centre

Our contractors are now on site and commencing work on the agreed layouts. The programme provides for an operational refurbished building in early September, though further time will be required for installation of any AV equipment and furniture. We anticipate a formal opening in the second half of October. The Centre will support activities by LSBU, South Bank Colleges and South Bank UTC including sector-based outreach, recruitment, education, training of new recruits, and upskilling and CPD of current staff. The Centre will house:
• Specialist simulation suites and other facilities needed to meet the additional demand for health and social care training at Levels 2-4
• High quality conference, training and teaching facilities to service LSBU's CPD programme
• A pre-apprenticeship access programme to support current and prospective GSTT staff to access advanced and higher apprenticeships offering dedicated English, maths, ESOL and digital skills
• A fully immersive interactive facility, providing primary and secondary schools, colleges and adults with the opportunity to learn experientially about jobs in the NHS.

5.0 Strategic Enablers

5.1 Campus Development Southwark

Work to the London Road building continues. Due to the current national COVID-19 situation, the programme has been reviewed and handover is now likely to be in June 2021. The library will, therefore, move to the refurbished building after the exams have taken place. Despite the delay, the project is still on course for the building to open fully in September 2021 as planned. The value engineering exercise continues in order to complete the refurbishment within the £56.4m allocated budget.

Planning for the separate project to re-build/refurbish the Chapel continues. The Design Team are completing the detailed design and the variation to the existing St. George's Quarter planning approval and required listed building applications were submitted to London Borough of Southwark (LBS) Planning Department in May 2020. Once the detailed design has been finalised, the program will be put on hold while the Group capital requirement/capacity post COVID is assessed.

Communication with LBS continues with regards the re-development of the Perry Library/Keyworth Hostel site to create a NHS hub, general LSBU space and 1000 student bedspaces. Avison Young Consultants have been appointed to undertake a valuation of both the Perry Library and the adjoining LBS hostel and to prepare a

costed options appraisal together with planning advice which will be completed at the beginning of July 2020.

5.2 Lambeth College Campus Development

Demolition of the buildings on the Vauxhall site is still suspended due to a lack of workers caused by the COVID-19 situation. Sir Robert McAlpine Construction (SRM) has submitted their full costings for the main construction work and even after an extensive value engineering exercise, their price has proved to be unaffordable. In this respect, following approval by the SBC Board it was agreed that the construction contract would be put back out to market, through a recognised framework, as a single stage Design and Build Contact and it is expected that the tender package will be released on the 20th July. An Expression of Interest (EoI) exercise was concluded in June with three new candidates - Graham Construction, Vinci & Willmott Dixon – stating their interest.   Using this route to tender for the work, the earliest date by which construction could commence is likely to be October 2020 with an occupational completion date of June 2022. This is subject to the availability of workforce, materials etc in the current climate.

The 2nd Stage Planning Approval was signed-off by the Mayor (GLA) on the 23rd June 2020 which enables the conclusion of the agreed s.106.   Following a review of the ceiling heights and suitability of the design, minor adjustments to the floors and layout were considered and agreed by the stakeholders. These design changes and a proposal to alter the façade due to the value engineering exercise, were agreed by Lambeth Council Planners as Non-Material Amendments (NMA).

With regards the GLA, the Deed of Variation is now complete and awaiting signature. The GLA has also approved the release of the second payment and confirmation of the final amount due is awaited.

Both the GLA and Lambeth Council continue to be supportive of the SBC Development proposals and affordability challenges including the proposal to change the use of Block C at Vauxhall from a halls of residence to offices or private dwellings if required. A commercial real estate consultant has been employed to work up a development/disposal strategy (received in draft form at the end of June) outlining options as to the most financially advantageous way the refurbishment of Block S at Clapham and the provision of Blocks A, B, C and D at Vauxhall can be delivered and to ultimately prepare a tender to go out to market. This includes options for joint partnership working and both the retention and disposal of land on both campuses.

5.3 Managing CoV-19

From Monday 13 July, our students will be able to use study space they have booked in advance in the Perry Library. This is a significant milestone for us to reach and is going to be extremely beneficial to our students, especially as they get their results from Friday 10 July, and any students that need to do re-sits (by remote assessments or coursework) will now be able to come in to the library to study ahead of those taking place in August.

As previously reported for delivery in Semester 1, the core curriculum material, traditionally delivered by lecture, will all be provided online. This will be supplemented by a range of activities to enhance the learning experience, including some that will take place on campus, so that students meet their tutors and colleagues on a regular basis – typically a couple of hours a week, but tailored to each course to support the learning outcomes. For students on courses that use specialist facilities, those hands-on activities will still take place, but they will need to be modified to meet health and safety measures relating to Covid-19. The details are still being finalised, and need amending in the light of government guidelines, but we are expecting to operate 1m+ social distancing, with most generic teaching spaces working on 2m distancing, and additional safety measures in place for those activities that involve closer working. We will be following government and PHE guidelines, and requiring everyone to act responsibly within the framework, in order to safeguard themselves, colleagues and students.

We have an overarching high-level corporate Covid-19 risk assessment for each building. However operational Covid-19 risk assessments are being completed by managers before staff return to work on campus and there is an agreed process for sharing information with trade unions.

Over the next few days, staff will receive a communications containing a link to a Personal Health and Circumstances Risk Assessment (PHCRA), which will need to be completed in full by all LSBU employed staff. The primary purpose of this assessment is for all staff to identify if they have a vulnerability that the University needs to be aware of concerning Covid-19 and returning to work on campus safely. Staff will need to complete the PHCRA even if they do not have a vulnerable condition, as there is other relevant information included such as arrangements for travelling to campus.

From 3rd August work will begin setting up our clearing operation which will involve a combination of onsite and remote working and schools are identifying research areas which after risk assessment will be opened to enable research staff to return over summer.

5.4 Public Affairs

Fiona Morey and I spoke at an online conference on technical higher education entitled University Challenge. We instigated the event which was delivered by an independent producer. Over 100 people attended online and we understand that the number of people who download these programmes subsequently is much larger; so we anticipate a substantial reach for our presentations on LSBU Group and the career pathways programme. The producer is further promoting the presentation linked to the recent comments on skills and education by the Prime Minister and Robert Halfon, Chair of the Education Select Commttee. This is the first time we have worked with the producer and in this way but it seems to be a strong means of promoting our messages without working through the normal media.

We held another in our policy breakfast series, again on line. This was chaired by Damian Hinds, former Secretary of State for Education. This also reached more widely than the normal format, including 6 DfE representatives. The event focused on post-16 education and provided an opportunity to lobby for government support of learners and provision at Levels 4 and 5, as part of our focus on growing Levels 3-5 progression.

We held a programme of events (22-26 June) on Sustainability and Climate Action. These showcased LSBU's real world impact through sustainability and climate action initiatives. The events engaged funders, project partners, local and national government and NGOs. There was a wide range of internal and external speakers including Matt Toombs, COP26 Director of Partnerships and Engagement, from the Cabinet Office.

We attended the Apprenticeship APPG to promote the role of higher and degree apprenticeships in social mobility, a role that is often disregarded by those promoting lower level programmes at the expense of higher and degree apprenticeship opportunities.

We instigated a programme of engagement with other APPGs to help raise the university's reputation for research by featuring some of the key outputs being prepared for our REF submission.

We attended the DfE Professional and Technical Education Stakeholder Group and continued to press for the maintenance of Applied General qualifications alongside A-Levels and the new T-levels.

We contributed to a wide range of government and other consultations including a UUK submission to government on flexible learning and also continue to work

closely with stakeholders including the local borough councils and business and education bodies.

5.5 New JNCHES 2020-21

The UCEA Covid-19 Update survey in May revealed that the vast majority of HEIs were seeking a pay freeze, and also preferred to have certainty about the 2020-21 pay round as soon as possible.

UCEA propose to seek agreement with all five unions, on a pay freeze for 2020-21, without going through the negotiating process. In doing so UCEA would emphasize to the unions the ongoing commitment to national collective bargaining and the intention to recommence negotiations in 2021-22, subject to that being possible at that time.

This commitment would not hold individual HEIs to participating in New JNCHES in 2021-22. UCEA would consult members before the round started. Nor would UCEA open negotiations for 2020-21 later this academic year as they would be seeking a commitment to a pay freeze for the remainder of the 2020-21 academic year, without any deferred uplift or back pay at a later date.

A freeze would only apply to the values of the New JNCHES pay spine points. Institutions that wish to implement a freeze to incremental progression this year will need to go through their own local processes to achieve this. A pay freeze will have implications for the lowest pay spine points with regard to the statutory National Living Wage. UCEA will model the impact of a 0% uplift and will provide advice to HEIs about adjustments that would be needed to those points in order to avoid falling below the statutory wage levels.

5.6 People and Organisational Development

The annual staff survey launched on the 18th June. This survey offers deeper insight into staff engagement and will provide a baseline for a number of the corporate KPIs for our Group Strategy 2020-25.

In response to the George Floyd murder and subsequent Black Lives Matters protests, Equinet in partnership with EDI launched 'Lets talk'. This was a weekly forum offering staff the opportunity to share and discuss experiences related to race. Over 60 staff logged in for the first session sharing powerful insights into staff experience. Many of the staff involved commented on their appreciation of the forum, and the opportunity to be heard. Feedback was discussed by the Executive and a Let's Talk with the Executive is planned for later in July.

	CONFIDENTIAL
Paper title	Report from the Group Chief Financial Officer
Board/Committee	Board of Governors
Date of meeting	16 July 2020
Author	Richard Flatman, Group Chief Financial Officer
Sponsor	Richard Flatman, Group Chief Financial Officer
Purpose	To update the Board on financial matters.
Recommendation	The Board is requested to: • note the current year financial performance • note the future financial forecast submission date which is expected to be 31 December 2020. • note updates with regards to LEAP, financial year end, strategy, risk and pensions. The management accounts have been reviewed by the Finance, Planning and Resources Committee. The 2020/21 LSBU budget was approved by the Board at its meeting of 21 May 2020. The SBC budget for 2020/21 is included here as Appendix 2 for full transparency. This is being presented to the SBC board for approval on 14 July 2020. The SBC budget is for a deficit of £1.7m (reduced from £2.7m current year) but will have no impact on the consolidated financial result as it will be offset by deferred grant.

Attachments:

Appendix 1: Management accounts summary to 31 May 2020

Appendix 2: SBC 2020/21 Budget (subject to SBC board approval)

Report from the Group Chief Financial Officer: July 2020

1. Current financial performance

LSBU

The May management accounts are enclosed and have been reviewed in detail by FPR. Income is ahead of budget at £154.2m and we are still forecasting to deliver the budget surplus of £1.5m.

We have enrolled 566 more new students (FTE) than at the comparable period in 18/19, an increase of 10%. Continuing students are up 4% on last year and overall we have 822 FTE more students than at the same time last year. We have not seen any increase above trend in terms of student withdrawals.

In terms of discretionary expenditure, since the Covid-19 outbreak no new in year investments have been approved by the Executive and the Investment pot has been frozen. We do however still have some flexibility for additional in year investment in the Covid-19 recovery plan and this is seen as essential to both mitigate against further risk of Covid-19 and place us in the best possible position as we head toward Semester 1 next year. We have initially set aside £500k to cover urgent spend on software and digital technologies and are closely examining potential additional estates and people costs. In terms of IT hardware, our primary focus is on support for student devices and we are assessing options for underwriting a loan scheme. Our expectation at this stage is that, where appropriate, we will cover these additional costs from the investment pot in year without materially affecting the forecast result.

The above position will deliver EBITDA at 10.1%, which is lower than the 11.1% in 18/19. The reduction is more than accounted for by the impact of Covid 19.

In terms of cash and cash equivalents, following the payment of the 3rd tranche of SLC funds, the University is currently holding cash and cash equivalents of £73.1m including £2.9m with respect to the Lambeth College transaction. This is an improvement on the equivalent position of £65.5m in May-19.

SBC

The budget deficit for SBC for the year is £2,785k, and the forecast for the year, after allowing for Covid-19 impact shows a deficit of £2,806k an adverse variance of £21k.

The main component parts of variance are analysed below:

Funding body grants have been protected by the ESFA and GLA this year and so there are no variances on this line. Tuition fees include short courses and commercial income that are impacted by the lockdown and overall it is expected that that there will be an adverse variance of c £450k to budget as a result of no further commercial income and no more short courses. The College is trying to mitigate the demand for refunds for courses that can be delivered online, and have had relatively few requests for refund. Other income includes nursery income and the enforced closure leads to a c£100k adverse variance for this income line.

Staff costs are forecast to exceed budget by £515k; the impact of pay award and other items has been captured in this forecast, which also includes one off redundancy and agency costs. SBC will limit costs to year end as much as possible and are reflecting these challenges in the budget for next year.

Operating expenses are lower than budget by £596k, largely due to a pause on spend on the estate and classroom and workshop materials. Subcontractors will be paid on delivery and some are showing an underperformance to date that may not be able to be recovered by year end which will reduce the College costs. Catering costs is an area where SBC are in discussion with suppliers and the forecast does not include any additional costs beyond that which should be paid according to contract. This is expected to be resolved in the next week with minimal additional cost to the College.

Depreciation continues to be £450k under budget as thee have been no significant changes to fixed assets during the year, and the start date of the NESC project has been delayed.

2020/21 Budget

LSBU Budget

The University budget was approved by Board at its May meeting (scenario 2b). There have been no significant matters arising post approval which would indicate any change at this stage to the agreed budget although we continue to monitor the position closely.

We are currently working through the budget allocation to schools and professional service groups on a roll forward basis with a working base case assumption of zero pay award. On this basis, and after accounting for the expected impact of increments, the staff pay gap compared to budget is expected to be in the range £4m-£5m. As the agreed budget included £2m surplus with a £3m contingency we are essentially at break even with no scope for investment. We plan to deliver a small surplus and will

need to make additional Covid investment next year as well. Therefore, as previously reported, we will work over summer on a range of workforce planning issues and will revisit Align efficiency savings to identify potential actions that we can take when there is greater clarity on recruitment in the Autumn.

SBC Budget

The SBC budget for 2019/20, which is included here as an appendix to give Board visibility of the consolidated position, is being presented to the SBC board for approval on 14 July.

2. Future financial forecasts

LSBU Annual financial return

As part of the OFS registration, every registered provider (excluding further education colleges and sixth form colleges) needs to submit financial data consistent with its latest audited financial statements, forecast financial and student number data, and other relevant contextual information. This is used to monitor the financial health of providers and in particular in considering compliance with condition D (financial viability and sustainability). This consolidated return is for both the University and SBC, since SBC is a subsidiary organisation.

The deadline for the University is within five months of a provider's financial year end. Exact dates are subject to review post Covid and will be issued to the University but we anticipate and are assuming that the return will be required by December 31. We are currently in the process of reviewing and updating the University's 5 year financial forecasts to take account of the scenario 2b budget for 2020/21 which reduces our income from the previously submitted forecast of £160m to the £153m anticipated. We are currently reviewing scenarios for future years to take account of potential reduced activity due to the impact of Covid 19 and will be sharing this with the board at an appropriate time in advance of any submission deadline.

SBC

Having submitted to ESFA the integrated finance returns at the end of February a further return now needs to be submitted by the end of July.

This return consists of:

- 12 month cash flow forecast for 2020/21
- Revisiting of 2019/20 forecast and 2020/21 budget with financial health calculator
- Commentary explaining the College's position, plan and risks.

The return will be submitted to the SBC board on 14th July for approval and is in line with the budget shown in appendix 2.

3. **Cashflow**

As part of the governance of our Capital expenditure programme, financial modelling was presented to MPIC/Board in September 2019 that demonstrated that our investment programme would need an element of external funding. Approval was gained to approach the capital markets for funds of up to £45m.

Since the position presented last September, our immediate funding requirement has changed. This is primarily as a result of downgrading the reconstruction of the chapel as a priority and the delay to the construction of the South Bank Colleges Nine Elms Skills Centre in Vauxhall. This has removed £18.5m from the cashflow requirements for 2019/20 and we are now forecasting to end the year with cash and investments of £40.4m.

We are now forecasting a maximum cash deficit of £14m in the year ending 31 July 2022. The reduction in terms of cashflow requirements is driven primarily by changes to the capex expenditure profile. There are changes to the I&E forecast but these largely affect only 20/21 are on the income line. We are still budgeting to deliver a small surplus hence EBITDA and cash are not materially impacted. Post 2020/21 we assume that we recover thereafter to the previous forecast position in terms of surplus. This latest forecast indicates a reduced additional borrowing requirement of £30m and we received offers from the market both at the £30m level and the higher £45m level.

At its meeting of 21 May 2020, the Board of Governors supported a proposal for a Revolving Credit Facility (RCF) up to £45m and delegated authority to an RCF sub-committee to approve award and the granting of any security. The sub-committee met on 1 June and agreed a recommendation that we advise Lloyds Bank plc that they are preferred lender on the basis of a 4 year £45m commitment with a margin of 1.15%, non-utilisation fee of 0.5% and an arrangement fee of 0.75% secured on property (to be decided). All subject to further due diligence and credit approval by Lloyds (currently in progress).

The bank has requested additional information from us; particularly with regard to future forecasts that take account of the potential impact of Covid 19 and recent valuations on the assets that we would propose to use as security (the student

residences of New Kent Road and/or David Bomberg House). Lloyds are currently reviewing these updated documents and we will be update the sub-committee and the Board when we have their response.

4. Pensions

The university and South Bank Colleges are consulting with recognised trade unions and staff about a proposal that will affect pension provision for new professional services staff.

The proposal is that from 1 October 2020, new professional service staff joining LSBU, SBC will not be eligible to join the Local Government pensions scheme (LGPS) as at present. As an alternative, we are setting up a new defined contribution (DC) scheme that will be operated through Aviva. The new scheme, which meets the Pensions Quality Mark (PQM), will also be available to members of SBUEL and SW4 (subsidiaries of LSBU and SBC respectively) and is more generous than existing pension schemes available to staff in those companies.

The period of consultation has been extended and will now end on 13 September 2020. During that time there will be joint consultation meetings with unions (a number have already happened) and we are holding webinars and virtual drop in sessions to share information with current staff. The Executive Team will take into account all of the responses received before sharing them with the Pensions Sub-Committee for further discussion followed by a final decision and sign off by the University Board and the respective boards for SBC, SBUEL and SW4. The decision is expected to be communicated to staff by the end of September 2020.

5. Year end

Planning for the financial year end audit is underway. The audit plan proposed by KPMG for the University and College audits has been approved by the Group Audit and Risk Committees and interim work has been planned commencing 6 July with the main fieldwork taking place in October. All the interim work and the majority of the main fieldwork will be done remotely.

Buzzacott have recently been appointed as auditors for South Bank Academies and their audit plan has been approved by the SBA Audit Committee.

6. LEAP

A revised business case for the LEAP programme was approved by the board in May. Key to programme expenditure is the release plan and this was revised as part of the revised business case to reduce cost in year 1 of the build phase in response to the Covid19 crisis. After an extensive technical analysis, preferred CRM and SRS platforms have been chosen and procurement is now underway. A procurement strategy to acquire software licenses, agreed by the Executive and MPIC, recommends the use of the Southern Universities Purchasing Consortium in line with the release plan.

7. Strategy and KPIs

The 2025 Group Strategy has been approved by Executive, and approval will be sought by Boards in July. The strategy details at a high level the Goals, outcomes (KPIs) and deliverables across the Group. The strategy is structured across the four pillars of Access to Opportunity, Student Success, Real World Impact and Fit for the Future. The Fit for the Future pillar is split into three areas of Technology and Estates, People, Culture and Inclusion and Resources, Market and Shape. In terms of financial performance, the key Goals, Outcomes and deliverables are:

- Goal – 12.5 EBITDA by 2025

- Outcomes:
    - £250m income
    - 5% surplus on income by 2025

- Deliverables:
    - Planning and Budgeting – The aligning of planning and budgeting, to deliver resources against priorities across the Group.
    - Capital Investment Plan – Understanding the capital needs for the Group, and identification of the sources of these capital investment funds

Steps are being taken to ensure that plans are in place to deliver the ambitious outcomes within the strategy.

8. Risk Policy

A risk policy for the Group was approved by the Group Audit and Risk Committee (GARC) in June, and is presented to the Board under separate cover. The policy sets

out the governance process in relation to risk appetite, risk identification and mitigation. Risk registers will be required at Group, entity and local levels.

APPENDIX 1

Management accounts summary to 31 May 2020

MAY 2020 EXECUTIVE SUMMARY

This Executive Summary reports on the draft financial position of London South Bank University as at 31st May 2020.

1) RAG Status

Income Growth FYF v 18/19 outturn	**3.5%**	**Staff Cost %** excluding restructuring	**56.6%**	**FYF Surplus** (Contribution %)	**1.0%**
Opex Growth	**1.4%**	**Staff Cost Growth** excluding restructuring	**3.8%**	**EBITDA**	**10.1%**

2) Summary

The full year forecast as at 31st May 2020 is trending towards a surplus of £1.5m. This £1.5m less than the outturn for 18/19.

Total income is £150m for the YTD, £10.3m (7.4%) ahead of the budgeted position for the 10 months to May-20, and £11.6m (8.4%) ahead of the equivalent period last year. In terms of income, we are seeing the impact of the Covid-19 crisis particularly on Term-time lettings, Food sales, Research Grants, CPPD course activity which are all falling increasingly behind budget. The forecast has been adjusted accordingly.

As at the end of May, the financial impact of the pandemic on Student fee income remains negligible. Lost income due to drop-outs increased by £91k (2.2%) month-on-month, and year-on-year we have lost £241k (5.4%) less income than over the comparable period in 18/19 despite total fee income growing by around 6% year-on-year. Total UG & PG tuition fee income (including Pre-Reg contract) at the end of May was £116m; £0.5m more than last month as a result of income received for apprenticeships. This compares to £102m for the same period last year, an increase of £14m (13.6%).

The full year forecast has been updated to reflect our expectations of the impact that the Covid-19 crisis may have on the financial position by year end. The main highlights are summarised below:

- **Contribution** remains unchanged at £1.5m.
- **Total income** in May's full year forecast (FYF) is £0.6m lower than the April FYF at £154m. The forecast for student fees increased by £0.9m to take into account additional income from Apprenticeships in BEA and income from S2 continuing students that had not previously been factored into the forecast. Additionally, we have revised the £2m provision made in March against lost income potentially resulting from the Covid-19 crisis down to £1m as the impact on student fee income to date has been negligible. We have kept a £1m provision as the situation is uncertain and we do not know for sure how much income will need to be deferred in respect of HSC Nursing student who are in the process of interrupting their studies to join the NHS front line.

  The forecast for Vacation and Term-time lettings income was reduced by a further £1.3m to £2.7m below budget, and the forecast for food sales is down by £0.8m as food outlets are closed on campus due to lockdown measures.
- **Recurring Staff costs** FYF was reduced by £0.6m to £87.2m and are forecast to represent 56.6% of income by the end of the year. Recurring Staff costs were underspent against budget by £1.3m (1.8%) at the end of May-20.
- The **OPEX** FYF increased by £0.2m to £47.9m, £0.7m (1.4%) more than the outturn for 18/19. The forecast for Overseas Recruitment Agents fees was increased by a further £0.3m to £3.7m, £2.1m (124.3%) more than last year.
- The FYF for **Exceptional Items** decreased by £0.3m to £2.1m.

  In May, outstanding budget requests from the investment pot for pre-existing projects approved by the Executive were transferred into local budgets. Since the Covid-19 outbreak no new investments have been approved by the Executive and the Investment pot has been frozen. The balance in Exceptional items is designated for investment in Covid-19 recovery plans, to mitigate against further risks of Covid-19 and to provide for other unforeseen costs that may occur before the end of the year and protect our contribution for the current year.

We have now enrolled 566 more new students (FTE) than at the comparable period in 18/19, an increase of 10%. Continuing students are up 4% on last year and overall we have 822 FTE more students than at the same time last year.

The University is currently holding cash and cash equivalents of £73.1m and is holding £2.9m with respect to the Lambeth College transaction. Without these transactions the University would be holding £70.2m, an improvement on the equivalent position of £65.5m in May-19.

The above position will deliver EBITDA at 10.1% which is lower than the 11.1% of 18/19, assuming the balance in Exceptional Items is spent.
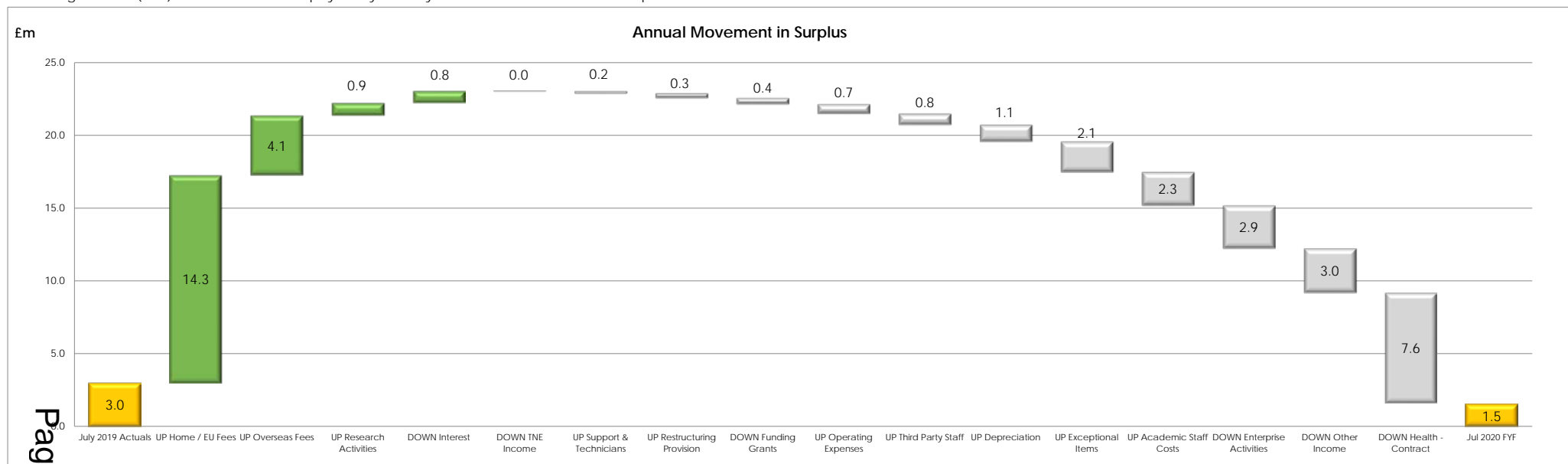
3) Table 1: Full Year Forecast vs. Budget

Financial Summary in £'m	18/19 Actuals	19/20 Budget	Change to 18/19	Change %	Apr 19/20 Forecast Outturn	Monthly move	May 19/20 Forecast Outturn	Variance to 19/20 Budget	Budget variance %	18/19 Actuals	19/20 Actuals	Change to 18/19	Change %
	CURRENT YEAR BUDGET vs PRIOR YEAR ACTUALS				**FULL YEAR FORECAST OUTTURN POSITION**					**YEAR ON YEAR (Y-T-D COMPARISON)**			
Funding Grants	14.26	12.0	-2.2	-16%	13.8	0.0	13.8	1.8	15%	11.2	11.5	0.4	3%
Health - Contract	10.57	2.2	-8.4	-79%	2.9	0.0	2.9	0.8	36%	9.2	3.2	-6.0	-65%
Home / EU UG Fees	73.54	82.5	8.9	12%	84.1	1.5	85.6	3.1	4%	73.8	86.7	12.9	17%
Home / EU PG Fees	10.22	12.5	2.3	22%	12.7	-0.3	12.5	-0.0	-0%	10.3	12.5	2.3	22%
Overseas Tuition Fees	10.35	11.6	1.3	12%	13.7	0.7	14.4	2.8	25%	10.4	15.1	4.7	45%
TNE Income	1.81	2.0	0.2	10%	1.6	0.2	1.8	-0.2	-11%	1.9	1.9	-0.0	-2%
Research Activities	5.99	7.5	1.5	25%	7.2	-0.4	6.8	-0.6	-9%	4.8	5.1	0.3	6%
Enterprise Activities	10.49	10.7	0.2	2%	8.5	-1.0	7.6	-3.1	-29%	7.4	6.5	-0.9	-12%
Student Related Income	10.32	10.9	0.6	6%	9.8	-1.4	8.4	-2.5	-23%	8.8	6.9	-1.8	-21%
Other Operating Income	1.20	0.1	-1.1	-91%	0.1	0.0	0.2	0.0	39%	0.5	0.3	-0.2	-34%
Endowments & Interest	0.30	0.1	-0.2	-63%	0.2	0.0	0.2	0.1	103%	0.3	0.3	0.0	5%
Income	**149.0**	**152.1**	**3.1**	**2%**	**154.8**	**-0.6**	**154.2**	**2.1**	**1%**	**138.4**	**150.0**	**11.6**	**8%**
Academic Staff Costs	39.9	45.8	5.8	15%	42.8	0.6	42.2	-3.5	-8%	33.2	35.4	2.1	6.4%
Support & Technicians	41.4	42.1	0.7	2%	41.7	0.1	41.6	-0.6	-1%	32.1	34.5	2.4	7.5%
Third Party Staff	2.7	1.7	-1.0	-35%	3.3	0.2	3.4	1.7	99%	1.9	2.9	1.0	53%
Restructuring	1.2	1.5	0.3	26%	1.5	0.0	1.5	0.0	0%	0.8	0.2	-0.6	-77%
Depreciation	9.4	10.5	1.1	12%	10.5	0.0	10.5	0.0	0%	7.4	7.1	-0.3	-4%
Operating Expenses	47.2	45.3	-2.0	-4%	47.7	0.2	47.9	2.6	6%	33.7	36.4	2.7	8%
Interest Payable	4.4	3.5	-0.8	-19%	3.5	0.0	3.5	0.0	0%	3.5	3.7	0.2	5%
Exceptional Items	0.0	0.2	0.2	0%	2.4	-0.3	2.1	1.9	1159%	0.0	0.0	0.0	0%
Expenditure	**146.2**	**150.6**	**4.4**	**3%**	**153.3**	**-0.6**	**152.7**	**2.1**	**1%**	**112.5**	**120.1**	**7.6**	**7%**
Surplus for the year	**2.9**	**1.5**	**-1.4**	**-48%**	**1.5**	**0.0**	**1.5**	**0.0**	**0%**	**25.9**	**29.9**	**4.0**	**16%**
Surplus as % of income	**1.9%**	**1.0%**		**-49%**	**1.0%**		**1.0%**			**18.7%**	**19.9%**		
Staff costs as % of income	**57.2%**	**59.9%**		**5%**	**57.7%**		**57.5%**			**49.1%**	**48.6%**		

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4) Forecast Summary

Compared to 18/19 we are forecasting an increase in total income of £5.2m (3.5%). This is a decrease of £0.6m compared to last month. Total recurring staff costs are forecast to increase by £3.2m (3.8%) year-on-year (a reduction of £0.6m compared to Apr-20's forecast), and the costs associated with staff restructuring are expected to increase by £0.3m year-on-year. Depreciation forecast is unchanged and is £1.1m higher than the outturn for 18/19. Operating expenses are forecast to be £0.7m more than 18/19 (an increase of £0.2m vs the position in April); this does not include the £2.1m year-on-year increase in exceptional items to fund in-year investments (down £0.3m compared to last month). We are also forecasting a £0.8m (19%) decrease in interest payable year-on-year. This results in an annual surplus of £1.5m.

Annual Movement in Surplus (£m)

July 2019 Actuals 3.0 · UP Home / EU Fees 14.3 · UP Overseas Fees 4.1 · UP Research Activities 0.9 · DOWN Interest 0.8 · DOWN TNE Income 0.0 · UP Support & Technicians 0.2 · UP Restructuring Provision 0.3 · DOWN Funding Grants 0.4 · UP Operating Expenses 0.7 · UP Third Party Staff 0.8 · UP Depreciation 1.1 · UP Exceptional Items 2.1 · UP Academic Staff Costs 2.3 · DOWN Enterprise Activities 2.9 · DOWN Other Income 3.0 · DOWN Health - Contract 7.6 · Jul 2020 FYF 1.5

The key movement in the year-on-year position remains in Home/EU Tuition fee income, which is forecast to end the year £14.3m (17%) higher than in 18/19. The forecast is £1.2m more than last month as we have reduced the provision against potential impact of Covid-19 from £1m to £0.5m and included additional income from Apprenticeships and S2 recruitment. The increase year-on-year is the result of strong recruitment for both Semesters 1 and 2, but is also because the NHS contract which funded student fees for Pre-Registration courses has ended and new Health & Social Care students are funded through Tuition fee income, hence the £7.6m decrease in Health Contract. The provision against the potential impact of Covid-19 on Overseas student fees has also been reduced from £1m to £0.5m. The forecast for Overseas Tuition Fee income currently stands £4.1m (39.6%) ahead of the full year outturn for 18/19. As of May-20 the forecast for total student fees includes a provision of £1m to mitigate against potential risks of Covid-19 to income, and £747k for lost income due to drop outs in the last 2 months of the financial year.

Research income is forecast to grow by £0.9m (14.2%) year-on-year; this is a reduction of £0.4m compared to last month. Enterprise activities are forecast to decrease by £2.9m (28%) compared to 18/19. The Enterprise forecast was reduced by a further £1m this month in anticipation of the impact that the Covid-19 situation may have on this income stream, mainly regarding vacation lettings.

Recurring staff costs are forecast to increase by £3.2m (3.8%) year-on-year, down £0.6m from the position at April month end. The University finished 18/19 with a recurring staff cost of £80.8m including £3.2m of extraordinary pension costs.

The forecast for Operating expenses was increased by £0.2m this month. OPEX is expected to exceed 18/19 levels of expenditure by £0.7m (1.4%). There is a further £2.1m in Exceptional items £0.3m less than last month.

5) Contribution Analysis

The total income forecast for the Schools portfolio is £139.3m, which is £11.3m (8.8%) more than the total outturn for 18/19 and £6.7m more than budget. This does not include a high level provision of £1m made in FUNI in anticipation of the impact that the COVID-19 crisis might have on student fee income. We have reduced the provision from £2m to £1m in May as there appears to be very little impact on student income at present due to the corona virus outbreak. However, as the situation is still very uncertain we have left a £1m provision in place; the amount of income that we may need to defer into 20/21 in relation to HSC students who have interrupted their studies to work in the NHS is currently unknown as they are still being processed. The forecast also includes a provision of £747k against lost income from drop-outs processed during the final months of this financial year, giving £1.7m headroom.

ACI, BEA, BUS, ENG and LSS all increased their income forecasts this month. The forecast for total student fees was increased by £0.9m as a result of additional income from Apprenticeships and S2 recruitment as well as a more general update based current billings and drop-outs.

Total costs are forecast to increase by £6.4m (12.2%) compared to the prior year. This is £0.8m less than last month and mainly as a result of HSC reducing its staff cost forecast by £0.6m. The full year forecast for the Schools portfolio staff costs is £1.7m less than budget and YTD they are collectively underspent by £1.5m. Most significantly HSC is £1.3m underspent against budget for the YTD and BEA, £0.5m. ENG is overspent by £270k and ACI £201k YTD.

Net contribution from the Schools is be forecast to increase by £4.9m (6.5%) to £80.9m compared to 18/19, this is up by £1.7m compared to the Apr-20 position. This does not include the £1m provision in FUNI against student fee income.

Contribution per School across Teaching, Research and Enterprise activities

£'millions	Applied Sciences 18/19 Actual	Applied Sciences May 19/20 FYF	Arts and Creative Industries 18/19 Actual	Arts and Creative Industries May 19/20 FYF	Built Environment & Architecture 18/19 Actual	Built Environment & Architecture May 19/20 FYF	Business 18/19 Actual	Business May 19/20 FYF	Engineering 18/19 Actual	Engineering May 19/20 FYF	Health & Social Care 18/19 Actual	Health & Social Care May 19/20 FYF	Law & Social Sciences 18/19 Actual	Law & Social Sciences May 19/20 FYF	Total All Schools 18/19 Actual	Total All Schools May 19/20 FYF
Income	£10.8	£11.1	£11.3	£11.4	£18.9	£20.3	£18.0	£24.4	£17.9	£19.2	£36.7	£36.6	£14.4	£16.2	£128.0	£139.3
Expenditure before space charge	£4.7	£5.2	£4.2	£4.7	£5.9	£6.9	£6.2	£8.5	£9.1	£9.8	£16.3	£16.8	£5.6	£6.6	£52.1	£58.4
Contribution	£6.1	£5.9	£7.1	£6.7	£12.9	£13.4	£11.8	£15.9	£8.8	£9.4	£20.4	£19.8	£8.8	£9.7	£75.9	£80.9
Contribution %age	56%	53%	63%	59%	69%	66%	66%	65%	49%	49%	56%	54%	61%	59%	59%	58%

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

£'millions	Applied Sciences 18/19 Actual	Applied Sciences May 19/20 FYF	Arts and Creative Industries 18/19 Actual	Arts and Creative Industries May 19/20 FYF	Built Environment & Architecture 18/19 Actual	Built Environment & Architecture May 19/20 FYF	Business 18/19 Actual	Business May 19/20 FYF	Engineering 18/19 Actual	Engineering May 19/20 FYF	Health & Social Care 18/19 Actual	Health & Social Care May 19/20 FYF	Law & Social Sciences 18/19 Actual	Law & Social Sciences May 19/20 FYF	Total All Schools 18/19 Actual	Total All Schools May 19/20 FYF
Teaching Income	£9.9	£10.2	£10.8	£10.7	£17.8	£19.3	£17.2	£23.7	£13.9	£14.9	£32.0	£33.7	£13.9	£15.5	£115.5	£128.1
Teaching Staff	£3.6	£3.8	£3.1	£3.3	£4.8	£5.3	£4.3	£5.1	£4.7	£5.0	£12.6	£12.9	£4.7	£5.3	£37.8	£40.6
Teaching Expenditure excl. space charge	£0.4	£0.5	£0.7	£0.6	£0.7	£0.8	£1.6	£3.2	£1.1	£0.8	£1.6	£1.8	£0.7	£0.9	£6.8	£8.8
Teaching Contribution	£6.0	£5.8	£7.0	£7.0	£12.3	£13.6	£11.2	£16.0	£8.1	£9.6	£17.8	£19.0	£8.5	£9.5	£70.9	£78.7
Staff cost as %age of income	36%	38%	29%	31%	27%	27%	25%	21%	34%	34%	39%	38%	34%	34%	33%	32%
Contribution %	60%	57%	65%	65%	69%	70%	65%	67%	59%	64%	56%	56%	61%	61%	61%	61%
Return on Academic Investment	167%	152%	225%	213%	253%	259%	258%	315%	174%	191%	142%	147%	180%	180%	187%	194%
Full Year Student FTE	1,007	1,003	1,189	1,112	1,879	2,041	2,096	2,411	1,380	1,411	3,961	3,656	1,546	1,706	13,058	13,340
Expenditure per FTE	£3,926	£4,377	£3,198	£3,540	£2,937	£2,987	£2,840	£3,428	£4,167	£4,143	£3,581	£4,024	£3,519	£3,618	£3,416	£3,705
Contribution per Stud FTE	£5,900	£5,800	£5,900	£6,300	£6,500	£6,700	£5,300	£6,600	£5,900	£6,800	£4,500	£5,200	£5,500	£5,600	£5,400	£5,900

The School of Business is forecast to increase teaching contribution by £4.7m (42%) compared to the 18/19 outturn, as a result of strong student recruitment in both semesters 1 and 2. Staff costs are only forecast to increase by 17% putting pressure on their staff student ratio. The Schools of Engineering (£1.4m), Built Environment and Architecture (£1.4m), Health and Social Care (£1.2m), Law and Social Sciences (£1m) are also forecasting increases in teaching contribution of more than £1m year-on-year.

The School of Business and HSC have seen their staff costs expressed as a percentage of income fall year-on-year, ENG, LSS and BEA remain at 18/19 levels whilst all other Schools are forecasting an increase.

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

6) Student Number Analysis

At the end of May-20 we had 13,343 enrolled FTE and are 7% ahead of the year on year position. This is 2 FTE more than last month. There are no students waiting to complete the enrolment process (0 at the same time last year).

[---------------------------- New ----------------------------]

School	May-19	May-20	Change	% Change
ASC	431	495	64	15%
ACI	497	464	-33	-7%
BEA	823	895	72	9%
BUS	920	1,346	426	46%
ENG	558	661	103	18%
HSC	1,846	1,628	-219	-12%
LSS	726	879	153	21%
YTD Total	5,801	6,367	566	10%

[---------------------------- Continuing ----------------------------]

School	May-19	May-20	Change	% Change
ASC	524	511	-14	-3%
ACI	638	649	11	2%
BEA	1,027	1,147	120	12%
BUS	1,016	1,072	55	5%
ENG	761	749	-12	-2%
HSC	1,993	2,022	29	1%
LSS	761	827	66	9%
YTD Total	6,720	6,976	255	4%

[---------------------------- TOTAL ----------------------------]

School	May-19	May-20	Change	% Change
ASC	955	1,006	51	5%
ACI	1,134	1,113	-22	-2%
BEA	1,850	2,041	191	10%
BUS	1,936	2,418	481	25%
ENG	1,319	1,411	91	7%
HSC	3,839	3,649	-190	-5%
LSS	1,487	1,706	219	15%
YTD Total	12,522	13,343	822	7%

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7) Student Withdrawal Analysis

Month on Month

Lost income has increased from £4,120k in Apr-20 to £4,211k at May-20 month end – an increase of £91k or 2.2%. Headcount of total drop outs has also increased from 864 to 916 – an increase of 52 students (6%). In month Interruptions have increased from 371 to 398 (27 students) whilst withdrawals have increased by 25 students from 493 to 518.

The increase in total drop outs is largely made up of apprentices, CPD and other non-LSBU delivered courses such as CEG, with just a handful of FT UGs.

Year on Year

Lost income is down from £4,451k in May-19, to £4,210k in May-20 (5.4%); headcount of drop outs is down from 981 to 916 (6.6%).

UG income lost to drop outs is down year on year from £3,757k to £3,481k (7.3%); headcount is also down from 768 to 718 (6.5%).

PG lost income has increased by 5.0% from £694k to £730k, due to year on year PG fee inflation. Headcount is slightly down from 213 to 198 (7.0%)

Overall interruptions are slightly down from 403 to 398 (1.2%) whilst withdrawals are down by 10.4% on the same point last year; 578 to 518 in 19/20.

Summary

In terms of lost income we are performing better in May 2020 than in the previous year despite the Covid-19 crisis. All schools % of income lost to drop outs is down compared to May 2019, with an average of 1.0% improvement across all schools. We are £747k off the forecast for lost income of £4,958k by 31 July 2020.

Lost Fee Income' in £000K	16/17 Actuals	17/18 Actuals	18/19 Actuals
Applied Science	552	653	603
Arts and Creative Industries	429	391	538
Built Environment & Architecture	616	601	558
Business	904	998	696
Engineering	834	815	659
Health & Social Care	232	482	715
Law & Social Sciences	647	652	722
Total	4,214	4,592	4,490

	May-20 Forecast 19/20	% change 18/19 vs 19/20	Forecast % income lost by Jul 20	Last 4 year school average	Lost income as at May-20
	570	-5.4%	6.3%	6.5%	540
	490	-8.9%	4.8%	4.8%	321
	570	2.2%	3.4%	4.1%	538
	850	22.2%	3.7%	5.5%	841
	628	-4.7%	4.9%	6.0%	552
	1,050	46.9%	4.0%	5.0%	865
	800	10.8%	5.3%	5.2%	555
	4,958	10.4%	4.4%	5.2%	4,211

Academic year	YTD withdrawals (incl. Interrupted)
16/17	1,055
17/18	982
18/19	981
19/20	916

% of total Income lost to drop-outs per year & forecast 19/20

Legend: 15/16, 16/17, 17/18, 18/19, 19/20 Forecast
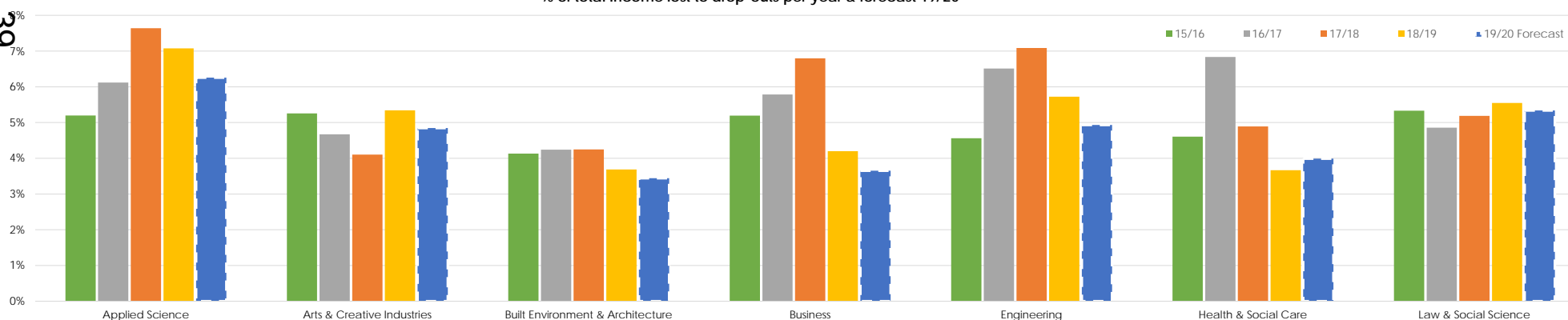
"Lost income" is the difference between income generated at Enrolment and the amount retained at the end of the Year. The University receives funding for UG students in 3 tranches: 25% for Semester 1, 25% for Semester 2 and 50% for semester 3; if a student does not progress into the following semester then a refund is generated.

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8) Income Analysis

YTD income is £11.6m (8.4%) ahead of the 18/19 position and forecast to be £5.2m (3.5%) more than the outturn for last year. The total income forecast currently stands at £154.2m; £2.1m (1.4%) more than budget.

The income forecast was reduce by £0.6m for May month end. The most significant changes are listed below:

 - **Home, EU and Overseas Student fees**. The Schools increased their forecasts by £0.9m recognising additional income from Apprenticeships, S2 recruitment, as well as a general update on the current position. The £2m provision previously created to mitigate against the risk of Covid-19 has been reduced to £1m as there has been negligible impact on student income to date due to the corona virus outbreak. However, as the situation is still very uncertain we have left a £1m provision in place; the amount of income that we may need to defer into 20/21 in relation to HSC students who have interrupted their studies to work in the NHS is currently unknown as they are still being processed.

 - **Research Grants**. The forecast has been reduced by £367k reflecting delays to research activity, particularly in TWI which cut its forecast by £196k.
 - **Vacation and term-time lettings**. The forecasts were reduced by a further £732k and £549k respectively.
 - **Food sales**. The forecast has been reduced by £788k as food outlets are closed on campus due to lockdown measures.

YTD Home and EU UG student fee income is £12.9m (17.5%) ahead of the equivalent period last year and is forecast to be £12.0m (16.4%) ahead of the outturn for 18/19. The forecast includes a £0.5m high level provision against the impact of Covid-19. A further £0.5m has been provided against Overseas tuition fees. Whilst the hit to student fees may not be of this magnitude the provision provides some headroom to mitigate for further losses to income that may arise as a result of the corona virus situation.

YTD Research income is £316k (5.8%) behind the budgeted position for May-20 and £81k (1.6%) ahead of the same period in 18/19. The University is expecting to deliver £851k (14.2%) more than the outturn for 18/19 and has YTD delivered 74.9% of the total forecast for the year. The forecast has been decreased by £366k, reflecting the impact that the Covid-19 outbreak is expected to have on research income as lab activities are delayed.

Enterprise income as at the end of May-20 was £836k (11.5%) less than the same period in 18/19 and £463k (6.7%) behind budget. The income forecast was reduced by a further £964k this month in anticipation of income lost from vacation lettings, CPPD courses and other projects due to the Covid-19 outbreak. The FYF is £3.1m less than budget.

9) Staff Cost Analysis

In terms of recurring staff cost the University has spent £1.3m (1.8%) less than budget for the first 10 months of the year, at the current run-rate the University should achieve forecast of £87.2m - £2.4m less than budget. The Schools portfolio is currently underspent by £1.5m against budget; the Schools of Health and Social Care, and Built Environment and Architecture are particularly behind in terms of spend, £1.3m and £0.6m respectively.

Collectively the PSGs are £184k over budget. This includes unbudgeted costs of £469k relating to staff working on the LEAP project and £114k relating to Lambeth which will be recharged at the end of the year. These are offset by an underspend in TWI (£414k) due to a reduction in income generating activities.

Recurring staff costs for May-20 are £5.5m (8.2%) more than for the comparable period in 18/19. The spend on Academic staff cost is £2.1m (6.4%) higher compared to the same period in 18/19. Support staff costs have also risen year-on-year and are £2.4m (7.5%) more than the equivalent period last year.

Staff costs expressed as a percentage of income are forecast to be 56.6% for the year.

10) Operating Expense Analysis

Operating Expenses are £0.7m (2%) underspent against budget for the YTD, and we have incurred £2.7m (8.1%) more costs than for the comparable period in 18/19. This difference is because YTD we have recognised £2.5m more in terms of overseas agency fees compared to the equivalent period in 18/19 and there have been additional rent and set-up cost of £1.7mf for the PortaKabins and Tabard Street.

We are forecasting an overspend of £2.6m against budget for the year due to unbudgeted costs of £2m to cover the set-up and rental costs for the PortaKabins and Tabard Street, and an additional £1.7m for overseas recruitment agency fees (a further £0.3m has been added to the forecast this month).

In May we reviewed the funding required from the investment pot for pre-existing projects approved by the Executive and transferred outstanding budget requests into local budgets. This increased the budget for OPEX and Staffing in SMT areas, and reduced the balance in Exceptional items in FUNI. Since the Covid-19 outbreak no new investments have been approved by the Executive or drawn down from the Investment Pot.

11) Interest Payable

Interest payable is £733k over budget. The overspend sits in Finance and relates to management charges that will be recharged to Lambeth College at the end of the financial year. The forecast for the year remains as per the budget as the overspend will be recouped.

12) Exceptional Items

The forecast for Exceptional Items has been decreased by £0.3m to £2.1m. This balance is designated for investment in Covid-19 recovery plans, to mitigate against further risks of Covid-19 and to provide for other unforeseen costs that may occur before the end of the year and protect our contribution for the current year.

13) Budget Analysis

The University operates on a Portfolio basis so members of the Executive are expected to manage their portfolio as a whole and if one area requires additional funds this can be generated by reducing investment in another area of the Executive's responsibility. Where it is anticipated that an Executive's consolidated portfolio will not to deliver its budgeted contribution, an application for funding from the Investment post should be made via a business cases to the University's Executive.

London South Bank University
EST 1892

Full Year Outturn Last Year (£)	YTD Actuals Last Year (£)	Description	FULL YEAR				YEAR TO DATE				Note	Full year Forecast less Actual YTD (£)
			2019 Forecast (£)	2019 Budget (£)	Variance - Forecast to Budget (£)	%	2019 Actuals (£)	2019 Budget (£)	Variance - Actuals to Budget (£)	%		
-149,049,467	-138,426,989	Total Income	-154,219,681	-152,100,000	2,119,681	1%	-150,031,207	-139,746,285	10,284,922	7%		-4,188,474
85,203,850	67,964,568	Total Staff Costs	88,711,546	91,131,327	2,419,781	3%	72,888,834	74,234,135	1,345,301	2%		15,822,712
9,352,180	7,358,815	Total Depreciation	10,500,000	10,500,000		%	7,098,044	6,976,671	(121,373)	(2%)		3,401,956
47,234,281	33,692,909	Total Other Operating Expenses	47,890,306	45,270,204	(2,620,102)	(6%)	36,409,916	37,137,858	727,942	2.0%		11,480,390
4,360,146	3,532,942	Total Interest Payable	3,532,906	3,532,906		%	3,706,925	2,973,503	(733,423)	(25%)		-174,019
		Total Exceptional Items	2,084,922	165,563	(1,919,360)	(1,159%)						2,084,922
		Total Internal Allocations					280		(280)			-280
-2,899,009	-25,877,754	Contribution	-1,500,000	-1,500,000	1	%	-29,927,208	-18,424,119	11,503,089	62%		28,427,207
57.2%		Staff costs as % of income	57.5%	59.9%			48.6%	53.1%				
1.9%		Contribution %	1.0%	1.0%			19.9%	13.2%				

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APPENDIX 2

SBC 2020/21 Budget

The budget models a budget deficit of just over £1.7m, some £700k better than the CFADS model. It is based on delivering confirmed funding council grant income and making savings in staff costs to achieve this level. Staff cost as a percentage of income will be 59% which is still too high but if delivered does keep the College on a path to sustainability. The contribution rate from faculties will be 42% which once again is too low but without growth in student numbers it will be hard to improve this without a root and branch review of all course offering and delivery mode. Much progress has been made through this year's budget planning and growth process to identify and remove courses that deliver significantly lower than needed contribution rates but our mix of adult/16-18 students still poses a challenge in delivering higher contribution rates.

Income and Expenditure	2020/21 Budget £k	2019/20	
		Forecast £k	Budget £k
Income			
Funding Council	20,170	19,409	19,409
Tuition Fees	3,866	3,482	3,932
Other income	560	550	660
Donations	540	540	540
Interest receivable and endowments	-	8	-
Total Income	**25,136**	**23,989**	**24,541**
Expenditure			
Staff costs	14,918	15,055	14,540
Other operating expenditure	9,505	9,305	9,901
Depreciation	1,450	1,450	1,900
Interest Payable	985	985	985
Total Expenditure	**26,858**	**26,795**	**27,326**
Operating Surplus/(Deficit)	**(1,722)**	**(2,806)**	**(2,785)**

	CONFIDENTIAL
Paper title:	2025 Corporate Strategy
Board/Committee	Board of Governors
Date of meeting:	16 July 2020
Author:	Richard Duke – Director of Strategy & Planning
Sponsor:	Dave Phoenix – Vice-Chancellor and Group Chief Executive
Purpose:	For approval
Recommendation:	The Board is requested to approve the 2025 corporate strategy.

Executive Summary

The 2020-25 Group Strategy, has been updated following discussions at strategy sessions for the Boards of the LSBU Group.

The strategy is a truly Group document, which has had engagement across the Group and multiple stakeholders as part of its development. The feedback on the engagement with the strategy with staff has been extremely positive. The main concern identified, has been the level of ambition, and the need to have plans in place to deliver against this.

This document is the fully designed version. It has been externally edited and internally proof read. The presentation reflects considerable support from the LSBU Design team.

In terms of next steps:

- Definition of Goal and KPI measures to be completed for September FPR and October Board
- Agreement of targets for 2020/21 against core metrics of income, surplus, academic progression and student satisfaction for September FPR and October Board
- Three year planning and budgeting exercise in November 2020
- Final KPI working Group meeting in the Spring of 2021 to sign off Goal and KPI development work as complete

LSBU Group Corporate Strategy 2020–2025

LSBU | GROUP

Our Vision

To transform lives, communities, businesses and society through applied education and insight.

Foreword

London South Bank University (LSBU) was established as the Borough Polytechnic Institute in 1892. Its mission - to serve the local community and its employers by providing high quality professional and technical education and insight – still stands today. We have created LSBU Group so we can continue to deliver that vision as effectively and ambitiously as possible.

The UK has one of the developed world's lowest levels of literacy and numeracy among young people. The majority of our population fails to progress beyond level 3, with 25% not progressing past level 2. Many of these left behind learners are from disadvantaged backgrounds. In 2016, the gap between disadvantaged pupils (those eligible for the Pupil Premium) and their peers, at the end of secondary school, was 19.3 months. For those persistently disadvantaged, the gap was 24.3 months. This is not a failure by those individuals but a failure of society, and of an overly complex educational system. LSBU Group is tackling that complexity by establishing identifiable pathways that provide learners with clear routes to their career goals, irrespective of level.

The institutions within LSBU Group work to a shared mission and values and use a shared educational framework to achieve shared outcomes. Our aim is to create educational strategies and pathways that enable people of all characteristics and talents to achieve their full potential, and so contribute their skills and energy to wider society throughout their lives. We believe this approach can transform the way we think about learning and offers a template for locally accountable education.

In order to tackle the twin challenges of failing social justice and weak UK productivity – which undermines both individual prosperity and the ability to support our most disadvantaged - we need a step change in professional and technical upskilling.

To achieve this, we must involve those in employment and those still to progress to it. I see the Group leading the field in employer sponsored education and apprenticeships. We must build a workforce with the skills to deliver now, the wider educational understanding required to adapt to the future, and the resilience to manage personal and professional challenges. Our forebears pioneered this holistic approach in 1892, describing themselves as providing "industrial skill, general knowledge, health and well-being". It's a balance that remains at the forefront of LSBU Group's approach today.

An optimal workforce is achievable only through true partnership between education and business, not only in relation to education and skills but with respect to applied research and enterprise. Many countries have successfully achieved this by developing world leading universities of technology which focus on technical and professional education and research. In the face of today's global challenges, these institutions are needed now more than ever. In the UK's higher education sector, this area has been neglected for many years. At LSBU, we will seek to raise its profile and strive for national recognition, measuring ourselves against the best of such institutions globally whilst continuing to be embedded in our local communities and to address local challenges.

1

The LSBU Group is also committed to playing a leading and measurable role in delivering societal good. We have therefore subscribed to the United Nations Sustainable Development Goals Accord and embedded the UN SDGs in our strategy as a framework for delivering equality, environmental sustainability, education, health and wellbeing and economic prosperity.

Our new strategy for 2020-2025 builds on the strong foundations of the last 5 years and includes the same three educational pillars as our 2015-2020 strategy: Access to Opportunity, Student Success, and Real World Impact. To highlight the need to adapt and take full advantage of our new group structure and the digital world, and to meet changing stakeholder expectations, we have added a fourth pillar, Fit for the Future.

Alongside the high level strategy, this document sets out our overarching vision and creates a framework for each institution in our family of educational providers to determine how best to deliver excellence within its own area of activity and accountabilities.

As we embark on this new strategy, the educational and political environment will continue to change. Brexit and the COVID-19 pandemic will undoubtedly have far-reaching consequences for people and organisations. In our response, we will continue to develop our group, to put learners and our communities at its heart; and to provide the high quality professional and technical education that can deliver both social justice for the individual and prosperity for the nation.

Professor David Phoenix OBE DL
FAcSS, DUniv, DSc, FRCP (Edin), FSB, FRSC, FIMA, PFHEA
Vice-Chancellor and LSBU Group Chief Executive

Top left: Vocational College at Vauxhall (artist's impression)

Introducing the LSBU Group

The LSBU Group comprises South Bank Academies, South Bank Colleges, South Bank Enterprises and London South Bank University. The Group works to one vision and seeks to deliver a holistic solution to the educational needs of communities and business both locally and globally.

LSBU | GROUP

South Bank Academies (SBA)
University Academy of Engineering South Bank (11-19 years) is situated in Walworth and has a STEAM specialism. South Bank Engineering UTC (14-19 years) is based in Brixton and is one of 48 University Technical Colleges. It specialises in engineering and health.

South Bank Colleges (SBC)
At Vauxhall, we are creating a new technical college to provide advanced technical programmes aligned to uniquely mapped career pathways. Lambeth College, based in Clapham, will become a Community College focused on gateway qualifications. In addition SBC houses a specialist English for Speakers of Other Languages (ESOL) centre in Brixton.

London South Bank University (LSBU)
LSBU delivers undergraduate and postgraduate degrees, apprenticeship programmes and, through LSBU Global, education to overseas students. It competes internationally in research areas that are aligned with its professional and technical foucus.

South Bank Enterprises
Delivers commercially-led activity that adds value to the Group's mission, such as our new employment agency and a range of CPD programmes.

2025 LSBU Group Strategy

Strategic pillars, Goals and United Nationals Sustainable Development Goals

Access to Opportunity

Through local and global partnerships we will create opportunities for individuals, business and society and seek to remove barriers to success.

2025 Goals
- Progress against UN SDGs
- Positively impact 1 million lives

UN SDG

Student Success

Recognised as a leading organisation for outstanding practice-led learning, fostering the development of able graduates ready to address business and societal challenges.

2025 Goals
- Increase social mobility
- Increase in students' social capital

UN SDGs

Real World Impact

Research and Innovation that enhances teaching and tackles global and civic challenges, generates critical insights, and sustainable solutions to transform the lives of individuals, communities, businesses and society.

2025 Goals
- £5bn of economic impact
- Impactful and high quality research

UN SDG

Fit for the Future

Technology and Estates

To create a flexible physical and digital environment, allowing opportunities for personalisation, that is mobile friendly, fit for the future and embraces innovation and sustainability.

2025 Goals
- At least 20% of all teaching delivered using digital platforms or industry standard facilities
- Environmental sustainability

UN SDGs

People, Culture and Inclusion

Create a transformational and inclusive culture that is people centric, values led and ambitious; enabling LSBU Group to empower staff and to attract and retain a diverse range of skilled individuals.

2025 Goals
- A highly engaged workforce
- Closing of the Gender and Ethnicity Pay Gap

UN SDGs

Resources, Market and Shape

Alignment of core activity with business and society's current and future requirements in terms of skills, knowledge and innovation and insight.

2025 Goals
- Delivering financial sustainability
- Highly effective internal services

UN SDG

Our Vision

To transform lives, communities, businesses and society through applied education and insight.

The LSBU Group: a distinctive approach

We deliver real world impact through teaching, research and enterprise. We are able to harness the intellectual and physical resources across the Group to meet our mission of offering:

1. **Social mobility**
2. **A student experience designed around our students**
3. **Professional and technical education**
4. **Impact through insight**
5. **Strength from diversity**
6. **Engagement with place**

Bottom left: LSBU's partner, the British University of Egypt's (BUE) new campus (artist impression)

There are many benefits to our approach.

Access to Opportunity

Educational pathways – we provide a continuous offer of education and skills pathways, aligned to careers that support people of all characteristics, talents and levels to achieve their potential

Outreach – raising local aspiration and attainment we align our combined outreach activities with the needs of local stakeholders and partners, including leveraging our employer relationships to provide work experience and other employer engagement in local schools

Access to talent – providing employers with access to talent at all educational levels, especially in professional and technical education

Student Success

Educational enhancement – creating interaction amongst the Group which provides learners with reciprocal benefits such as access to technical facilities, volunteering opportunities and student services

Employer sponsored education – serving the education and skills needs of employers by equipping students with the skills they need to flourish in the world of work

Overcoming social disadvantage – our unique position supports research into links between social disadvantage and educational outcomes, and the application of its findings to deliver improved outcomes

Real World Impact

Global outlook – leveraging the Group's diversity to form international partnerships that provide opportunities for staff and students in a local economy and which build reputation

Inclusive growth – utilising Group research and enterprise expertise to provide coordinated support to local business at all levels whether the need is facilities, technical support or high quality insight

Build community – inspiring and enabling our students, alumni and staff to engage together and with the local and wider community to build aspiration, achievement and resilience

Access to Opportunity

Our vision

Through local and global partnerships we will create opportunities for individuals, business and society and seek to remove barriers to success.

Our Achievements

Created the LSBU Group, a unique educational family, offering career pathways from secondary to postgraduate education

TOP

Ranked Top London Modern for adding value (Economist Aug 2017)

Ranked Top 200 in the World for Impact (THE Impact Ranking 2020)

UN SDGs

17 PARTNERSHIPS FOR THE GOALS

We will:

1.
Embed employer relationships in the Group supporting 10,000 apprentices and enabling all students to have the opportunity for a work based experience

2.
Increase targeted support for the recruitment and retention of hard to reach groups including care leavers, military families and students from lower sociodemographic groups

3.
Embrace internationalisation across the Group, with 25% of students and staff engaging in an international experience

4.
Establish career based pathways so delivering a 100-fold increase in intra-Group progression

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Through:

Employer Relationships – we will establish a strategic network of employer relationships which underpin teaching, research and enterprise across the LSBU Group

Global – we will create three LSBU branded international hubs via overseas partnerships each with a focus on place, whilst providing global opportunities to the group

Educational Pathways – we will develop a course portfolio that is available to all, regardless of educational background, that provides a step on step off educational journey aligned to career pathways, including the provision of core skill development via short courses

Local Partnerships – we will build Group-wide partnerships across South London, aligning our civic engagement activities and contributing direct economic benefits and socio-economic impact through our students, staff and alumni

Public Engagement – we will inform, inspire and involve our communities, local and national stakeholders, creating opportunities for students, alumni and employees to enhance their development

Development of the Group – we will create new centres for learning in collaboration with employers and local stakeholders, including a new technical college at Vauxhall, two additional schools within South Bank Academies and employer focused skills centres

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London South Bank University

The importance of Group pathways, both domestic and international, will grow; promoting societal and personal impact through education, skills development, research, enterprise and industry. LSBU will provide extracurricular enrichment opportunities to aid social capital in our students.

We will enhance our impact in South London by creating two employer led skills centres/satellite campuses, bringing together the power of the group to showcase sector specific employment opportunities and provide the skills that enable individuals to progress their career. LSBU Global will become a vehicle for delivering multi-touchpoint partnerships, replicating our UK offer, including research, enterprise and teaching, creating an important local contribution.

South Bank Colleges

With local partners, SBC will develop increased specialist and innovative bespoke provision for those most at risk of being excluded from realising the benefits of education.

The Gateway Centre will be a centre of excellence in English for Speakers of Other Languages (ESOL), literacy, numeracy and digital skills for young people and adults, supporting progression to employment or further study.

SBC will establish a new vocational college and centres of excellence providing increased access to, and participation in, technical education for young people and adults. The college will provide career pathways from level 2 through to levels 4 and 5.

South Bank Academies

SBA institutions will become recognised as career academies providing expert advice and guidance as well as exposure to employment sectors. We will look to increase access by opening two new schools to strengthen learner choice. Bridges will be further developed to provide greater ability to move between SBA schools or to SBC at age 14 and 16, enabling leaners to focus on more theoretical routes (Alevel), more applied routes (BTech) or vocational routes (NVQs), based upon learner aptitude and ambition.

Student Success

Our Vision

Recognised as a leading organisation for outstanding practice-led learning, fostering the development of able graduates ready to address business and societal challenges.

Our Achievements

Awarded Teaching Excellence Framework (TEF) Silver in 2017

Named University of the year for Graduate Employment 2018 and 2019
(The Times and The Sunday Times Good University Guide 2018, 2019)

Awarded an Ofsted Good rating for LSBU's apprenticeship provision (2019) and UAE South Bank (2017)

TOP 50
Lambeth College is in the top 50 colleges for student outcomes (2020)

UN SDGs

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

We will:

1.
Be in the top quartile for students progressing to employment or further study at all levels of education

2.
Provide an excellent learning experience, with top quartile results

3.
Enable excellent educational outcomes and progression (at or above benchmark)

4.
Close awarding gaps at all educational levels

5.
Deliver excellent services to our students, with sector leading (top quartile) satisfaction levels

Through:

Professional and Technical Curriculum – working with students as partners to support the learning experience, we will design an inclusive curriculum that complements the careers pathways and skills approach

LSBU Social Capital Programme – we will develop social capital through volunteering, international exchanges, work based learning, and by embedding the development of soft skills in our curriculum design, alongside learning in support of social good and, specifically, UN SDGs

Technology Enabled Teaching – we will use technology to enable a personalised and flexible approach to learning, whilst complementing our professional and technical curriculum. Our students will also have access to industry standard facilities as part of their learning

Industry Links Embedded in Education – we will align our business links to the educational journey, with industry-supported course design and workplace experience as standard, with enterprise embedded in the curriculum using the EntreComp framework

Academic Development Programme – we will support the development of the skills needed through in-house support to deliver excellent academic outcomes, particularly in relation to curriculum design and embedding digital in teaching

Student Support and Customer Service – we will offer personalised support that complements the educational journey and progression to further study/employment; our first-rate customer service will be underpinned by excellent access to information and designed with LSBU Group student needs in mind

Wellbeing – we will develop a whole-Group approach that safely supports individuals and promotes positive mental health across all aspects of student and academic life

Advice and Guidance – we will advise learners on careers and future progression opportunities, for those post-14 and access to part-time work opportunities through the LSBU employment agency post 18

London South Bank University

Complemented by support services and a journey designed around their needs, LSBU students' educational experience will prepare them for the next step in their education or career, and seek to ensure equity of outcomes for all groups. Their personalised and flexible student journey will allow for blended and applied learning in small sized teaching groups.

Competency-based assessment, will increasingly be used as a method of assessment. LSBU will review the most suitable configuration of the learning experience, informed by pedagogic research, which will explore the potential benefits of block teaching on outcomes.

South Bank Colleges

The development of students' English and maths skills will form an integral component of all courses. There will be a change in the proportion of level 2 and 3 students graduating with level 2+ qualifications in English and maths, enabling progression to level 4 and HE courses and increased employment opportunities. By developing organisational understanding of the wellbeing needs of our students, the learning experience will eradicate inequalities in achievement of qualifications and support the acquisition of experiences and skills that enhance progression. We will harvest the benefits of digital technologies in enhancing the learning experience of all students. We will enable students to access high quality engagement with employers, volunteering and enrichment opportunities.

South Bank Academies

Innovation in pedagogy, use of resources and the creation and application of insight and research will support all learners to secure strong outcomes in terms of attainment and progress. Personalised guidance and support, with targeted strategies for groups including SEN and disadvantaged, will close awarding and progress gaps. Sector-leading advice and guidance will support students through and beyond the Group into successful pathways and high value careers. A high quality curriculum in its widest sense supports student development, wellbeing and employability, with excellent feedback from students and parents.

Real World Impact

UN SDGs

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

We will:

1.
Significantly increase research and enterprise activity across the Group generating £50m of research and enterprise income per annum

2.
Enjoy an excellent reputation amongst employers, including an Employer Reputation score of 10 in the QS World Ranking and highest ranked UTCs

3.
Inform our curriculum using research and enterprise activity, enabling learners across the Group to develop critical reasoning and the ability to apply knowledge in practice

4.
Be externally recognised for the quality and impact of our research and enterprise activity, including the University being in the top 500 QS and THE rankings (REF impact measure and University GPA of 3.0 and 2.8 in 2021 and 3.2 and 3.0 in 2027)

5.
Maintain an effective research pipeline, doubling PhD completions by 2025

Our Vision

Research and Innovation that enhances teaching and tackles global and civic challenges, generates critical insights, and sustainable solutions to transform the lives of individuals, communities, businesses and society.

Our Achievements

★★★★
Achieved QS 4 Stars

Rated 3* and 4* for Impact across 73% of LSBU research in the 2014 Research Excellence Framework (REF)

Ranked 8th largest provider of nursing students to the NHS in the UK and largest in London (HESA 2018/19)

Established the largest trans-national partnership in MENA region with British University Egypt (BUE) with over 4,500 students in 2019/20

Through:

Research Centres – we will continue to develop interdisciplinary centres that align with areas of professional excellence and can support research-informed teaching with a culture of Interdisciplinarity and an embedded, strategic approach to publication

Industry Partnerships – we will partner with employers through knowledge exchange activities, providing expertise and support to grow their businesses

Research Informed Teaching – we will embed outcomes of insight activities throughout, giving currency to teaching and enhancing the student experience, as well as place-based innovation being co-created with citizens and communities

Research Infrastructure – development of a research infrastructure to fully support research staff in applications and monitoring

Enterprise Subsidiaries – we will pilot the creation of LSBU Group subsidiary companies, with our shared vision and values, to create student employment and wider involvement

Centre for Pedagogic and Adult Learning Research – this Group centre will be developed to improve educational outcomes by using our unique educational offer to understand the link between disadvantage and educational experience

Employer-led Skills Centres – we will develop at least one skills centre, which is linked to an employment sector and supports the delivery of gateway qualifications, CPD, education and engagement activity needed by the sponsor from across the Group

London South Bank University

The University will significantly increase the impact of its research and enterprise activity. Through harnessing industry and community links the University will increase volume as well as the quality and effectiveness of knowledge exchange. The volume and role of PhD students as part of a research pipeline will increase, whilst allowing for greater opportunities for research activity to inform teaching.

South Bank Colleges

The college will be an anchor organisation in South London that is recognised for its positive impact on economic and social inclusion for local residents. Engagement in local multi-agency evidence-based research will enable proactive responses to the challenges local residents face in accessing education and its socio-economic and health benefits.

Working directly with employers, the GLA and local authorities we will ensure strong alignment between skills needs and the education and training offer in south London. We will ensure college graduates are well prepared to access good jobs through our career pathways.

Our approach to teaching and learning will be evidence-based with a particular focus on English and maths and technical education. Understanding of professional practice and a research culture of learning about learning will be embedded and contribute to national research on vocational and technical education.

South Bank Academies

A learning and research culture will be fully embedded across SBA, with all staff participating in research and development activity. Research and insight will be published and shared, enabling collaborations and learning to improve pedagogy and outcomes. These collaborations will range in scale from local to international and will enhance SBA's reputation as contributing to thought leadership. Curriculum leadership in the technical and professional realm will be sector-leading in the area, enriching the local offer. As a consequence, SBA will be able to recruit, develop and retain staff of a very high calibre, further enhancing provision and strategic development.

Fit for the Future

Technology and Estates

UN SDGs

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

We will:

1.
Use our estate effectively and efficiently, with a utilisation rate of 50%

2.
Maintain high student satisfaction with our infrastructure, and be in the top quartile for satisfaction

3.
Effectively support our staff with our IT services, with 90% of our staff rating the services of a high standard

4.
Have employers regard our facilities as of industry standard in the support of academic outcomes

5.
Reduce our carbon footprint by 25% between 2020 and 2025, with the goal of achieving zero carbon emissions by 2050

Our Vision

To create a flexible physical and digital environment, allowing opportunities for personalisation, that is mobile friendly, fit for the future and embraces innovation and sustainability.

Through:

Environmental Sustainability and Literacy – this will be embedded through the reduction of carbon emissions, landfill use and increased recycling

Technology Enabled Flexibility – we will develop a single group network that enables a flexible approach to work/study by providing a common user experience; IT equipment, including user devices and classroom technology, will be portable rather than fixed wherever possible

Cloud Focused – our IT Infrastructure will operate in a hybrid cloud environment, exploiting the benefits of public and private cloud

Software as a Service – we will support flexible work/study by transitioning applications to Software as a Service (Saas), with Group solutions preferred and the software suite rationalised

Industry Standard Facilities – these will be developed to support research, teaching and enterprise across the Group, with input from newly created employer boards

High Quality Estate – we will deliver this with a view to increasing satisfaction and reducing maintenance costs.

Vocational College at Vauxhall (artist's impression)

Fit for the Future

People, Culture and Inclusion

Our Vision

Create a transformational and inclusive culture that is people centric, values led and ambitious; enabling LSBU Group to empower staff and to attract and retain a diverse range of skilled individuals.

EPIIC Values

Excellence – Known for working to a high standard and providing a quality service to all

Professionalism – Takes personal responsibility and accountability, leads by example and inspires others

Integrity– Communicate with transparency and respect, creating a working and learning environment based on trust

Inclusivity – Celebrate being a diverse and vibrant community, where there are no barriers to inclusion and where we view the differences between people as a source of strength

Creativity – Innovative, generating ideas and opportunities that are useful in solving problems and enhancing the reputation of the University

UN SDGs

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

We will:

1.
Inspire and lead our staff effectively, with scores in the top third of the sector

Be effective in managing change, with a majority of staff agreeing that change is managed well

2.
Have an inclusive workforce that represents the communities and student body we serve, with the proportion of staff at senior levels, representative of the wider staff base

3.
Give our employees a first class employee experience, with scores in the top third of the sector

Through:

People – we will manage and support talent, recognise and reward behaviours that contribute to strategy delivery, including closing the awarding gap, and clearly define objectives that deliver our strategic aims through the appraisal process

Leadership and Management – we will develop and deliver a robust programme that will support the LSBU Group's ambitions; we will role mode inclusive behaviour

Organisational Shape and Size – we will review this through a new Target Operating Model, creating capacity capability and prioritising resources through planned workforce transformation

Dynamic Culture – underpinned by our EPIIC Values, we will encourage the agility to change and develop, embed a culture of learning across the Group and reinforce these through our behavioural framework

Inclusivity – we will create a values-based culture with wellbeing at its heart, with employee voice as a key influencer in decision-making, diverse recruitment and promotion panels and the implementation of EDI framework.
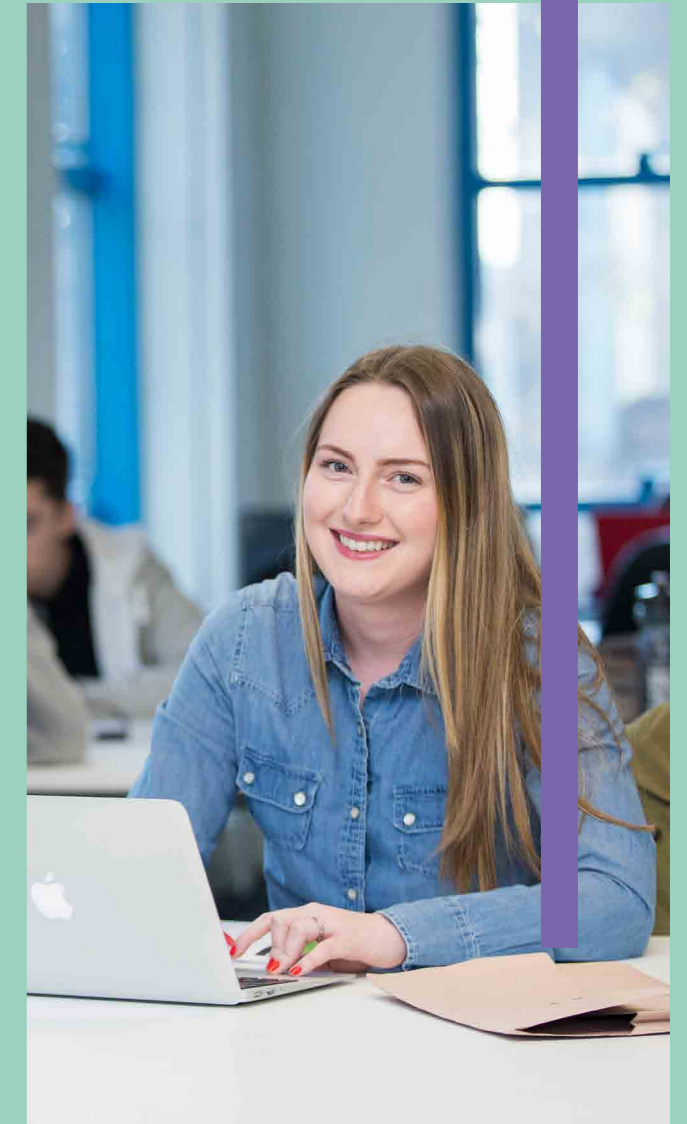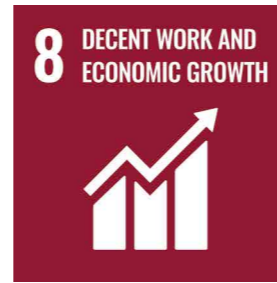
Fit for the Future

Resources, Market and Shape

Our Vision

Alignment of core activity with business and society's current and future requirements in terms of skills, knowledge and innovation and insight.

UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH

We will:

1.
Achieve overall Group income of £250m by 2025

2.
Generate 5% surplus on income

3.
Enhance our brand and reputation externally by being recognised in the top 50% of each domestic rankings table across the Group

4.
Embed philanthropic and alumni activity to reduce the impact of social disadvantage on educational outcomes, by raising £15m by 2025

Through:

Brand and Reputation – we will create a compelling brand proposition with instantly recognisable brand themes that demonstrate our real world impact and build increased awareness and understanding of institution brands across target stakeholders

Student Recruitment – we will continue to outperform the sector in new student recruitment whilst maintaining our widening access agenda (including outreach activities) for those that have the potential to succeed, as well as increasing the volume and diversity of students, particularly in relation to apprenticeships and international students

Group Operating Model – this will support the Group to achieve its strategic objectives with clear accountability structures

Fundraising and Philanthropy – we will engage with alumni and industry to raise funds for student support; a vibrant bursaries scheme, aligned with our brand values, will support student retention by providing access to opportunity

Planning and Budgeting – we will take a joined up approach, using information and insight driven decision-making that delivers value for money for our students and significant positive impact for the communities we work with

Capital Investment Plan – our effective approach to deliver against plans will include alternative funding options, including joint ventures, being considered to fund capital investment requirements.

Impact on the LSBU Group of the 2025 Strategy

Decrease   Increase

Group

- Group Turnover
- Curriculum Integration across Group
- Subject Areas
- Course Complexity and Number of Courses
- Applied Learning through Digital and Technical Facilities
- Engagement and Integration of Industry
- Volume of Businesses Engaged with
- Research and Enterprise Focus
- Integrated Group Operating Model

LSBU

- UK Apprenticeship Enrolments
- UK Undergraduate Enrolments
- UK Postgraduate Enrolments
- International Enrolments (Onshore & Transnational Education)
- Research and Enterprise Income
- Role of Postgraduate Research Students
- Teaching Group Size
- Onsite Lecture Delivery
- Digital Lecture Delivery
- Use of Industry Standard Onsite Facilities
- Student Selectivity
- Tariff

South Bank Colleges

- 16-18 Level 3 Enrolments
- Apprenticeships Enrolments
- Levels 3 and 4 Enrolments
- Enterprise Income

South Bank Academies

- Number of Academies
- 11-16 Provision
- 16-18 Provision
- Apprenticeships

Legend:
- Group
- LSBU
- South Bank Colleges
- South Bank Academies

20

LSBU | GROUP

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Board strategy day notes – 11 June 2020

Welcome

The Chair welcomed governors to the meeting. The session was an opportunity for governors to contribute to the direction of the draft Group strategy before final Board approval in July 2020. The draft strategy was a strategy for the whole Group. The session was for the Board to consider the group strategy from an LSBU perspective. The Boards of SBA and SBC had discussed the draft strategy from SBA and SBC perspectives.

Key questions for governors to think about during the session were:

- Is the draft strategy coherent enough?
- Is the draft strategy stretching enough?
- Is there enough capacity in the Group to deliver the strategy?

Overview of strategy

The Board noted an overview of the context in which the strategy had been developed. The ambition of the strategy is for the Group to be a unique education provider in the UK delivering secondary, further and higher education. In order to achieve this the Group needed to evolve to a group operating model.

Strategy development

The Board noted an update on the development of the strategy. The draft strategy had been consulted upon widely with staff and stakeholders across the Group.

The proposed 2025 goals from the strategy are to:

- make progress against the UN sustainable development goals;
- positively impact 1 million lives;
- increase social mobility;
- increase students' social capital;
- achieve £5 billion of economic impact;
- deliver impactful and quality research;
- ensure that technology and industry standard facilities are embedded in high quality teaching;
- deliver environmental sustainability;
- ensure a highly engaged workforce;
- close the gender and ethnicity pay gap;
- deliver financial sustainability; and

- provide highly effective internal services.

Progression

The Board noted an update on career pathways in the LSBU Group. The group structure provides a unique opportunity to develop key career pathways for students at all educational levels.

The Board noted an update on research and links between pedagogy and social disadvantage.

Feedback and discussions

The Board welcomed the draft strategy. Key areas of support were:

- the distinctiveness of the offer;
- the interconnectedness of the group;
- students as co-contributors and employers as co-creators;
- the benefits to the community; and
- the focus on social inclusion and lifelong learning.

The challenges to delivering the strategy were identified as:

- ensuring that staff have the skills to deliver the vision;
- technical poverty and technical upskilling for students; and
- the capacity of management and staff to deliver the vision.

Following approval of the strategy, the executive would develop an operational plan for the first year of delivery.

Conclusion

The Board supported the draft strategy. The Chair acknowledged pride in the journey so far and the support for the ambitions in the new strategy. The Board would be requested to approve the final strategy at its July 2020 meeting.

Present:

Jerry Cope (Chair), Michael Cutbill (Vice Chair), David Phoenix (Vice Chancellor), Duncan Brown, John Cole, Peter Fidler, Nelly Kibirige, Mark Lemmon, Hilary McCallion, Nicki Martin, Mee Ling Ng, Rashda Rana, Tony Roberts, Deepa Shah and Vinay Tanna

Apologies: Pat Bailey, Richard Flatman, Marcelle Moncrieff-Johnson, Jeremy Parr and Nazene Smout

In attendance: Adnam Bajwa, Michael Broadway, Patrick Callaghan, Sarah Cowley, Dan Cundy, Richard Duke, Paul Ivey, Deborah Johnston, Nicole Louis, Fiona Morey, James Stevenson and Warren Turner

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Paper title:	EDI Annual Report 2019/20
Board/Committee	Board of Governors
Date of meeting:	16 July 2020
Authors:	Sarah Cowley, Interim Director EDI & Culture; Sebastian Bromelow, Project Manager (EDI/OD)
Sponsor:	Marcelle Moncrieffe-Johnson, Chief People Officer
Purpose:	For approval
Recommendation:	The committee is requested to approve the EDI annual report 2019/20.

Executive Summary

Attached is the EDI Annual Report 2019/20. The opportunity has been taken to reposition how we report on this area and signal a step change for Equality, Diversity and Inclusion at LSBU. The content, tone and design of the Report reflect this renewed focus highlights that EDI is within LSBU's DNA.

The Report has had input from the Chief People Officer, the Chief Customer Officer (Sponsor), the EDI Steering Group, Executives and other stakeholders across staff and students.

Notes:
- This current report is based on the University only. Future reports will represent the Group as a whole and we will work with the data teams and other stakeholders to identify and produce a robust Group EDI annual report with links to the Group Strategy 2020-25 and People, Culture and Inclusion sub-strategy for 2020/21 onwards.
- There are minor amends pending (Athena SWAN Action Plan examples clarified & Armed Forces commitments added) but these do not change the report as a whole and will be made before the Report is published
- This report represents not only the work of the EDI Team, but the majority of the EDI work being conducted by multiple teams across the University.
- The Report will be published on our internal and external websites for the first time.

Recommendation

The Board is requested to approve the EDI Annual Report

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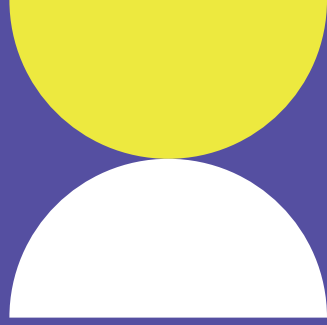
Equality, Diversity and Inclusion report 2019/2020

London South Bank University
EST 1892

Contents

Messages from the Executive

I became Vice Chancellor at London South Bank University (LBSU) because I believed the university could make a real difference to individuals and to society. Embedded in its history was a recognition of the importance of professional and technical education and an opportunity to become a beacon for high quality applied learning research and enterprise. In our mission it's recognised that education can be transformational and the university has always sought to support those that wish to learn and have the aptitude for study no matter what their background. And at the outset our founders spoke not only of learning but the need to ,promote health and well-being so highlighting the importance of holistic support if we are to help people succeed. Helping shape an institution with such a long history in the community and set it on course for the next 125 years is therefore an important challenge and a great responsibility. With increased competition in the sector, and now the global challenge that is Covid-19, it is vital that we build an LSBU Group that never loses sight of the its core mission of inclusive education, which fundamentally has not changed for over a century.

Diversity and inclusion are not just words we put on our walls or in our brochures, they're woven into the very fabric of LSBU. This does not mean that we do not have our challenges of course. We know that we've got a long way to go to eliminate the attainment gaps within our courses, and that we have an urgent need to ensure that diverse talent rises to the top of our staffing structures. These are challenges we acknowledge and do not shy away from. Whilst recognising there is always more to do, I am also proud of the successes we've seen in the reduction in our Gender Pay Gap and the award of Athena SWAN Bronze recently. The development of the LSBU Group is also a critical step in ensuring we have the capabilities to support our South London communities even further by seeking to join up educational silos so making it easier for individuals and business to access the high quality technical and professional learning that they need.

I'm proud to work at LSBU and wish to see us become sector-leading in diversity and inclusion for both staff and students during the next five years through our 2020-2025 Group Strategy. We have done a significant amount of work to begin collecting meaningful data that can help us better understand our success and the challenges ahead. This report is one of the next steps on our journey and demonstrates our desire for open, transparent reporting so we can work to address the barriers that exist together.

Nicole Louis – Chief Customer Officer
Becoming the Chair of the EDI Steering Group last year has given me an exciting opportunity to collaborate with colleagues to achieve real focus to our diversity and inclusion agenda and ambitions. As we move forward, we are evolving our approach to EDI leadership and governance and part of this, will be the establishment of a new EDI Framework. This framework will support our activity to be robust, focused and impact-led, and to ensure that we have smart goals with clear milestones and accountabilities. I very much believe that we each have a role to play in supporting our EDI agenda, which is equally important for our staff and our students. It's been rewarding to hear of the hard work from our staff, students and volunteers across the Group and who support our diversity and inclusion agenda with their passion and expertise. In my role I am able to truly see the challenges of our students, from open days through to graduations and beyond, and it's inspiring to see and hear the stories of how our students overcome the many barriers they often face to achieve their goals. It motivates me every day to know that we can really change the lives of our students and our staff through our ambitious EDI agenda.

A long history of inclusion

LSBU has a long and proud history of providing inclusive education to South London and beyond for over 125 years. Diversity is part of our DNA and we are keen to ensure that that legacy continues and grows for another century or more.
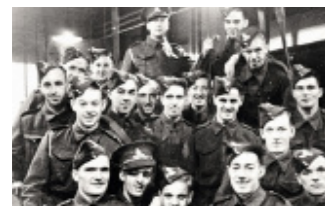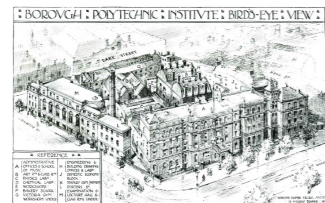
Year	Event
1892	Borough Polytechnic Institute founded 'to promote the industrial skill, general knowledge, health and well-being of young men and women'
1917-1918	Offered courses to retrain disabled veterans of WWI
1920's	First female engineering students enrolled
1927	First international students arrived from India, the Netherlands and Ireland
1939-1945	Served hot meals to locals made homeless by the Blitz
1939-1940	Refugees came to study after fleeing Nazi occupied Czechoslovakia
1950	'Womens Department' was abolished
1967	First female Head of Department within a STEM subject
1970's	First student-led groups appear such as the Afro-Asian, Arab Friends and Gay Soc.
1992	London South Bank University
2008	Our first staff networks were started
2014	LSBU marches in London Pride, one of the first HEIs to do so
2015	Our EPIIC Values were launched
2018	LSBU Group was founded merging Lambeth College with LSBU
2020	Athena SWAN Bronze Award

Our EPIIC Values

E

Excellence
At LSBU we are known for working to a high standard and providing a quality service to all.

P

Professionalism
AT LSBU everyone takes personal responsibility and accountability, leads by example and inspires others.

I

Integrity
At LSBU we communicate with transparency and respect, creating a working and learning environment based on trust.

I

Inclusivity
At LSBU we celebrate being a diverse and vibrant community, where there are no barriers to inclusion and where we view the differences between people as a source of strength.

C

Creativity
At LSBU we are innovative, generating ideas and opportunities that are useful in solving problems and enhancing the reputation of the university.

Equality, Diversity and Inclusion at LSBU

External research makes it clear that inclusion, as a core strategic priority and leveraging the value of diversity, is crucial in attracting and retaining talent, fostering innovation and building workplace and learning environments where everyone can thrive.

Diversity is about people. It's the rich tapestry that makes up our world, our societies and communities, our families, friends and social networks, our work and learning environments and the individuality of us all. From unique characteristics such as our fingerprints and our DNA, to that which we have in common with others. At LSBU we don't think about diversity in isolation. We consider all the elements that make up our population, be that background, education, nationality, generation, age, working patterns, religion or belief, sexual orientation, gender identity, ability, skills and any other characteristic (protected or otherwise).

Inclusion is about people. We think and act in a way that ensures everyone is considered when business decisions are made. Inclusivity is part of our growth mindset, and we build inclusion into all we do to ensure that our workplace and learning environments are places where everyone feels valued – where they are able to bring their different perspectives and be their whole selves.

Equality is about people. It's the end outcome that we're trying to achieve. Fair and equitable outcomes for our staff and our students. However, equality isn't about treating people in the same way. It's about understanding and responding to individual or group needs. We see diversity in its widest context and equality as a broad spectrum, and the principles we apply to treating people fairly extend beyond those with protected characteristics.
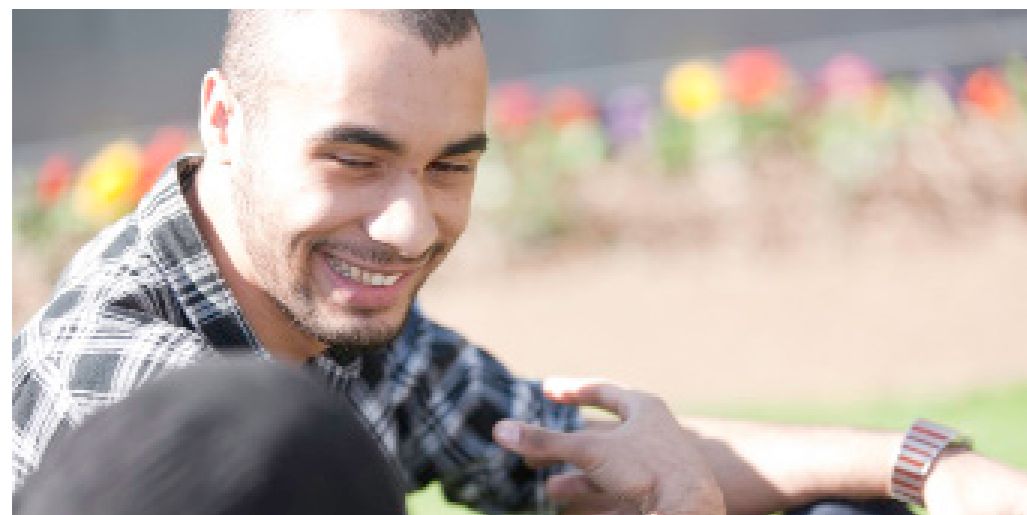
A year of progress

- Athena SWAN | Bronze Award 2020–2025 awarded
- Access & Participation Plan (APP) | Accepted by OfS
- Gender & Ethnicity Pay Gaps | Continued reduction
- What Works for LSBU | BAME Attainment Gap research project started
- New and Improved Staff Networks | 2 new staff networks started in 2019/20
- Revised Dignity at Work Framework
- Office of Students (OfS) consultation - sexual misconduct in HE | Institutional response given
- Equality and Human Rights Commission Report (EHRC) on Racial Bullying & Harassment in HE | Baseline conducted and recommendation uplifted into work packages
- LGBTQ+ awareness sessions | Delivered to c1000 participants within and outside LSBU
- Improved governance and accountability in staff networks
- User experience | New intranet, forms and communication for EDI communication with staff
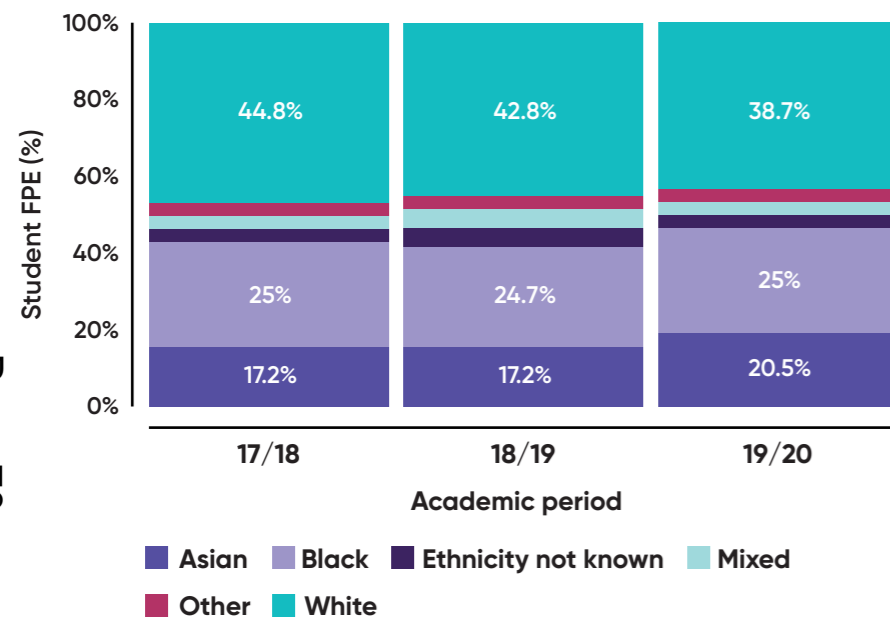- Foundations for Group | Exploring EDI across the Group and assessing successes and gaps
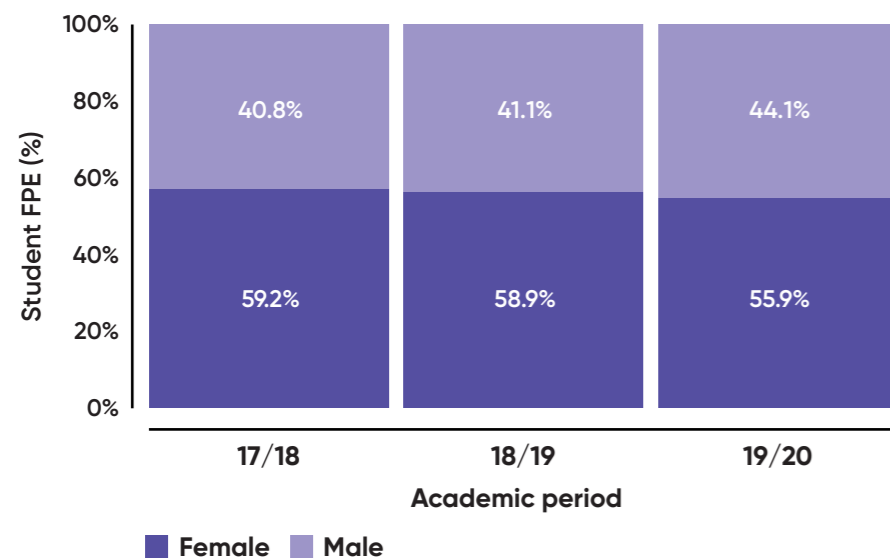
Our students

> "I want LSBU to be a place where our students see that achievement is possible from every background and ability. As an educational institution, it's vital that we can role model what success looks like in a modern, diverse city. If you can't see it, you can't be it!"
>
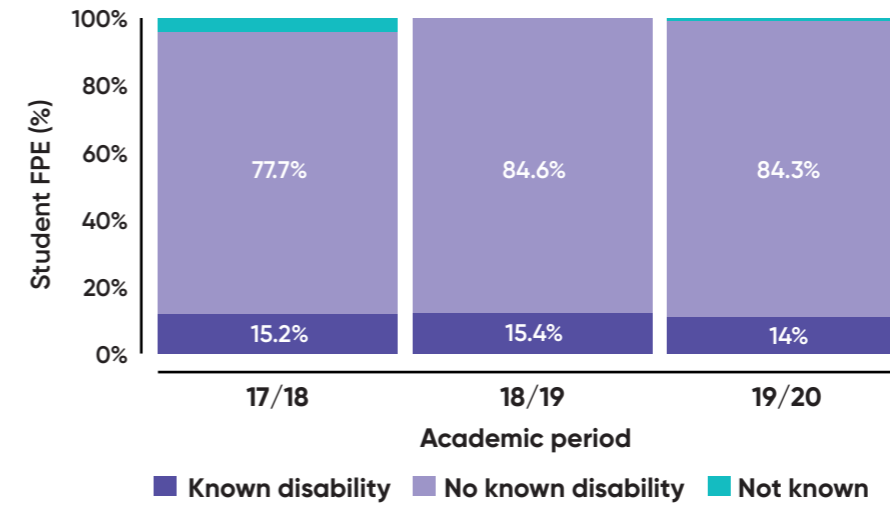> Deborah Johnston, Pro Vice Chancellor Education
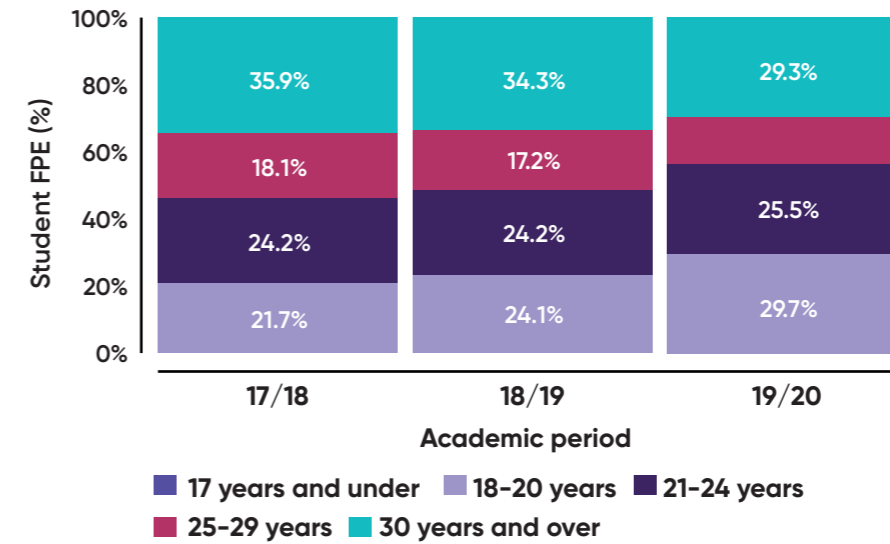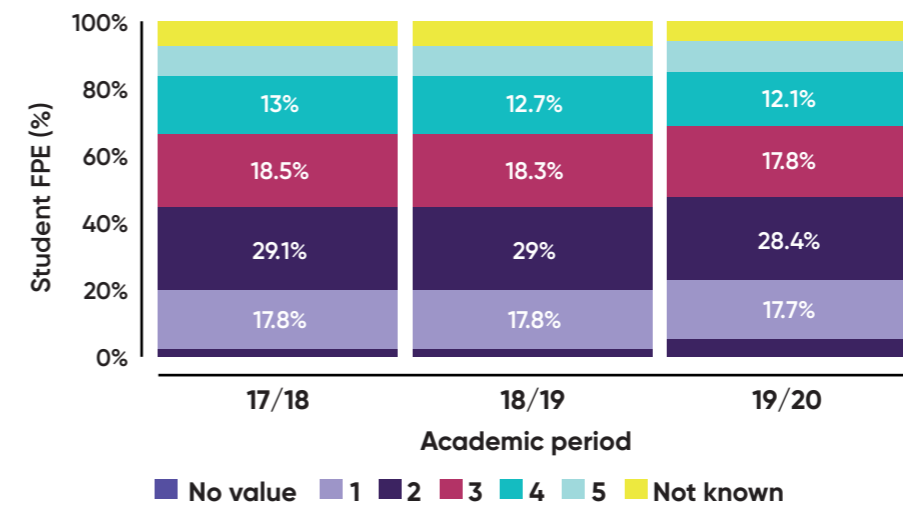
Ethnicity (%)

Student FPE (%) by Academic period

	17/18	18/19	19/20
White	44.8%	42.8%	38.7%
Black	25%	24.7%	25%
Asian	17.2%	17.2%	20.5%

Legend: Asian, Black, Ethnicity not known, Mixed, Other, White

Gender (%)

Student FPE (%) by Academic period

	17/18	18/19	19/20
Male	40.8%	41.1%	44.1%
Female	59.2%	58.9%	55.9%

Legend: Female, Male

Disability (%)

Student FPE (%) by Academic period

	17/18	18/19	19/20
No known disability	77.7%	84.6%	84.3%
Known disability	15.2%	15.4%	14%

Legend: Known disability, No known disability, Not known

Age (%)

Student FPE (%) by Academic period

	17/18	18/19	19/20
30 years and over	35.9%	34.3%	29.3%
25–29 years	18.1%	17.2%	
21–24 years	24.2%	24.2%	25.5%
18–20 years	21.7%	24.1%	29.7%

Legend: 17 years and under, 18–20 years, 21–24 years, 25–29 years, 30 years and over

IMD (Index of Multiple Deprivation) (%)

Student FPE (%) by Academic period

	17/18	18/19	19/20
4	13%	12.7%	12.1%
3	18.5%	18.3%	17.8%
2	29.1%	29%	28.4%
1	17.8%	17.8%	17.7%

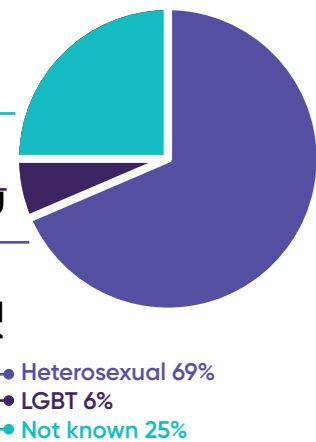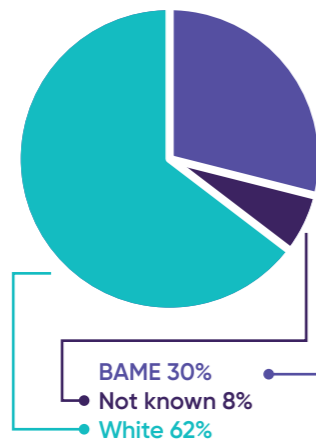Legend: No value, 1, 2, 3, 4, 5, Not known

Our staff

> "I am a passionate advocate of equality, diversity and inclusion and believe that we have a real opportunity to make a difference to the lived experience of all our colleagues and students. The 2020-25 People Culture and Inclusion strategy sets out how we will transform cultural and systemic practices that have a huge impact on key moments of the employee experience."
>
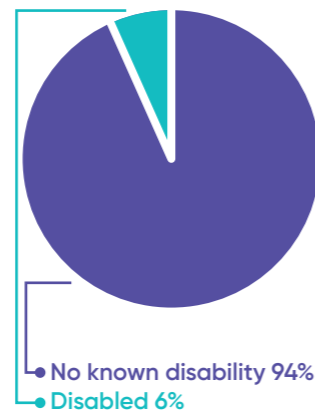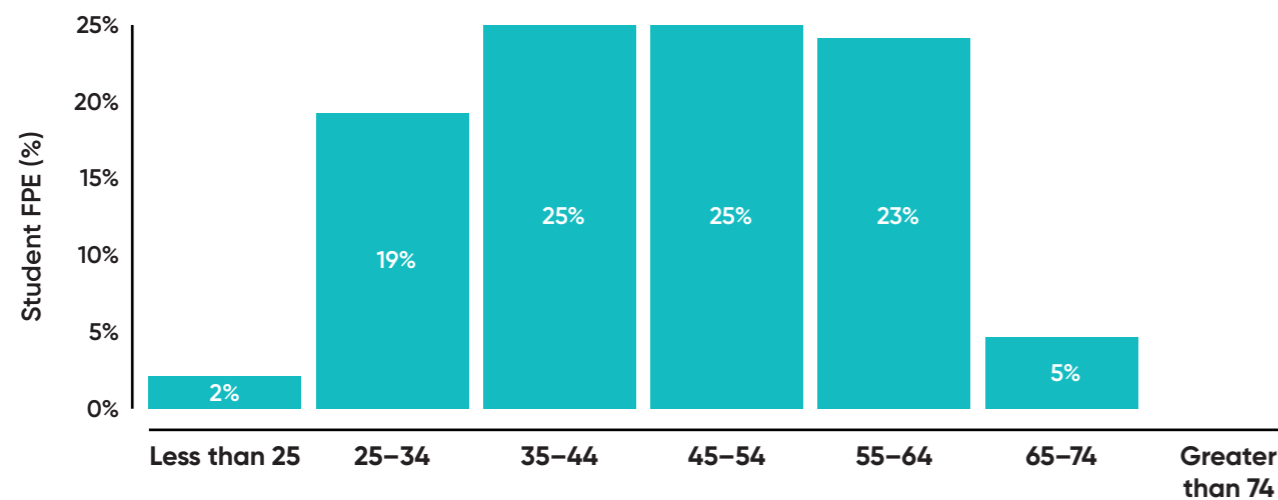> Marcelle Moncrieffe-Johnson, Chief People Officer

Sexuality

- Heterosexual 69%
- LGBT 6%
- Not known 25%

Ethnicity

- BAME 30%
- Not known 8%
- White 62%

Disability

- No known disability 94%
- Disabled 6%

Gender

- Female 48%
- Male 52%

Age

Student FPE (%)

Less than 25	25–34	35–44	45–54	55–64	65–74	Greater than 74
2%	19%	25%	25%	23%	5%	

"EDI Everyday" – a journey begun

> "My approach is that, of course people are gay/black/female/live with mental health issues/religious/disabled...so lets get over it! It's time to not just be thankful for equality; but demand it."
>
> Prof. Patrick Callaghan, Dean of the School of Applied Sciences

Becoming a Centre of Excellence

The Equality, Diversity and Inclusion (EDI) Team has begun to move towards becoming a centre of excellence that will enable LSBU to become sector-leading by 2025. With a team that has been in flux for a number of years, this year has seen a focussing on building strong foundations, with sustainability and longevity as its cornerstones. A key principle of our approach is to adopt a growth mindset and to continually review and evolve the what and how we do EDI at LSBU.

For many years. Diversity and inclusion has been seen as a function. But EDI is not a product, team or policy, it's a mindset and everyone plays a role in building a more inclusive LSBU. Within the EDI Framework is a three year roadmap which will move EDI from a team, to an ethos. Within this, the team is building its strengths as subject matter experts who collaborate across the university to co-deliver projects and/or provide insight into best practice within and outside the sector.

The EDI Team is beginning to see a shift of ownership of the agenda back to local teams, whilst keeping the big picture in frame. Clear examples of this agency approach can be seen in the many projects and areas within this report.

	May 2020	June 2020	July 2020	Aug 2020	Sept 2020	Oct 2020
1. Targets (Gender / Ethnicity)	Targets agreed.					Progress to EDI 5G.
2. Ethnicity	EHRC recommendations.	Baseline assessment.	State of play report to EDI 5G.		Publish EPG.	
3. Gender	AS action plan to EDI 5G.	AS Implementation Programme.				
4. Inclusion		Inclusive recruitment.			Inclusive comms guide.	Inclusive events guide.
5. Dignity at Work	Design of escalation process. Update intranet.	Marketing assets ready. Soft launch of new approach.			Launch of new framework.	

Dignity at Work Framework

Current numbers: 32 Mental Health Champions (LSBU) 12 MHCs (Group), 7 Dignity at Work Champions. 40+ trained in Mental Health Awareness

"At LSBU we need to build on good intentions and materialise them into a tangible culture that recognises all strands of diversity and demonstrates concrete actions around wellbeing and inclusion, not just in pockets of the university, but as a collective society within the organisation."
Annie Yau, Staff Wellbeing

Since Summer 2019 our approach to Dignity at Work has been led as a joint project between the EDI Team, Staff Wellbeing and other stakeholders including staff and students. There was a recognition that the current programme required updating to meet the needs of the current and future LSBU Group. A changing internal and external landscape accelerated the need for review, including:

• Staff engagement survey results around wellbeing and bullying/harassment
• The Office for Students' consultation on harassment and sexual misconduct in higher education and the Equality and Human Rights Commission Report- tackling racial discrimination in HE
• The actions in LSBU's Athena SWAN submission
• A potential risk in current practice and a requirement to provide a consistent development and skills package for staff volunteers.

The Dignity at Work Framework brings together five support services available to staff: Dignity at Work Champions, Mental Health Champions, Staff networks, Employee Assistance Programme (EAP) and Occupational Health. It also sits alongside the Bullying and Harassment Working Group which is exploring and implementing policy and actions to tackle bullying and harassment, with a particular focus on the experience of BAME staff. Aligning these two groups has enabled an integrated response.

Creating the Dignity at Work Framework required an escalation framework, amended role descriptions, new reporting and contact forms to streamline accessing support, online recording systems for our informal processes to mitigate risk and allow data to be gathered and analysed. To compliment these changes to governance and process, a Dignity at Work intranet hub has been created which placed the user experience as its heart. We want staff to be both aware of, and can easily access, the range of formal and informal routes available.

Over the coming months and years, the framework will continue to develop through ongoing training and recognition for volunteers and greater synergy between the evolving staff systems and the established student systems. Group-wide delivery has been built into the new framework governance and the development of project plans begun across the Group.
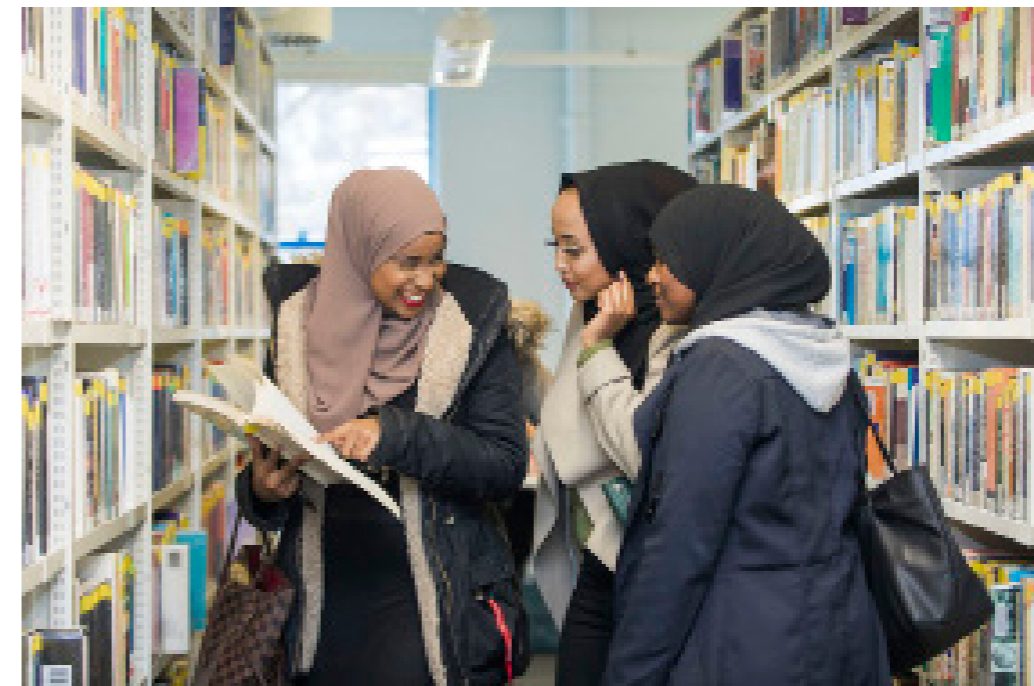
Staff networks

LSBU benefits from well-established staff networks. Staff networks are vital to a robust, dynamic and inclusive workplace, with every member having their own reasons for joining a network, from advocacy to socialising. Networks provide the essential function of amplifying staff voice and ensuring a safe space for staff to connect, learn and discuss.

This year staff networks has evolved, with the creation of a wrap around framework and increased support from the EDI Team in areas such as finance, logistics, development and governance. Each network has identified its strategic aims which are clearly visible and regularly reported at the monthly EDI/staff network meeting and EDI steering groups. Work will continue to strengthen and clarify the governance and support of the networks by including a universal terms of reference, elections and membership engagement strategies.

We are pleased to now have two new networks created by staff volunteers this academic year, DNet (Disability and Accessibility) and the Parents and Carers Network. These new networks seek to meet the needs of staff within these areas and have become particularly important during the Covid 19 crisis.

The five LSBU staff networks are:

DNet – Disability and Accessibility Network

Strategic aims:
1. Implement fundamental changes at directorate through to operational level to embed accessibility
2. Create parity between disability provisions for staff and students
3. Improve the awareness of disability and access issues within the workplace, for all employees

Highlights:
- Collaborated with Estates to have "Not all Disabilities are Visible" stickers on every accessible toilet across LSBU
- Hosted "Daily British Sign Language" lessons throughout April

EquiNet – BAME staff and Allies Network

Strategic aims:
1. Raise awareness of, and promote, racial equality, cultural diversity and inclusion
2. Represent the views of BAME staff and provide a collective voice to achieve positive change
3. Provide social and professional networking to increase wellbeing and community

Highlights:
- Continues to deliver a robust and engaging series of events and learning opportunities such as the Black History Month celebration day, and guest speakers including June Sarpong and Nels Abbey
- Supporting the What Works for LSBU attainment research project

GenderNet – Gender Equality Network

Strategic aims:
1. Foster a positive culture around women in the workplace
2. Create a Trans-inclusive environment for staff and students
3. Ensure that intersectional gender equality is embedded and embraced

Highlights:
- Began the Role Model Conversations lunch time series where staff can learn from an internal role model
- Successful Trans*forming LSBU event on Trans+ in higher education
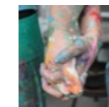
Parents and Carers Network

Strategic aims:
1. Create a supportive and active group of parents and carers
2. Ensure LSBU's policies empower and enable all staff and students who are parents and carers
3. Foster an environment that embraces and embeds the intersectional and multi-gendered nature of parents and carers

Highlights
- Have demonstrably shaped the university's Covid-19 response for parents and carers
- Membership has rapidly grown since it started in December

SONET – LGBT+ and Allies Network

Strategic aims:
1. Develop a supportive and supported community for LGBT+ staff (and students)
2. Ensure current and future policies are LGBT+ inclusive and embedded across the university
3. Continue raising awareness and knowledge of LGBT+ people and their intersectionalities

Highlights:
- Supported the delivery of the LGBTQ+ Awareness training to 100s of colleagues
- Have created a stable committee to support delivery

A more accessible EDI

A necessary step to making EDI more embedded into the university culture has been to ensure that its presence on the intranet is accurate, clear and accessible. The core of this has been the creation of the EDI Hub, designed to meet the short and long term needs of staff, with user experience at its core.
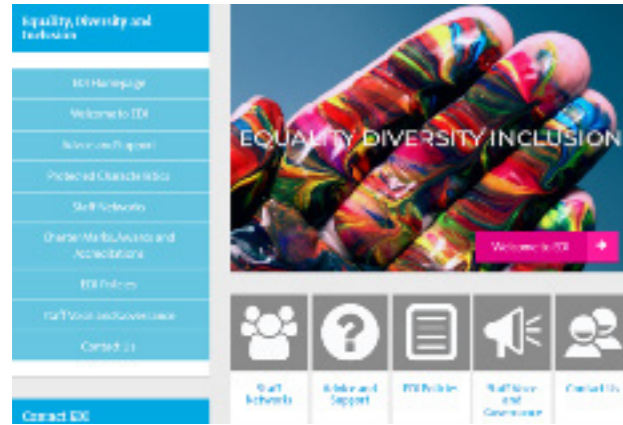
An example of putting the user experience first was the creation of Protected Characteristics pages that allow a person to see a range of resources linked to a specific characteristic as defined in the Equality Act 2010.

An embedded Contact Us form enables the EDI Team to more easily gather data around its interactions but also streamline the experience for staff to ensure they are able to be assisted as quickly as possible.
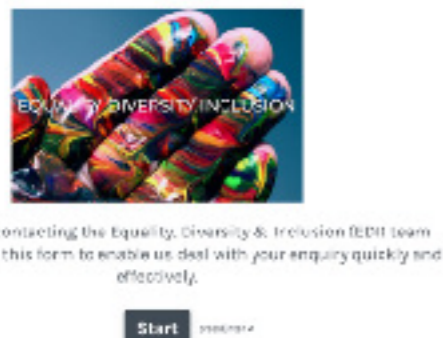
Inclusive Recruitment

In a further example of collaborative working, the EDI Team and Recruitment Team have come together to look at how we embed inclusion into the recruitment journey. The project's scope ranges from employer branding, through to interview, on-boarding and exit. Inclusive recruitment will bring together a range of internal KPIs including our Athena SWAN action plan, external good practice and future ambitions. The project aims to complete its key deliverables by Autumn 2020. This will provide a robust foundation of updated training, systems and communication alongside new guidance and policy to facilitate a true cultural and behavioural shift across LSBU as regards inclusive recruitment practices, talent acquisition, progression and retention.

Below is an example of what the project is aiming to address by providing clearer guidance, training, support and oversight in the areas of interview panel composition and monitoring. In A you can see larger "drop off" from application to interview for BAME staff, but appointment rates are then the same for BAME and White candidates. While in B you can see significantly lower "drop off" for White staff at both interview and appointment stages, despite 50% fewer White candidates applying.

A	Applications	Interviewed	Recruited
BME	87	13	3
Prefer not to say	3	1	
White	66	14	3

B	Applications	Interviewed	Recruited
BME	55	31	3
Prefer not to say	7	3	
White	24	14	3

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Athena Swan

We were delighted that LSBU was awarded an Athena SWAN Bronze Award (2020-2025) recognising our dedication to the advancement of gender equality: representation, progression and success for all.

Our Bronze Award is the first AdvanceHE Charter Mark that LSBU has achieved and recognises a significant contribution by colleagues from across the university over a number of years and submissions. We are extremely proud and grateful to all who have worked so hard on this for the university as a whole.

The Athena SWAN Bronze Award acknowledges the university's commitment to gender equality and marks the start of an exciting journey ahead. The submission solidifies an ambitious, detailed and robust roadmap for us to become fit for the future and will have a positive real world impact for all LSBU's staff, students and research.

The action plan tracker will be monitored via an Implementation Group, where the owners of the various streams within the Athena SWAN can track progress and reach out for support if needs be.

Sample action points:
- All committees will be gender balanced (40-60% gender ratios) by end of 2021
- Inclusive recruitment project to be completed by September 2020
- 26% female composition of technicians staff within 2021
- New Trans* Staff and Student Policy by end of 2020

Ethnicity baselining

There has been an effort to re-energise our work tackling race and ethnicity issues at LSBU, the need for which has need has been greatly highlighted by the #BlackLivesMatter movement and subsequent necessary discussions. The University is already in the process of reassessing its baselines on ethnicity to show areas of current growth and challenge which are wholly accurate and up-to-date. Doing so will enable LSBU to better identify and address key pinch points across the staff and student journey, as well as areas to celebrate and share good practice.

The Baseline will feed into the regular and ongoing work by the EDI Team to monitor data in areas such as recruitment, promotion, exit, attainment, retention and other key areas outlined in the Race Equality Charter (REC). The data gathered and analysed as part of the Baseline will enable the University to better measure the impact of the live and future intervention and activity in the areas of race/ethnicity at LSBU The Baseline will also be a robust foundation for a future Race Equality Charter (REC) submission by the University in the academic year 2021/22.

Training and development

Throughout this year there have been discussions as to what Diversity & Inclusion training will look like at LSBU over the coming years. One of the ways EDI can become a Centre for Excellence is in the direct and supported delivery of training that shapes our work cultures and actions. Current training is being reviewed including: Induction, Recruitment and Selection Training, Unconscious Bias Training and the Grievance and Disciplinary Training. There remains a large minority of staff who do not complete the compulsory EDI Training: this is highlighted in the EDI Framework as an area of future focus. The Team will partner closely with the Organisational Development Team to co-create a training programme that meets the needs of the organisation that is future-looking and embraces a blended learning approach.

We will also explore routes to address the falling completion rates for the EDI Compulsory Training of staff. One route is in a review of the communications to new staff, another is more rolling communications to current staff on the need to complete training within the agreed timeframes and why it is important for the University.

EDI Compulsory Training Rates:
17/18 = 72%
19/20 = 58%

Looking forward, the EDI team hopes to a programme which delivers on areas of strategic importance for the University to facilitate the cultural shifts expected during the lifetime of the 2020-2025 People Strategy. In light of the #BlackLivesMatter movement, the urgency for more visible and robust training on anti-racism, bias and challenging conversations. We are committed to developing a wide-ranging and impactful training programme that is transformative for LSBU Group.

One example of our future way of working can be seen in the LGBTQ+ Awareness workshop which has been delivered to c.1000 staff and students within LSBU and Lambeth College. It has also been delivered externally to the University of Northampton and Brunel University. The approach saw a collaboration with staff and students to deliver impactful sessions on the LGBTQ+ experience, the impact of the yearlong delivery to date can be seen below:

Confidence levels are based on the % of people who responded as 'confident (4)' or 'very confident (5)'	Confidence Pre-Training	Confidence Post-Training	Impact
Understanding LGB people and their experience	86%	96%	+10%
Understanding Trans+ people and their experience	64%	94%	+30%
Offering support to LGB people	73%	95%	+22%
Offering support to Trans+ people	58%	90%	+32%
Dealing with homophobia/ biphobia/transphobia in your work/teaching environment	78%	96%	+17%
Creating an inclusive environment	89%	100%	+11%

Our Partners

To ensure that we continue to learn from good practice, we partner with a number of external organisations. These membership or partner relationships enable our staff to access the latest information on inclusive practice. Our paid memberships are constantly under review to ensure they meet the current and future needs of the organisation and we are engaged in multiple other groups of best practise which challenge and equip us to best serve our diverse staff and students ranging from mental health charities, to recruitment partners specialising in diverse candidates and beyond.

Our membership to BDF continued and deepened this year. Staff from across LSBU, particularly with the support of our disability and accessibility staff network (DNet), attended events, took part in webinars and have disseminated and read research that enable us to implement fresh thinking and new perspectives. This has been particularly useful in understanding approaches to including disabled staff during Covid-19.

LSBU continues to be a Diversity Champion with Stonewall, the UK's leading campaigning and support charity for sexual orientation and gender identity. Membership grants us access their latest research and recommendations on building an inclusive LGBTQ+ friendly workplace and learning environments. The strengthening of our relationship with the organisation and what it can offer will enable us to achieve our strategic aims, particularly around Trans+ inclusion.

A key strategic partner for LSBU as an institution, AdvanceHE also enables the advancement of equality within the sector through its Charter Marks, programmes - particularly for BAME and female leadership pipelines and development, events and research. We utilise our relationship with Advance HE to enhance our approach to transformative leadership and management, inclusive teaching and learning, effective governance, Charter Marks such as the Athena SWAN, and the Race Equality Charter (REC) and communities of best practice within the sector.
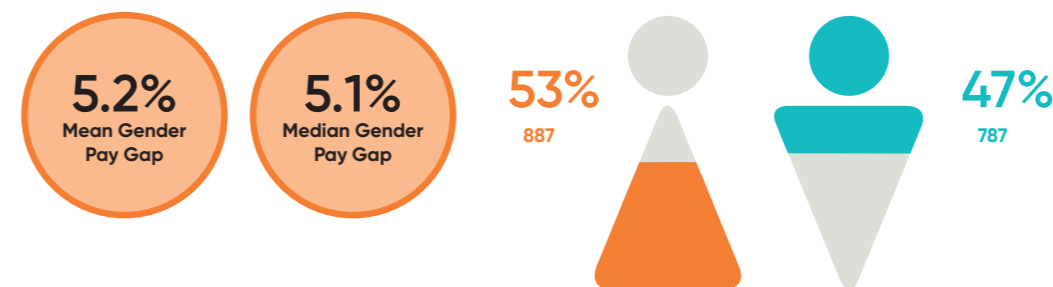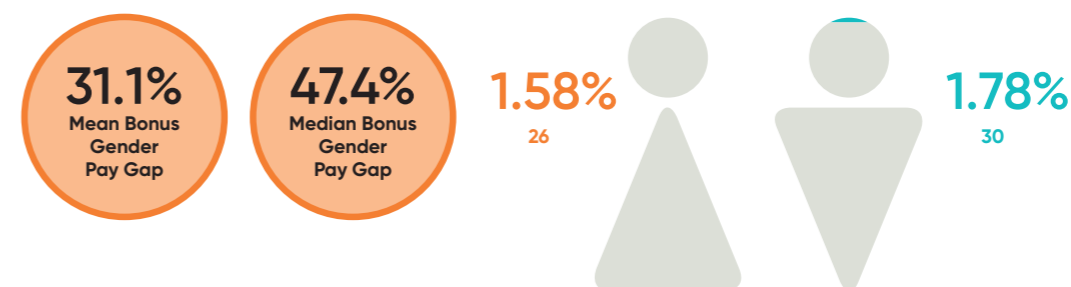
Closing the Gap

Gender Pay Gap

Since 2009 we have undertaken regular pay audits. The (mean) gender pay gap has reduced from 13.25% to 5.2% over those 11 years. The results have shown both an improving situation and one that compares favourably against the higher education sector and UK as a whole.

Gender Pay Gap

5.2% Mean Gender Pay Gap

5.1% Median Gender Pay Gap

53% 887

47% 787

Bonus Pay Gap

31.1% Mean Bonus Gender Pay Gap

47.4% Median Bonus Gender Pay Gap

1.58% 26

1.78% 30

Whilst we're pleased with the trajectory of our gender pay gap, we know we can strengthen our approach, embedding our interventions in our strategic priorities and are sustainable. Importantly, we're ensuring that our staff are key stakeholders in their design and implementation of interventions, as well as beneficiaries.

We now know that two main issues affect our overall gender pay gap: a) females being disproportionately represented in the lowest pay quartile and b) females are significantly less likely to apply for roles as a Technician and a Researcher, areas directly addressed in our Athena SWAN Action Plan and other work streams.

The full Gender Pay Gap Report is available on the website.

Ethnicity Pay Gap

As part of our move to increased transparency and accountability around diversity and inclusion, we've undertaken analysis of our Ethnicity Pay Gap, ahead of any regulatory requirements. Our Ethnicity Pay Gap's overall trajectory is promising, although sector benchmarking is difficult as so few institutions have taken this step. Our intention is to publish separate Ethnicity Pay Gap data on our external website in the summer of 2020, alongside the embedding of our EDI Framework and strategies to advance race equality, with future reports published jointly with our Gender Pay Gap Report. Our plans around the inclusive recruitment, retention and progression of staff will be invaluable to the reduction of our Ethnicity Pay Gap. Two new corporate KPIs, the Gender Pay Gap and Ethnicity Pay Gap, will sit within our 2020-25 Strategy.
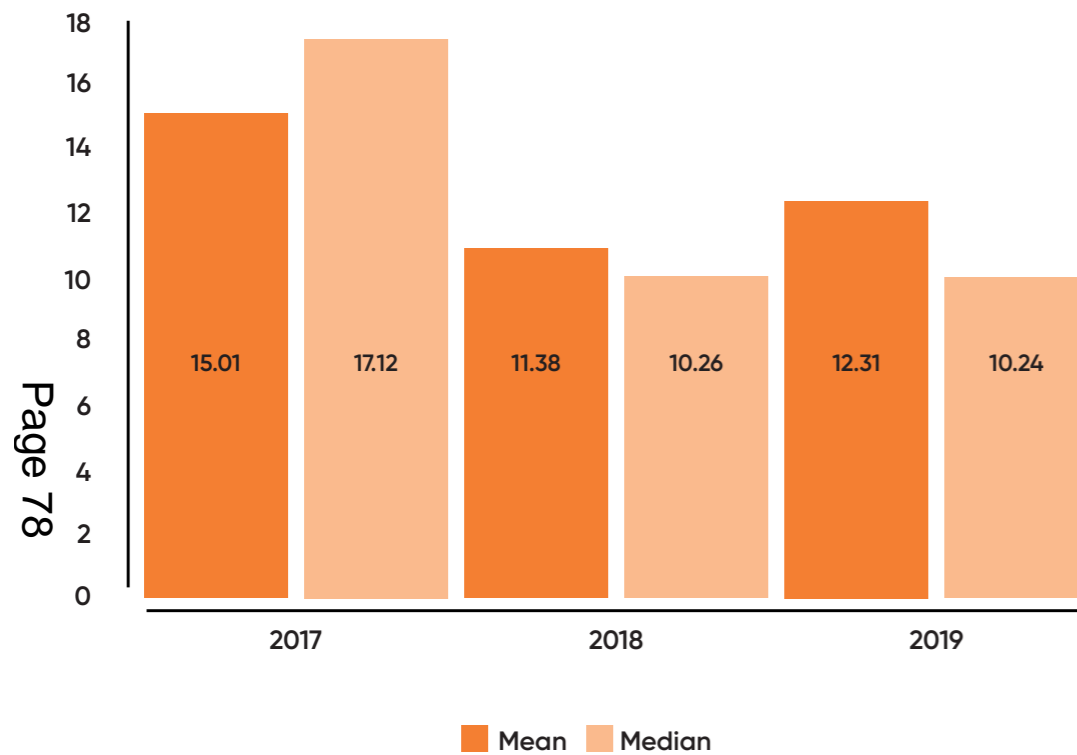
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|	2017	2018	2019
Mean	15.01	11.38	12.31
Median	17.12	10.26	10.24

■ Mean ■ Median

No Barriers to Brilliance

Access and Participation Plan

With the creation of the OfS, new guidelines were brought in for five year Access and Participation Plans (APPs) with a focus on the areas of Access, Continuation/Progression/Retention and Attainment. Our ambitious Action and Participation Plan plan for 2020-2025 was accepted by the OfS with targets focussing on areas of ethnicity, disability and socio-economic background. There is a newly formed Delivery Group which monitors and tracks our progress and will underpin much of our work in this space over the coming years.
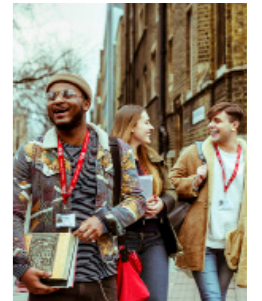
We are keen to see these targets as minimum targets and aim to exceed them to ensure the very best outcomes for our students. Data-enforced and student-informed interventions for target groups, courses and larger holistic approaches will be used to empower our students to achieve and the University will continue to address the systems and processes that are creating our awarding gaps.

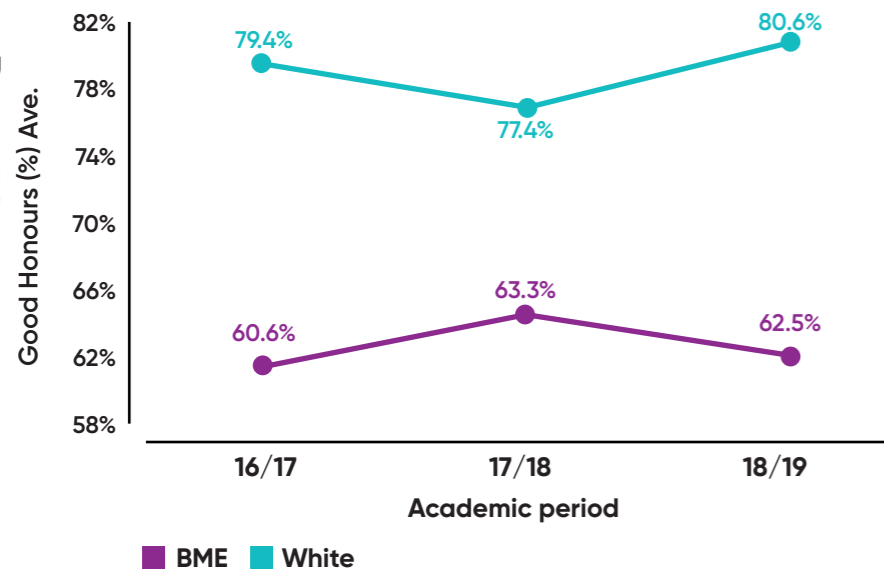| Area	Target Group	Description	Baseline	2025 Target
Access	Ethnicity	Percentage difference in offer-to application rates between White and Black applicants through UCAS for subjects other than subjects allied to medicine (all UG, FT)	12%	6%
Non-continuation	Socio-economic	Percentage difference in non-continuation rates between IMD quintile 5 and quintile 1 students (all UG, FT)	3.3%	1.5%
	Ethnicity	Percentage difference in non-continuation rates between White and Black students (all UG, FT)	5.4%	2.5%
	Disability	Percentage difference in non-continuation rates between Non- Disabled and Disability type Mental Health students (all UG, FT)	15%	8%
Attainment	Socio-economic	Percentage difference in attainment rates between IMD quintile 5 and quintile 1 students (all UG, FT)	15.7%	10%
	Ethnicity	Percentage difference in attainment rates between White and Black students (all UG, FT)	16%	14%
	Ethnicity	Percentage difference in attainment rates between White and Asian students (all UG, FT)	16%	8%
	Disability	Percentage difference in attainment rates between Non- Disabled and Disabled students (all UG, FT)	7.1%	1%
Progression	Socio-economic	Percentage difference in progression rates between IMD quintile 5 and quintile 1 students (all UG, FT)	3.1%	1%
	Ethnicity	Percentage difference in progression rates between White and Asian students (all UG, FT)	10%	4%

Attainment

The Office for Students (OfS) have identified attainment gaps, in particular the BAME Attainment Gap, as amongst its priorities for the Higher Education sector. Attainment gaps measures the % of students who receive a good honours (2:1 or above) when graduating versus those that do not achieve good honours.

LSBU is proud to be the most diverse University in the country and because of this, tackling the BAME awarding gap is a top priority. Unlike some institutions where the "gap" impacts only a few students, at LSBU the attainment gap is impacting thousands of our students, which is why our Access and Participation Plan has such ambitious targets over the next 5 years. While the BAME awarding gap for the University as a whole is between 14% - 19%, this differs greatly between Schools and individual degree pathways, with some having almost no "gap" and others where it is significantly higher.

At LSBU we are consciously moving away from the term "attainment gap" to that of "awarding gap" this small but significant change ensures that the institution is taking ownership of the problem and it not using a student deficit model, it is the intuition that has to change, not our students.
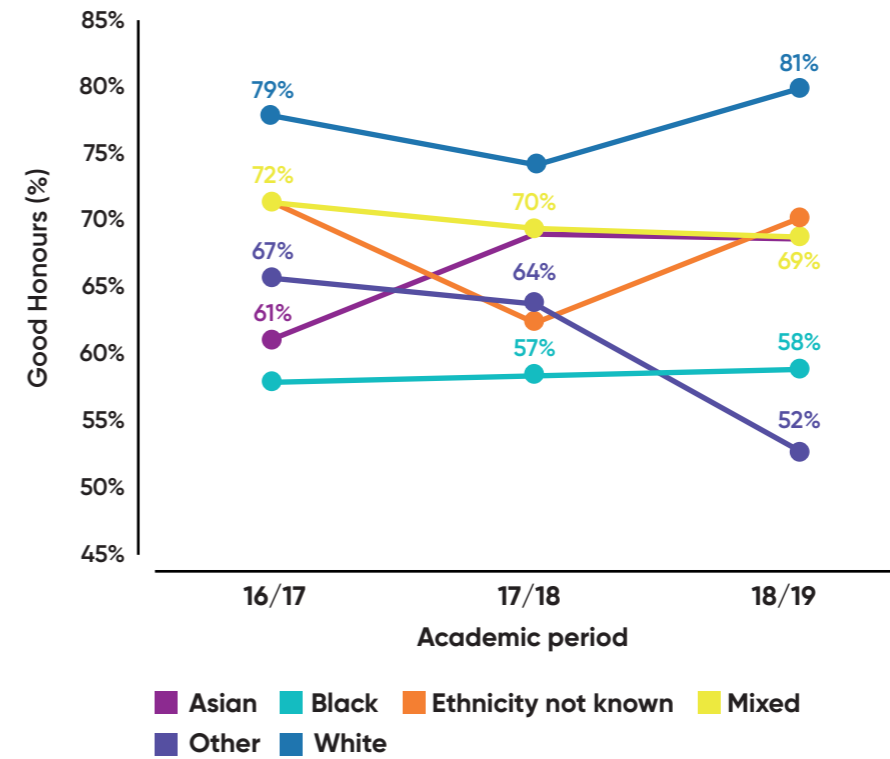
Good Honours by Ethnicity

Good Honours (%) Ave. vs Academic period

- White: 16/17 = 79.4%, 17/18 = 77.4%, 18/19 = 80.6%
- BME: 16/17 = 60.6%, 17/18 = 63.3%, 18/19 = 62.5%

Legend: BME, White

While often ethnic minorities are pulled together as BAME, new data which breaks this down into the 6 ethnicity groups (plus White) in the MIKE system helps an exploration and understanding of the data. This has enabled more nuanced conversations to take place about targeted interventions for specific groups, which sit alongside more generalist approaches inside School Roadmaps on the Attainment Gap and are seen within the APP.

Good Honours by Ethnicity

Good Honours (%) vs Academic period

- White: 16/17 = 79%, 17/18 = 74%, 18/19 = 81%
- Mixed: 16/17 = 72%, 17/18 = 70%, 18/19 = 69%
- Asian: 16/17 = 61%, 17/18 = 69%, 18/19 = 69%
- Other: 16/17 = 67%, 17/18 = 64%, 18/19 = 52%
- Ethnicity not known: 17/18 = 57%, 18/19 = 70%
- Black: 16/17 = 58%, 17/18 = 57%, 18/19 = 58%

Legend: Asian, Black, Ethnicity not known, Mixed, Other, White

WHAT WORKS FOR LSBU
BAME ATTAINMENT GAP PROJECT

What Works for LSBU is the university's BAME Attainment Gap research project sponsored by Provost Professor Pat Bailey this academic year. Funded to £150,000 from a mixture of APP project funds and central budgets. It takes a research-lead approach to unpicking the gap at LSBU underpinned by the principle that the university needs to change, not its students. Rather than a single team trying to solve attainment, the project has awarded £54,000 of funding to 10 out of 17 university-wide staff-led research applications. These projects seek to: deepen understanding of the real experiences of our BAME students, monitor the impact of targeted interventions and allow LSBU to really engage in the sector's response to the challenge of eliminating the BAME Attainment Gap.

A second call for projects will be happening in 2020/21, with discussions continuing around the level of funding available for the next academic year for new projects, with ongoing projects' funding already agreed.

Student Services

> **"Thank you. I honestly cannot thank you enough. You won't know how much this will help me and my family but I can only tell you that I am eternally grateful and appreciate your support at this time. This is going to help me so much and gives me a huge sense of relief that I will get my work done one way or another, I can breathe."**
> Student

Student Services and Employability is one of the Universities largest student-facing teams and works with students from their application to LSBU to years after their graduation. The teams within Student Services are at the frontline of student inclusion and diversity, responsible for a wide-range of services from grant allocations to extenuating circumstances, disability and wellbeing support to employment advice.

- **Support Funds**
Funding is available to student throughout their time at LSBU with funding allocations fully utilised each academic year.
  - Retention Fund: For 17/18: awards made 228, totalling £66,000. For 18/19: awards made 272, totalling £74,000. For 19/20 students, budget £144,000 (£75,000 budgeted, additional £69,000 for Covid support 400/700 students awarded
  - Care Leavers: 17/18: 54 students supported, totalling £52,000. For 18/19: 63 students supported, totalling £62,000. For 19/20: Est. 60-70 students at £75,000

- **Gender Identity**
In order to support our significant number of Trans* and non-binary students, a new service of specially trained advisors has been created to support these students.
  - Funding granted to enable the training and support of 30 staff through sector-leading Trans* charity Gendered Intelligence with future training planned
  - Provide support and guidance to staff and students on Trans+ issues and areas such as pronouns, transition, name changes, gender identity, internal and external processes
  - New materials made and promoted to highlight the service, seeking to partner with the Communications Team for wider dissemination

- **DDS – Disability and Dyslexia Service**
LSBU has a dedicated support service for LSBU students who have a disability (including mental health difficulties, medical conditions, or a specific learning difficulty including dyslexia). This service works closely with academic colleagues in schools and with the wider university community to continue to develop inclusive learning that seeks to identify and remove barriers to learning for all students. All students receive information about disability services throughout the year and the service has a clear presence on our campuses and on our student and staff intranets.
 - For the academic year 18/19 over 2,000 students registered with DDS, 80% of all known disabled students
  - 17% of students at LSBU have a disability
  - "Specific learning difficulty i.e. dyslexia" is the most common

- **Mental Health and Wellbeing**
  The university has a dedicated service for students who are experiencing mental or emotional health difficulties, or who are feeling stressed or distressed regardless of the cause. The service is available to all students, irrespective of whether or not they have a formal mental health diagnosis. The team offer a range of interventions for students including face to face advice, phone appointments, online support and fully funded counselling. The team continue to see a year on year increase in demand for the service.
  - For the academic year 18/19 over 800 students accessed the service at least once
  - 225 students were referred to external support
  - Over 600 are registered with our online support platforms and partners

Booked mental health and wellbeing appointments 2015/16–2018/19

2015/16	2016/17	2017/18	2018/19
1061	1211	1744	1964
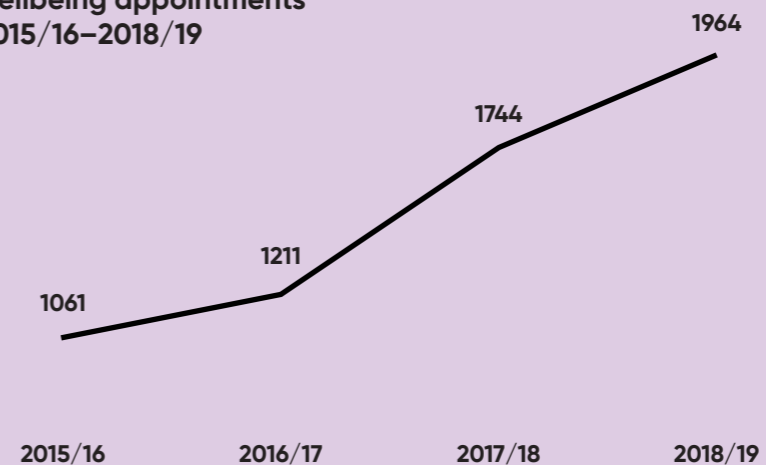
Access and Independence

In the academic year 2019/20, Student Services set up a steering group and a working group to deliver on a package of Charter Marks dubbed Access and Independence. The project grouped: the Stand Alone Pledge (Estranged Students), University of Sanctuary (Refugees and Asylum Seekers) and the Care Leavers Covenant. While these three Charters tackle different groups, it was agreed that we need to review the support offered to students holistically rather than on each individual area.

The project brings together a wide-range of teams from Alumni and Accommodation, to Bursaries and Strategy. The group has made important decisions on a micro level as to what can be done to best help these students and many others in the process. The university is hoping to gain all three charter marks in the next academic year (2020/21) and the project has seen some great quick wins and longer-term goals such as more accommodation options, new bursaries and exploring ways of gathering data.

No Barriers to Brilliance

no barriers to brilliance

While we'd all like to believe there are no social classes in the UK anymore, the reality is different. Where you're from, what you own, how you look and how you talk still has a profound influence on your chances in life. LSBU sees this every day in the London communities we serve, but our students, whatever their background, are determined, tenacious and capable of greatness. Many of our students come from low-income neighbourhoods, juggling parenthood, part-time work, disabilities and caring commitments alongside their studies. Nearly every student will face money worries, invisible obstacles and limiting beliefs of some kind and so we're embarking on LSBU's most ambitious fundraising programme in a generation as we seek to ensure there are no barriers that hold back brilliance.

Fundraising aims:
- £15million raised by 2025
- £0.5million new student prizes
- £1m new bursaries
- £2.5m Group-wide diversity

#BlackLivesMatter

A legacy to grow...

The murder of George Floyd, an unarmed African-American man at the hands of police, sparked anger across not just the United States of America, but the whole world. His death, alongside those of countless others in the US, UK and too many other countries has forced the world to wake up... it has forced us to take a fresh look at who we are and what we do. London South Bank University Group has a long proud history of being of its local communities. Over 125 years later we still live by those founding values of, education for all those who want it, and fighting for equality and social justice. The thousands of Londoners and people from all over the word who have walked, and continue to walk, through our doors as learners and educators are woven into the very DNA of LSBU Group. We're here not only to keep this rich inclusive legacy alive, but to challenge ourselves to be bolder, braver, and stand for more than just quality learning, but to do the right thing.

Executive Response

As Executives of one of the most diverse educational group in the country, the Executive sought to join a minority of Universities in the UK to issue a strong statement of solidarity for the #BlackLivesMatter movement. The statement was communicated to all staff and student as well as being accessible on the public-facing website.
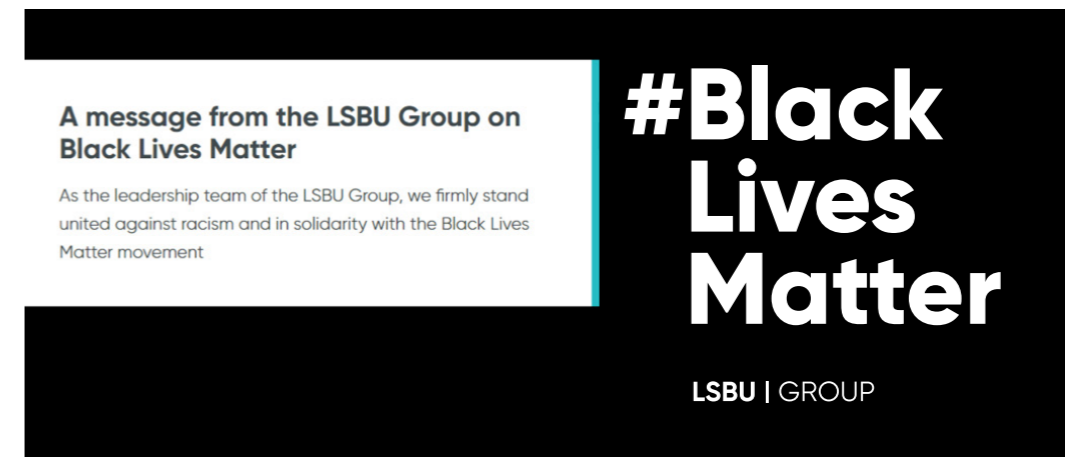
A Resource for all

A new resource page was built to help signpost staff to intenal and external support, anti-racist charities and groups they could donate to – and other ways to support for those of limited means, book/artciles to learn from and an FAQ. This resource page will continue to be reviewed on a regular basis to continue to be a hub for anti-racist materials for our staff to learn from and share.

"Let's Talk"

The Equality, Diversity & Inclusion Team, in collaboration with EquiNet – the BAME Staff network - launched "Lets Talk…" a staff forum to safely and openly speak, be heard and share thoughts on #BlackLivesMatter and the BAME experience more generally at LSBU. The sessions to date have seen strong attendance and engagement from staff who have been brave and honest about their experiences at LSBU and beyond. After each session a summary report is sent to Executives and Senior Leaders which is helping to shape our conversations and future work in this space. The Executive have not only been reading the reports but some have attended the sessions to hear staff directly and authentically. In July, there will be a "Let's Talk… with the Executive" which will allow staff and the Executive a space to discuss the sessions so far and future actions.

The EDI Team will seek to continue the "Let's Talk…" format as a basis for longer-term forums and engagement for staff to discuss, not only race/ethnicity, but the full experience of staff.

Staff responses from 'Let's talk…'

Open forums of a similar style have also been occurring across the Group with the Academies running forums for not only staff but also students and parents with clear synergy in narrative emerging from our communities.

A Group response

Across the Group forums of a similar style to "Let's Talk…" have occurred. The Academies in particular have conducted multiple forums for not only staff but also parents and students. A Group-wide working group has been formed to align the actions and responses of the Group as a whole to ensure an embedded and strategic approach is taken.

More than just a

#BlackLivesMatter has reinforced to us that much of the work outlined in this report is more vital than ever…A larger and more embedded EDI training programme not just for leaders but for all staff, widespread systemic changes such as the Inclusive Recruitment project, alongside the continued improvement and review of our formal and informal support structures to better address racism and all other forms of discrimination in the workplace. The University is also exploring innovative and sector-first ways to use its platforms to amplify those of its communities through ideas such as the Social Media Takeover and other engagement projects. The University, and the Group as a whole, are committed to ensuring that we foster long-term sustained change to create an environment where all our staff and students can thrive regardless of the colour of their skin or any other characteristic.

Responding to Covid-19

Covid-19 has changed the working and personal lives of people around the world, with certain groups disproportionately impacted. As thousands of staff and students have had to adapt to a 'new normal' of digitally-based engagement for work and study, we've ensured that people have remained at the heart of our response to this unprecedented crisis. Enshrining inclusivity into the university's response has ensured that staff and students are supported for the duration of the Covid-19 lockdown and beyond.

Carers' Leave

The university stepped out ahead of government to offer additional support to its staff who have caring responsibilities to reflect the change to working from home delivery. The Carers' Leave, introduced in April, allowed all those with caring responsibilities (parents and carers) to an additional 10 days of leave which could be taken as half or full days for the duration of the Covid-19 crisis. The scheme has proved a vital lifeline for many staff who were faced with juggling children, partners who were key workers and those who live in multi-generational families.

With input from the Parents and Carers Network, advice and guidance for staff and managers about the Carers' Leave has continued to evolve and the scheme reviewed to ensure it is meeting the needs of staff.

Care Leave to date (w/c 18th May)	No. of employees	No. of days
April	79	153
May	66	54
June	12	4

Hardship Fund Expansion

Our students were always going to be particularly challenged during by the fallout of Covid-19. Student Services proactively sought to double the Retention Fund to £144,000 and to streamline the application process to ensure that students could access the support they needed as quickly as possible. To date (May) over 700 students have applied to the scheme seeking financial support with 400 successful applications.

No Detriment Policy

Alongside many higher education institutions, LSBU has sought to ensure that its students are not negatively impacted by their rapidly changed living and learning environments, by introducing a No Detriment Policy. Such a policy has proved particularly complex at LSBU due to the high number of professionally accredited courses. Additional supporting documents and guidance has been produced to help students and staff through the intricacies of their degree classifications and how the policy applies.

Student Accommodation Policy

Inline with many other universities across the country, students were successful in shifting the university's policy on its accommodation payments as many students were no longer in their accommodation due to lockdown restrictions. As such, the university waived the final accommodation fee instalment for all students who had returned their keys by 26th April. Such a policy move greatly improved the financial situation for hundreds of our students.

Digital Engagement

With our staff now working remotely it has been important that they were supported during the transitional stages of the pandemic and also for the longer term. The EDI Team coordinated a robust rolling programme of activity with other teams such as Organisational Development, Wellbeing and the staff networks to enable and empower staff every single day through lockdown. A sample programme can be seen below which shows a mix or development workshops, social activities and wellbeing sessions:

Activity		When
Wellbeing: Mindfulness	Free daily guided sessions, Monday–Friday delivered by beinginside.com	11 May 8.00–9.00 17.00–18.00
OD: MSExcel 1 – Essentials	A beginners guide to learning Excel. Learn how to: • Navigate around Excel • Enter and format data • Use basic formulae	11 May 11.00–12.30
Parents and carers e-coffee and chat	Bring your cuppa for an e-coffee and chat with fellow parents and carers from across the LSBU Group	11 May 10.00–11.00
Wellbeing: Mindfulness	Free daily guided sessions, Monday–Friday delivered by beinginside.com	12 May 8.00–9.00 17.00–18.00
OD: Managing people virtually	To increase your knowledge, personal skills, effectiveness and confidence in managing dispersed staff across teams in LSBU	12 May 13.00–16.30
OD: Emotional intelligence	This sessions is perfect for anyone who wants to learn more about what emotional intelligence is and how to start developing their own skills, particularly in challenging times	12 May 11.00–12.30

There has also been a myriad of activity by individuals, Schools and local teams in order to meet the social and business needs of the university including webinars, peer-to-peer leaning and even a Facebook group.

Pulse Survey

A monthly Pulse Survey was launched in April in order to capture the experiences of staff throughout this crisis and to allow the university to respond swiftly to the particular needs of its staff. The first survey responses were extremely positive and in particular highlighted that the 'people-first' approach to policy and action was working. However, concerning data emerged around the experience of Disabled, White Other and Asian staff, as well as the suitable working environments of carers. Further exploration and action plans are in hand to address this and will be monitored. A mirror Pulse Survey for students has also been launched. Both surveys capture demographic data so that the institution can better understand how certain groups are coping and how best to support them.

Carers

– 70% "I feel well informed about what support is available to me" ✔

– 58% "I have a suitable working environment" ➖

Disability

– 20%-30% lower scores than non-disabled staff ➖

Ethnicity

– 86% Black British Africans feel "The Group is demonstrating that it cares about people" ✔

– 33% White non-British feel "I have confidence in how the university has responded" ➖

Comments

"My two kids are at home with me currently, they are both pre-schoolers and it is sometimes difficult for them to understand that I have to work"

"I think you are doing everything you can. Thank you"

Domestic Violence Group

Unfortunately, it is often the most vulnerable who are the worst hit in times of crisis. Domestic violence reporting has seen a 25% surge in the UK, with Refuge seeing a 700% spike in year-on-year calls as people face months of lockdown with abusive partners or family. As the Government has stepped up funding and guidance in this area, the university too has chosen to respond. A task force has been created, with representatives from across students and staff teams, to ensure that communication, support and guidance is clear to staff and to reiterate that the university is still there for them.

Looking forward

Phase 1 – Fixing our Foundations | 2020

A key focus will be developing our capability, in particular for our leaders with a supporting development programme and piloting initiatives such as reverse mentoring. This starts with training for the Board at the end of this academic year. We are reviewing our HR processes to ensure that diversity and inclusion is embedded. We will also be strengthening the routes for individuals to raise issues including the work with our Dignity at Work advisors. Embedding diversity in our panels, both for recruitment and promotions eg Academic Promotions board, and ensuring supporting processes encourage a diversity of candidates. These support our aim that the diversity of our staff at all levels better reflects the profile of our staff and students.

We will continue to actively support and enable our networks and strengthen engagement with a wider audience. We will build on 'Let's Talk', continuing our conversations about race. We will also seek to leverage this to include conversations on other areas which impact both staff and students such as gender and disability.

EDI Framework

Our new EDI Framework sets out our vision for the future. Moving away from siloed working to an integrated model that builds on a partnership approach across our academic and professional service functions. At the time of writing this Report, the Framework is in its final stages of development but will be launched by August 2020.

The Framework will:
- outline future governance structures for the EDI function, both within the University and Group-wide
- put Group-function at its heart
- create new "Pillars" to be used to better align all future work and enable more strategic thinking in the diversity and inclusion space
- outline the 3 priority areas as identified by data and insight of: Accessibility, Race/Ethnicity and Gender
- better align staff and student activity

Setting our KPIs

Setting out short, medium and long-term KPIs that reflect the breadth, depth and ambition of not only the EDI Team but the wider diversity and inclusion agenda for the Group's staff and students will be a vital step this year to provide clarity for the coming months and years.

Resourcing our Team

To enable a sustained commitment to diversity, stabilising and growing the resources committed to the team and wider agenda is vital stage for the upcoming financial year. Team structures and budgets are currently in the final stages of discussion at the time of writing

Getting our data and governance right

Reviewing and strengthening our data gathering and dissemination is crucial and there have been great steps in "cleaning" our data of both staff and students in recent year. This year there have been further coordination between our data teams and the EDI Team to ensure our data capture in future-proof.

Our Governance structures at a local levels has begun but there will be a need to review the current formal structures for EDI with the University and across the Group and how best we can better align the staff and student structures to create a cohesive narrative.

Phase 2 – EDI Everyday | 2021

EDI Everyday seeks to create a learning and working reality across the LSBU Group where diversity and inclusion moves from being a function, to becoming an ethos, a "golden thread" through all our work.

Policies that are fit for the future

Our policies are on a continuous cycle of review, but within 2021 there is a concerted aim that policies and procedures across the board will be reviewed to ensure diversity and inclusion is embedded and fit for the future. This work will involve large parts of the People & Organisational Development Team in consultation with Unions, staff and students.

Embed, embed, embed

This phase will be vital to ensure our foundations are truly embedded, particularly our training for leaders and all staff, our inclusive recruitment guidance for internal and external panels and our governance and stakeholder engagement. A lot of this will not mean doing lots of new things from Phase 1 to Phase 2, but ensuring we are working hard to monitor the effectiveness of Phase 1, amend where appropriate and ensure an EDI function and culture that does not rely on individuals for its success.

2020 – 2025 Strategy

Our 2020-2025 Strategy will be the first Group strategy and is a vision for new ways of learning that will transform the learning opportunities across our South London communities and beyond through applied education and insight. The 2025 goals impact and shape the diversity and inclusion vision, from increasing social mobility and social capital in our students, to closing the gender and ethnicity pay gaps for our staff through the People, Culture and Inclusion sub-strategy.

Access to Opportunity Through local and global partnerships we will create opportunities for individuals, business and society and seek to remove barriers to success.	**2025 goals** • Progress Against Core UN SDGs • Positively Impact 1 Million Lives
Student Success Recognised as a leading organisation for outstanding practice-led learning, fostering the development of able graduates ready to address business and societal challenges.	**2025 goals** • Progress Against Core UN SDGs • Positively Impact 1 Million Lives
Real World Impact Research and innovation that enhances teaching and tackles global and civic challenges, generates critical insights and sustainable solutions to transform the lives of individuals, communities, businesses and society.	**2025 goals** • £5bn of Economic Impact • Impactful and High Quality Research
Fit for the Future Technology and Estates. To create and flexible physical and digital environment, allowing opportunities for personalisation, that is mobile friendly, fit for the future, and embraces innovation and sustainability.	**2025 goals** • Use of technology and industry-standard facilities embedded in teaching • Environmental sustainability
People, Culture and Inclusion. Create and transformational and inclusive culture that is people centric, values led and ambitious; enabling LSBU Group to empower staff and to attract and retain a diverse range of skilled individuals.	**2025 goals** • A highly engaged workforce • Closing of the Gender and Ethnicity Pay Gap
Resources, Market and Shape. Alignment of core activity with business and societies current and future requirements in terms of skills, knowledge and innovation and insight.	**2025 goals** • Delivering financial sustainability • Highly effective internal services

LSBU | Group

Mission

1. Social mobility. Known for delivering outstanding outcomes for all students.

2. Student experience. An experience designed around students.

3. A professional and technical workplace focused on education across all levels of study.

4. Impact through Insight. Research and enterprise activity has a meaningful impact globally and locally.

5. Engagement with place. Our work is embedded in the local community, delivering impact for our local and global partners.

In the very mission and ethos of the Group there is equality, diversity and inclusion woven through it. Our work from this academic year onwards is, and will continue, embracing Group and will explore areas of synergy and divergence to embed a truly Group-wide EDI function.

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	CONFIDENTIAL
Paper title:	Enterprise Advisory Board
Board/Committee:	Board of Governors
Date of meeting:	16 July 2020
Author(s):	Professor Paul Ivey – Deputy Vice Chancellor and Chief Business Officer
Sponsor(s):	Professor Paul Ivey – Deputy Vice Chancellor and Chief Business Officer
Purpose:	For Approval
Recommendation:	The Board is asked to approve the establishment of an Enterprise Advisory Board and consequent amendments to the governance of SBUEL as set out in appendices 1-4.

Executive Summary

Enterprise Advisory Board

The importance of 'third party income' to UK Universities is accepted, not wanting for reported evidence and the LSBU group certainly can participate in this developing national agenda. What is required is a process for capturing the entire wealth of group business engagement, a structured approach to B2B engagement, the commercial exploitation of data and the oversight to drive the ambition for a comprehensive delivery of 'place and impact' as envisaged in the LSBU Group Corporate Plan.

For oversight of enterprise operations, and to challenge group B2B development and thinking, an Enterprise Advisory Board is recommended; this board would work to both the Executive and Governors directly, and whilst having no governance responsibility would hold, through external membership, an advisory authority.

This paper sets out the relevant background, the board purpose, terms of reference, and suggested membership. Also set out is an associated structure to develop a comprehensive approach to group B2B activity including suggestions for a B2B operational board, operational principles, indicated workflows and the linking structure for B2B with this proposed Enterprise Advisory Board.

SBUEL governance arrangements

The current SBUEL Board is composed of one LSBU governor and two executive members and has a number of powers as set out in its articles, Schedule of Matters Reserved and the LSBU financial regulations. The current governance arrangements

are set out in a *Statement of Governance*. A revised *Statement* to reflect the proposed changes is included as appendix 1.

Decisions of SBUEL Board

With the creation of the Enterprise Advisory Board, the SBUEL Board will lose its oversight role for group enterprise activity. The SBUEL Board will need to continue to exist in some form to satisfy requirements under the Companies Act and charity law. It is proposed that the SBUEL Board's powers are delegated to management as much as possible under the Companies Act and the company's articles. Decisions of the directors could be taken by written resolution rather than always requiring a formal Board meeting. It is proposed that this approach is taken except for approval of the annual accounts in November which should be considered at a meeting.

There are a number of approvals for specific decisions required from the SBUEL Board in the LSBU Financial Regulations and in the SBUEL Schedule of Matters Reserved. Proposed changes to these documents are set out in appendices 2 and 3.

Composition of the Board of Directors

At least two directors are required under the articles. It is proposed that the Board is reduced to two directors and that these are members of the Group Executive.

Proposed changes to the *Composition of the Board of Directors* is set out in appendix 4.

Charity Law implications

In addition, there are charity law considerations that have been reviewed, mainly the expectation of independence on the subsidiary company's board to manage any conflicts of interest for transactions between LSBU and SBUEL. The proposals have been tested against charity commission requirements (appendix 5).

Recommendation

The Board is asked to approve the establishment of an Enterprise Advisory Board and consequent amendments to the governance of SBUEL.

1. Introduction.

South Bank University Enterprise Ltd. (SBUEL) has a long standing role to ensure the charitable status of LSBU. It does this by conducting business that is of a more commercial nature and consequently is limited to operating 'by exception.' In seeking to increase so-called third stream income, South Bank Enterprise (SBE) was considered as a replacement commercial offer having the attributes of an asset management company. This was decided against and instead SBUEL will continue to operate by exception and SBE will develop as the group transformation of the current University Research, Enterprise and Innovation directorate (REI).

It has also been decided to adopt an expanded definition of 'enterprise' activity, and consequently to develop a comprehensive group approach to B2B engagement. For oversight of enterprise operations, and to challenge group B2B development and thinking, an Enterprise Advisory Board is recommended; this board would work to both the Executive and Governors directly, and whilst having no governance responsibility would hold, through external membership, an advisory authority.

2. Background.

The importance of 'third party income' to UK Universities is accepted and not wanting for evidence: the Wilson review in 2012 looked at business university collaboration, the Witty review in 2013 examined how to encourage a British invention revolution, and the Dowling review in 2015 characterised business-university research collaboration.

The LSBU group can participate in this national agenda; the UK wide introduction of the Knowledge Exchange Framework establishes a reputational and commercial imperative for doing so, there is sufficient to build on with an established environment for research, a reputation for enterprise and a developing data driven commercial vehicle for knowledge exchange. However what is not in place is a process for capturing the entire wealth of group business engagement, a structured approach to B2B engagement, the commercial exploitation of data and the necessary management / oversight to drive the ambition for a comprehensive delivery of 'place and impact' as envisaged in the LSBU Group Corporate Plan.

3. The Enterprise Advisory Board - Purpose

The purpose of Enterprise Advisory Board is to advise directly both the executive and governors and by this advice provide expert oversight of the conduct and direction of all third party income activity as well as reporting on this activity in terms of effective commercial and corporate governance. Drawing on expertise from within the group and without, the board will help inform strategic priorities, oversee delivery, and drive sustainable exploitation to advance the relevant elements of the group corporate plan. This board will have authority in an advisory capacity only.

4. The Enterprise Advisory Board - Terms of Reference

- Provide market insight and specific knowledge on key topics
- Support business planning and alignment to LSBU group strategic goals
- Enhance community engagement and provide market introductions
- Provide diverse expert level advice to the executive and governors
- Provide thought leadership, insight and intelligence on opportunities and risks
- Raise the profile of LSBU group, identify partners and facilitate networks
- Appraise significant business opportunities including mergers and spin outs
- Help identify and review progress of strategic priorities, and any risk mitigation
- Receive and review quarterly business reports (SBE, LSBU Global etc.)

5. The Enterprise Advisory Board – Membership and Schedule

- Chair – VC / group Chief Executive Officer
- 2 Governors and at least 3 additional external members
- DVC / group Chief Business Officer
- Group Chief Financial Officer
- Report to, and align with the schedule for, board of governors meetings

Inputs (not exhaustive)

- Provost LSBU
- PVC / Principal SBC / SBA
- PVC Institute of HSC
- Director SBE
- Assoc. PVC LSBU Global
- Governance / Finance

6. **SBE Operations - B2B Board** (not exhaustive)

- Chair – DVC / group Chief Business Officer
- Director SBE (UK KE) - COO
- Assoc. PVC LSBU Global (global KE)
- Director Engagement (Innovation districts / ecosystems)
- Director Caxton House (China portal)
- Director Passmore Centre (Apprenticeships)

7. **B2B Principles**

It is felt these 5 principles or characteristics drive operations.

- Global knowledge exchange delivers <u>income diversification and sustainability</u>.
- The focus is the <u>curation of activity / data</u> not control of initiative.
- New <u>business criteria is margin</u> not only competence / opportunity.
- <u>Flexible and responsive group academic assurance</u> is a market USP.
- Effective account handling and relationship management are <u>competence gaps</u>.

8. **B2B Workflow**
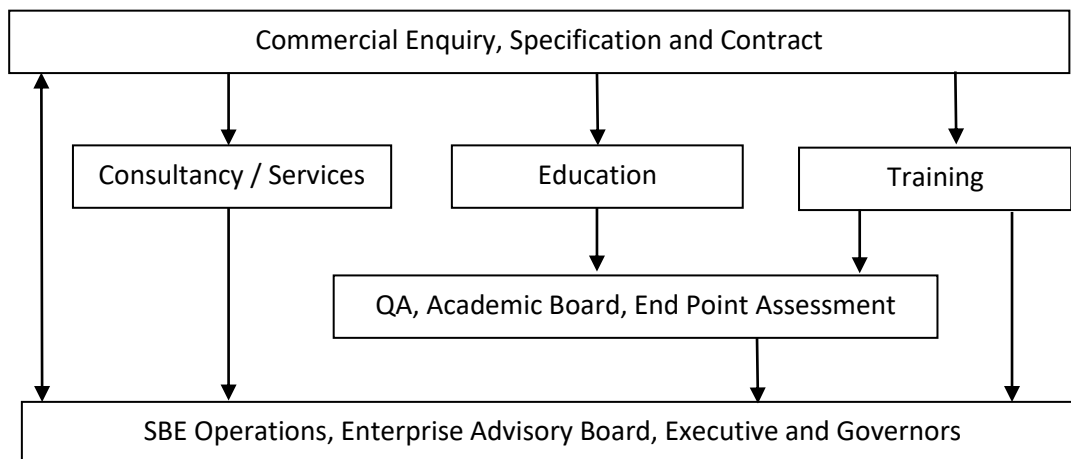
9. **Group B2B Operations**

Page 91
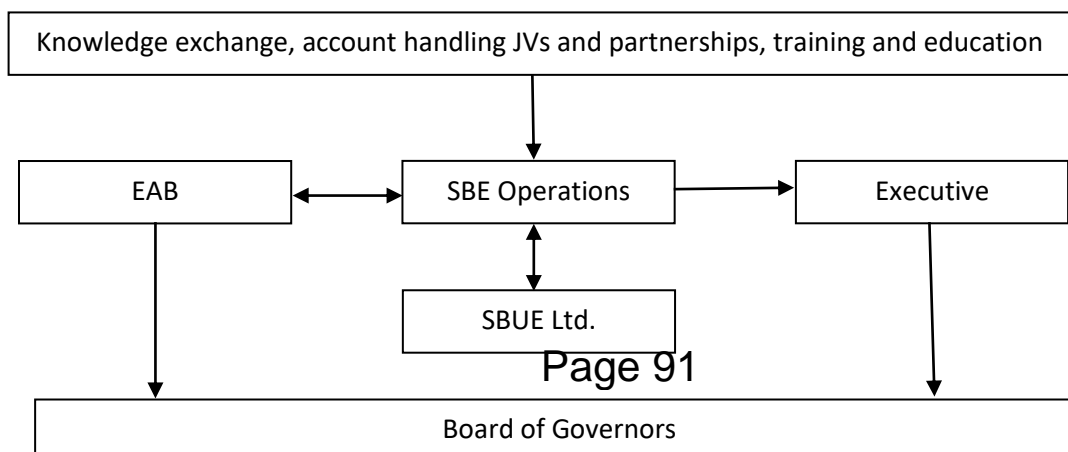
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Statement of governance for SBUEL

South Bank University Enterprises Ltd (SBUEL) is a wholly owned subsidiary of London South Bank University and is the vehicle through which the University accounts for its commercial activity. It is a company limited by shares and is a separate legal entity and therefore subject to its own governance arrangements.

LSBU follows the Charity Commission Guidance for charities with a connection to a non-charity.

As a matter reserved to the board, the LSBU board of governors is responsible for setting the governance processes relating to SBUEL. The proposed governance model is that SBUEL operates at arm's length from the university as a small or medium enterprise (SME).

Delegation and Powers reserved to LSBU as sole membershareholder

The LSBU delegates to the SBUEL board of directors, so that SBUEL may operate substantially as an autonomous SME. This delegation is subject to such powers reserved to LSBU as are necessary to retain overall control.

In relation to SBUEL, pPowers reserved to LSBU as the sole shareholder include:

- the power to appoint the independent governor director of the SBUEL board;
- the power to amend SBUEL's articles of association;
- the power to change the company's name;
- the power to restrict the issue of additional shares;
- the power to wind up SBUEL; and
- an overriding power to restrict activities of SBUEL if it sees fit.

These powers are set out in the SBUEL articles or in legislation and are exercised by LSBU as the sole member shareholder of SBUEL.

SBUEL Board

SBUEL is controlled by its board of directors. The SBUEL Board has delegated a number of its powers to the Group Executive and the Managing Director as set out in the *SBUEL Schedule Matters of Reserved.*   The composition of the board of directors is set out in the *Composition of the Board of Directors.* led by a chair who is also LSBU's Pro Vice Chancellor (Research and External Engagement). The board is then composed, of the University's Chief Financial Officer (ex officio), an independent governor of the University, the Director of Enterprise (ex officio), up to three Deans from the University and up to three external non-executive directors.

~~Delegated Powers~~

~~The overarching principle of delegation to SBUEL is that, subject to the reserved powers, LSBU delegates as fully as possible the operation of SBUEL to its Board of Directors.~~

~~SBUEL will remain subject to the University's Financial Regulations except where these explicitly exempt SBUEL.~~ ~~The powers delegated to the SBUEL Board are set out in a Schedule of Matters Reserved to the SBUEL Board. There is a unified process shared by LSBU and SBUEL for contract and investment approval.~~

~~The SBUEL board will set its own HR policies and make decisions within the delegations granted by the LSBU board of governors.~~

Visibility of acquisitions

Matters of significant expenditure, risk or reputation should be referred to the Group Executive, the Major Projects and Investment Committee, and the LSBU Board of Governors as appropriate.

Audit Arrangements

~~As an SME, SBUEL board will not have sub-committees.~~ As a wholly-owned subsidiary of LSBU, it will be subject to LSBU's internal audit arrangements. In addition, SBUEL's external auditors will continue to be ~~KPMG (~~LSBU's auditors~~)~~. ~~KPMG~~ The external auditors will report to SBUEL board in relation to the annual external audit and to LSBU as part of the consolidation into LSBU's group accounts.

Reporting to the University

~~There will be a monthly report of the enterprise pipeline activity, including activity carried out through SBUEL, presented to the Operations team to ensure that the Executive remains fully informed of progress~~. Enterprise activity is covered in the Management Accounts (which will include SBUEL) and KPIs which are considered by the Finance, Planning and Resources Committee (F,P&R) at each meeting.

Financial Control

LSBU financial regulations, ~~unless specific provision is made,~~ apply to SBUEL activities. ~~Separate financial procedures for SBUEL cover:~~

~~Expenditure – set out in the SBUEL expenditure procedure (approved by the SBUEL Board)~~
~~Delegated authorities – set out in the SBUEL letter of delegated authority~~
~~HR policies (to be approved by the SBUEL Board).~~

~~General points regarding SBUEL Financial procedures:~~

- ~~Changes to these financial procedures will be approved by the SBUEL board~~

- ~~The board of SBUEL will consider an annual budget for the Company, which will be approved by the LSBU board as part of the overall University budget approval process. Performance against budget will be reviewed by the SBUEL Board, F,P&R and the main board as part of the monthly management accounts~~

~~University enterprise, which includes SBUEL, risks are reported in the operational risk register for Research, Enterprise and Innovation, part of the University's risk framework.~~

Approved by the LSBU Board of Governors on ~~17 March 2016~~[16 July 2020].

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Appendix 2 – Changes proposed to the Financial Regulations

In order to reflect the new approach to oversight of enterprise activity and the change in the role of the SBUEL Board it is proposed that appendix D 'Specific procedures relating to SBUEL' of the Financial Regulations is removed. This appendix currently covers: expenditure, delegated authorities, HR policies and debtors' policy. The whole of the Financial Regulations will apply to SBUEL.

HR policies will be set by P&OD following Group arrangements in liaison with the Acting Director, Research, Enterprise and Innovation.

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Schedule of Matters Reserved to the Sole Member, Board of Directors and to Management

The following schedule sets out the matters reserved respectively to the ~~member~~shareholder, board and the Managing Director~~chief executive~~ of South Bank University Enterprises Ltd (SBUEL).

Sole ~~Member~~ Shareholder (London South Bank University)

	Matter	Authority
1.	Power to direct and restrict activities of SBUEL if it sees fit	Art 6.3.3
2.	~~Appointment of chair of the SBUEL board and the governor director to the SBUEL board~~	~~Art 15.1~~
3.	Termination of directors' appointment	Art 30.2
4.	Amendments to the composition of the SBUEL Board	Rights as a sole member
5.	Amendment of SBUEL's articles of association	s.21 CA[1] 2006
6.	Change of company name	Art. 4
7.	Shares: • Approval of the issue of unissued shares • Authority to grant the Board power to allot shares	Art. 6.3.2 Art. 37
8.	Winding up SBUEL	s.84(1)(b) IA[2] 1986
9.	Approval of contracts: • Budgeted expenditure above £2m • Not in the ordinary course of business or unbudgeted expenditure above £0.5m	University Financial Regulations 12.6
10.	~~Exceptions to Financial Regulations that apply to SBUEL~~	~~University Financial Regulations~~
11.	Approval of all external borrowing by SBUEL	Resolution of LSBU

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[1] Companies Act 2006
[2] Insolvency Act 1986

Board of Directors

	Matter	Authority
12.	~~Approval of company strategy~~	
13.	Approval ~~ofof company budgets, business plans and~~ of annual report~~s~~	
14.	~~Approval of SBUEL Financial Regulations where excepted from University Financial Regulations:~~ • ~~Procurement regulations~~ • ~~Levels of delegated financial authority~~	
15.	~~Recruitment, employment and HR regulations~~	
16.	~~Approval of adjustments to spot salaries~~	
17	~~Approval of staff bonuses including the award of spot bonus above £1,000~~	
18.	Approval of commercial sales in SBUEL~~:~~ above £2m - SBUEL Board by written resolution • ~~between £1m and £2m – Chair of the Board~~ •	University Financial Regulations 10.4
19.	Propose surplus distribution policy / Gift Aid Policy – by written resolution	
20.	~~Approval of contracts:~~ • ~~Budgeted expenditure above £100,000 and below £2m~~ • ~~Not in the ordinary course of business or unbudgeted expenditure up to £0.5m~~	

LSBU Group Executive

		Authority
	Recruitment, employment and HR regulations	
	Approval of SBUEL contracts: • Budgeted expenditure above £100,000 and below £2m • Not in the ordinary course of business or unbudgeted expenditure up to £0.5m	Fin Regs 12.6

SBUEL ~~Chief Executive~~Managing Director

	Matter	Authority
21.	~~Proposing strategic proposals and budgets~~	
22.	~~Executing the strategy agreed by the Board of Directors~~	
23.	~~Signing of contracts (within authority)~~	
24.	Staff recruitment and remuneration (in line with LSBU Group HR procedures)	
25.	~~Recommending adjustments to spot salaries to the Board~~	
26.	~~Recommending bonus levels to the Board~~	
27.	Award of spot bonus under £1,000 (in consultation with ~~an Executive Director~~the HR business partner)	
28.	Approval of commercial sales in SBUEL up to £2m ~~up to ££1m – Director of Enterprise~~	
	Approval of adjustments to spot salaries (in line with LSBU Group HR procedures)	
	Approval of staff bonuses including the award of spot bonus above £1,000 (in line with LSBU Group HR procedures)	

Approved by the LSBU Board of Governors on ~~17 March 2016.~~xx

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Composition of the Board of Directors of South Bank University Enterprises Ltd

This document is intended to complement the Articles of Association. If the two conflict, then the Articles shall prevail.

Composition

1. The Board of Directors~~, when fully complemented,~~ shall consist of the following:
   (a) The Deputy Vice Chancellor & Chief Business Officer~~Pro Vice Chancellor (Research and External Engagement)~~ (or equivalent) of the University (*ex officio*)
   ~~(b) one director who is an Independent Governor of London South Bank University (the University)~~
   ~~(c) up to two directors who are independent non-executive directors~~
   ~~(d)~~(b) The ~~Chief Financial Officer (or equivalent) of the University (*ex officio)*
   ~~(e) The Director of Enterprise (or equivalent) of the University (*ex officio)*~~
   ~~(f) The Executive Director of Organisational Development and HR (or equivalent) of the University (*ex officio*)~~

~~**Appointment**~~

~~2. The Board of Governors of the University shall appoint the director under 1(b).~~

~~3. The Board of Directors of the Company shall appoint the directors under 1(c).~~

Term of Office

~~4. The term of office of the director appointed under section 1(b) shall be for the period of three years or until their period of office as an Independent Governor of the University shall end, whichever is sooner.~~

~~5. The term of office of the directors appointed under section 1(c) and 1(f) shall be for the period of three years.~~

~~6. Directors appointed under sections 1(c) and 1(f) may be reappointed for a second term.~~

~~7.~~2.   The terms of office of the ~~ex officio~~ directors shall be until they cease to hold the position as specified in sections 1(a) and, 1(b~~d~~) ~~and 1(e) respectively.~~

Chair of the Board

~~8.~~3.   The director appointed under section 1(a) shall be the Chair of the Board of Directors of SBUEL~~.~~

Approved by the LSBU Board of Governors on [~~16~~13 July 20~~20~~17].

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CHARITY COMMISSION
FOR ENGLAND AND WALES

Checklist 1: charities operating with a non-charity as a subsidiary

You can use this checklist to help you to test if your connection to a non-charity is set up or run in line with our [guidance for charities with a connection to a non-charity](). Use this checklist to help you to make that decision where your charity:

- already has or
- is setting up

one or more subsidiary companies, irrespective of

- which legal form your charity has chosen for the subsidiary
- the purpose of having the subsidiary

Using this checklist is optional and you can adapt it to meet your charity's circumstances. It is not a substitute for reading the guidance and applying it your charity's circumstances.

The other checklists published with the [guidance for charities with a connection to a non-charity]() may also be relevant to your charity if it is:

- set up and funded by a non-charity
- is in a regular partnership or funding relationship with a non-charity (that is not its subsidiary or founder)

You can tell us if you decided to use this checklist, and if it has been useful for your charity. We welcome all comments through our [anonymous feedback survey.]()

Checklist 1: charities operating with a subsidiary				
	Yes **No** **N/A**	**Action to take**	**Target date**	**Comments**
A. The purpose of the connection **For all charities with a connection to a non-charity, the purpose of the connection must be to help the charity to make a positive difference for its beneficiaries. The connection must be set up and managed in the charity's best interests.**				
• we know why we are connected to the non-charity. It is because it carries out one or more of the following o trading to raise money for our charity o carrying out activities which our charity could carry out o helping us to manage our charity and its resources more effectively	Y - Purpose of SBUEL is to carry out non-primary purpose trading			
• we have set a purpose and direction for the non-charity so that it delivers for our charity	Y – see above			
• the non-charity is a suitable organisation to carry out the purpose and direction we have set for it	Y – LSBU exercises control			
B. Recognise the risks				
• we have used the Commission's guidance and this checklist to help us identify any risks to our charity from the connection with the non-charity	Y			
• we have assessed any risks identified and set an appropriate plan to address and review them	N/A			
C. Do not further non-charitable purposes **Read principle 2 of the guidance. For charities operating with a subsidiary, following this principle is largely about ensuring that any investment by the charity in the company can be justified as charitable expenditure and that the interests of the parent charity are protected.**				
Financial support				

• any investment we make in the non-charity is within our charity's investment powers and policy • we regularly monitor our investment and we can justify any financial support we provide	Y Now put in place – annual review by FPR			
• where we buy services from the non-charity, the arrangements provide best value for our charity's money	Shared services agreements in place	Charging mechanism to be defined in annual budgets		
Oversight				
• we regularly monitor the performance of the non-charity, and its effectiveness at delivering for our charity	Y - Annual review by FPR			
• we always put the interests of our charity first and we are prepared to assert its rights as shareholder	Y – as set out in the articles and Statement of Governance			
• we, and the non-charity, are clear about the circumstances in which our funding or involvement may be terminated	Y – LSBU would withdraw if SBUEL's activities bring LSBU into disrepute / annual			

	review by FPR			
D. Operate independently				
Read principle 3. For charities operating with a subsidiary, following this principle is largely about recognising that although the interests of the parent charity must be protected, the subsidiary is a legally separate organisation.				
• the directors of the non-charity are responsible for its management	Y – mostly delegated to the MD			
• the financial structures of the charity and the non-charity are kept separate	Y – separate management and statutory accounts produced			
E. Address trustee benefit and conflicts of interest				
Read principle 4. For charities operating with a subsidiary, following this principle is largely about identifying and addressing any trustee benefits and conflicts of interests which come where trustees also serve as directors of the company.				
• we have identified any conflicts of interest for any of our trustees who also serve as directors of the non-charity	N/A			
• any benefits to directors who are also trustees of our charity are authorised in advance, and the associated conflict of interest is addressed	N/A			
• our systems, including our conflicts of interest policy, help us to identify and properly address conflicts of interest	Y – full COI procedure for govs and exec			
F. Maintain your charity's separate identity				

Read principle 5. For charities operating with a subsidiary, following this principle is largely about assessing and addressing the risks of a shared identity, as well as the benefits. The position of donors is key.				
• we have considered if, and how, sharing an identity with the non-charity is in our charity's best interests • if we have decided that sharing an identity with the non-charity is in our best interests, we have also identified, and will address, any risks to our charity that this sharing brings • our donors can tell whether our charity or the non-charity is asking for their money or support • we take reasonable steps to help people outside our charity understand that it works with, but is separate from, the non-charity	N/A			
G. Protect your charity				
Read principle 6. For charities operating with a subsidiary, following this principle is largely about being satisfied that the arrangements for working together and for any resource sharing are in the charity's best interests. The arrangements and agreements must protect the charity's assets, reputation and beneficiaries.				
When sharing resources (such as staff, premises or data) or communicating jointly with the non-charity, we: • know and address the risks as well as the benefits of the sharing or joint work • only agree payment arrangements which provide value for our charity's money • have systems to control communication which is about our charity, or issued on its behalf • do not renew sharing arrangements without considering our charity's best interests • we have appropriate written agreements in place to protect our charity	Y – Service agreement in place.	Charging mechanism to be agreed as part of annual budget		

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	CONFIDENTIAL
Paper title:	2020/21 Group Risk Policy
Board/Committee:	Board of Governors
Date of meeting:	16 July 2020
Author(s):	Richard Duke, Director of Strategy & Planning
Sponsor(s):	Richard Flatman, Chief Financial Officer
Purpose:	For Approval
Recommendation:	The Board is requested to approve the revised Group risk policy for 2020/21.

Executive Summary

A new risk policy was developed in 2019, and was reviewed by the Audit Committee and Board. The risk policy reflects the structures and content of the LSBU Group 2025 Strategy, and regulatory requirements. The policy is also Group wide.

This document represents an update on the 2019/20 document. The key changes from that document are:

- Removal of references to sub-strategies, as these are no longer part of the 2025 Group Strategy structure;
- References to review of risks at Strategic Pillar level;
- References to the ownership of risk by Executive Areas;

In terms of next steps, SBA, SBC and LSBU Boards will set Risk appetites in September 2020.

Recommendation
The Board is requested to approve the revised Group risk policy.

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LSBU Group Risk Policy 2020/21

The approach detailed in this policy, will be implemented throughout 2020/21, ready to be fully implemented by the Autumn of 2021.

Purpose of Risk Policy

The risk policy:

1. Explains the London South Bank University Group's approach to risk management. Risk Management provides a mechanism and framework which at the highest level seeks to ensure that the London South Bank University Group achieves its strategic objectives, through effective identification, and management of uncertainties that could impact on these outcomes.
2. Sets out the roles and responsibilities of all key parties. It also sets out the risk management process at LSBU and the main reporting procedures.
3. Is part of the London South Bank University Group's internal control and corporate governance arrangements.
4. Ensures the London South Bank University Group complies with compliance requirements placed upon it by the key regulatory bodies; the Office for Students (OfS) and Office for Standards in Education (OFSTED). Comprehensive risk management is a regulatory requirement for all registered providers by OfS and OFSTED. The OfS regulatory framework[1] details these requirements and are outlined below.

OfS Condition E2: Management and governance

i.   Operate in accordance with its governing documents.
ii.   Deliver, in practice, the public interest governance principles that are applicable to it.
iii. Provide and fully deliver the higher education courses advertised.
iv.   Continue to comply with all conditions of its registration.

Included in the OfS assessment of institutions governance arrangements is that institutions have:

- Evidence of risk management tools and processes (e.g. a risk register)

It is also essential for institutions to follow public interest governance principles. Principle number V is:

- Risk management: The provider operates comprehensive corporate risk management and control arrangements (including for academic risk) to ensure the sustainability of the provider's operations, and its ability to continue to comply with all of its conditions of registration.

The Ofsted evaluation framework, does not specifically reference risk management, but there is a review of effective Governance, of which risk management is an important component.

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[1] OfS Regulatory Framework https://www.officeforstudents.org.uk/media/1406/ofs2018_01.pdf

Definition of Risk

For the purposes of this policy, risk is defined as:

'Circumstances that have not yet occurred that potentially impact upon the achievement of the organisation's objectives'.

This could be any event, outcome or action which could:
- Cause financial disadvantage to the Group, i.e. loss of income, additional costs, loss of assets, creation of liabilities;
- Cause damage to the reputation of the Group;
- Prevent an opportunity from being taken;
- Lead to a failure to capitalise on our strengths;
- Prevent or hinder achievement of any of the objectives of the Corporate Strategy or associated local delivery plans;
- Impact negatively on student experience or achievement;
- Increase risks of non-compliance with regulators.

This is distinct to an issue, which is something that also might impact upon the achievement of objectives, but has already occurred.

Risk and wider Business Planning

The reporting of risk will align with the LSBU Group's approach to accountability, assurance and business planning. Risk represents one of the four components of this approach. The four areas are:

- Deliverable Monitoring (what we will deliver);
- Outcomes (KPIs and PIs);
- Regulation (Office for Students (including Teaching Excellence Framework and Access & Participation Plan, Knowledge Exchange Framework, Research Excellence Framework) Ofsted and United Nations Sustainable Development Goals;
- Risk.

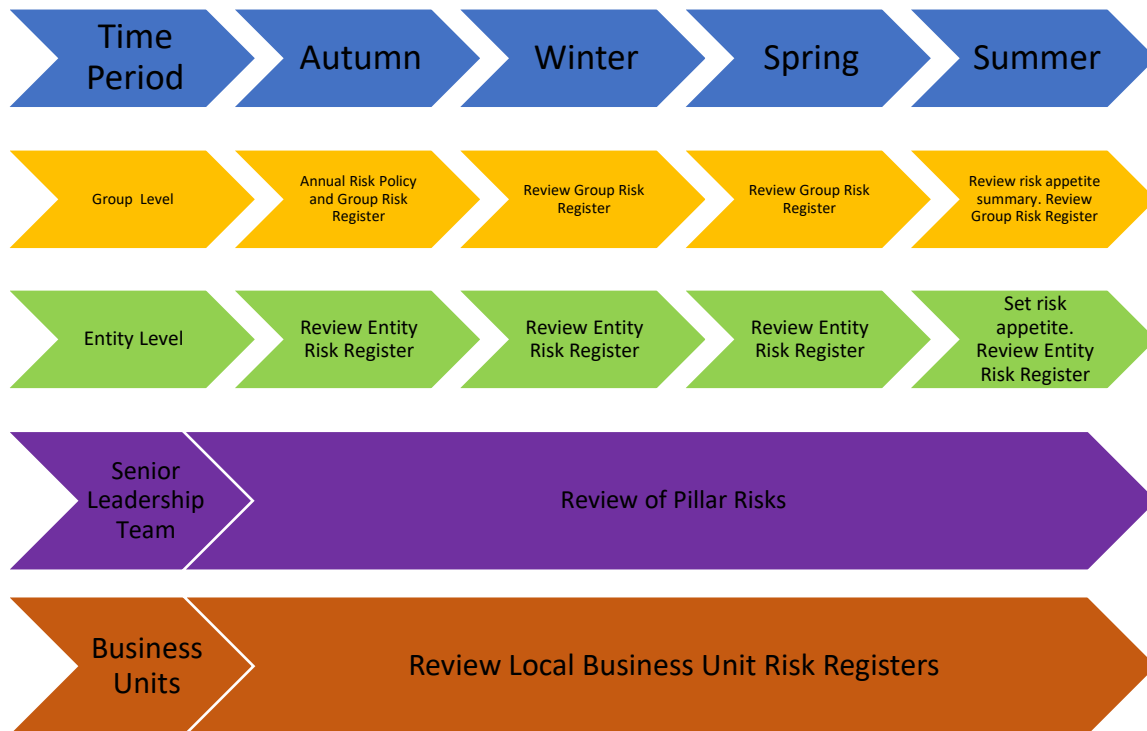Each of the above will be classified by the Executive Area of ownership and Strategic Pillar.

The LSBU Group and Risk Policy

There are four entities that comprise the LSBU Group:

- London South Bank University
- South Bank Colleges
- South Bank Academies
- South Bank Enterprises

The different regulatory requirements of each element of the Group, requires a devolved approach to risk. However, this policy's coverage relates to the whole Group, and where a devolved approach is taken, this is clearly specified.

Timelines

Time Period	Autumn	Winter	Spring	Summer
Group Level	Annual Risk Policy and Group Risk Register	Review Group Risk Register	Review Group Risk Register	Review risk appetite summary. Review Group Risk Register
Entity Level	Review Entity Risk Register	Review Entity Risk Register	Review Entity Risk Register	Set risk appetite. Review Entity Risk Register
Senior Leadership Team	Review of Pillar Risks			
Business Units	Review Local Business Unit Risk Registers			

Appendix B details the annual schedule of risk management in detail.

Risk Registers

The LSBU Group has three sets of risk registers across its risk management process. These are:

- LSBU Group Risk Register;
- Institutional Risk Registers;
- Local Risk Registers.

The population of the Group Risk Register is informed by risks outlined in Institutional Risk Registers. The risks in the Group Risk Register, maybe specific to an individual entity within the Group, but the risk is deemed great enough to impact the overall Group. Institutional Risk Registers are informed by local risk registers.

Each risk will have the following information recorded against it:

Risk	Risk description	Risk Type	Group wide or Institution Specific	Pillar	Executive Area	Cause and effect of risk	Likelihood rating	Impact rating	Mitigating actions	Residual likelihood	Residual risk classification	Risk owner

Local Risk Registers

- Each local risk register is owned by the lead of the business unit (e.g. PSG or School);
- Each risk will detail as to whether it represents a Group wide risk, or specific to an individual Group institution.

Institutional Risk Registers

- Institutional risk registers are owned by institution leads, as detailed in Table 1 (roles and responsibilities);
- As an appendix to the register, critical and high risks contained in local risk registers (sorted by pillar), relevant to individual institutions will be published;
- In addition to the standard risk register, an institutional regulatory risk report will be produced.
    - LSBU – OfS and OFSTED (levels 4+5 Apprenticeships)
    - SBC – OFSTED and ESFA
    - SBA – OFSTED
    - SBE – Not applicable.

Group Risk Register

- The Group risk register is owned by the Vice-Chancellor and Group Chief Executive Officer
- As an appendix to the Group risk register, Institution risk registers will be published.

This diagram details the hierarchy or risk registers.

Strategic Pillars

The 2020-25 Group Strategy is grouped into four pillars. Risks will be reported against these pillars, at each level of risk reporting. The strategic pillars are:

- Access to Opportunity
- Student Success
- Real World Impact

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- Fit for the Future (split into three)
  - Technology and Estate
  - People, Culture & Inclusion
  - Resources, Market and Shape

Executive Areas

Each risk, at all levels, will be classified by Executive area, to allow for reporting for each Executive member. These Executive areas are:

- Academic Framework
- Place & Impact
- Student Journey
- People
- Finance
- Executive Office
- LSBU Teaching & Research
- Institute of Health & Social Care
- Lambeth College & Academies

Risk Categories

The following risk categories are used across the LSBU risk management framework. Each risk, regardless of level of reporting is assigned a risk area.

- Financial
- Legal and Compliance
- Academic Activity
- Reputation

Risk Appetite

Risk appetite is devolved to each individual entity of the LSBU Group. This is not aggregated at Group Level. A risk appetite is defined in each entity of the Group, using the consistent risk appetite framework. This framework is detailed in Appendix A. A risk appetite is set for each of the risk categories outlined above.

Roles and Responsibilities

The table below details Committees, meetings and individuals roles and responsibilities as part of the risk management policy.

Table 1

Role	Responsibility
Group Board	Review and Approve Group Risk Policy, Institutional Risk Appetites and Group Risk Register Approve LSBU Risk Register.
Group Audit Committee	Review and Recommend Risk Policy, Institutional Risk Appetites and Group Risk Register to Board Recommend LSBU Risk Register to Board
Group Executive	Review and Recommend Risk Policy, Institutional Risk Appetites and Group Risk Register to Audit Committee Recommend LSBU Risk Register to Audit Committee
Group Senior Leadership Team	Review Risks by Pillar and Executive Area
SBA/SBC/SBUEL Board/Audit Committee	Approve relevant risk registers. Set institutional risk appetite.
Executive Area	Each Executive member is responsible for a grouping of risks allocated to each Executive Area.
Institutional Leads	The Provost (LSBU), Executive Principal Lambeth College / Pro Vice Chancellor Compulsory and Further Education (SBA and SBC) and CBO (SBUEL). Ownership of overall institutional risk register.
Local Risk owner	The Head of individual business units. Responsible for classification of risks at local level. To be undertaken with support of local senior management teams.
PPA	Collate and support all areas of the Group in completion of documentation, and offer challenge where appropriate.
Assurance Unit	Ensure risk registers appropriately reflect assurance requirements.

Risk Classification

Impact

- *Critical* – occurrence would have a critical effect on the ability of the Group to meet its objectives; could result in the removal of degree awarding status, financial impact undermining financial viability, severe reprimand by OfS/OFSTED or Parliament or the closure of any element of the Group.
- *High* – occurrence would have a significant effect on the ability for the Group to meet its objectives and may result in the failure to achieve one or more corporate objectives.
- *Medium* – occurrence may result in the failure to meet operational objectives and may reduce the effectiveness of the Group but it would not result in the failure of the Group's corporate objectives or put an element of the Group at risk.
- *Low* – occurrence would have little effect on operational or corporate objectives.

More clarity in relation to these definitions, by risk category are detailed below. It is important to note that a risk is classified by type, not its impact. For example a risk around non-compliance relating to data protection is a legal risk, though its impact may well be financial or reputational.

	Critical	High	Medium	Low
Financial	Deterioration of Group operating margin greater than 5%	Deterioration of Group operating margin greater than 2%	Deterioration of Group operating margin greater than 1%	Deterioration of Group operating margin greater than 0.5%
Legal and Compliance	One or more of the Group's entities is no longer able to legally operate or significant reputational impact or deterioration of Group operating margin greater than 5%	High reputational impact or deterioration of Group operating margin greater than 2%	Medium reputational impact or deterioration of Group operating margin greater than 2%	Low reputational impact or deterioration of Group operating margin greater than 1%
Academic Activity	Removal of OfS registration or Ofsted special measures	OfS issuing a specific condition of registration or an OfSted rating of 1 (inadequate)	OfS issuing a of enhanced monitoring or an OfSted rating of 2 (requires improvement)	OfS formal communication, where improvement is required or Ofsted rating of 3 (good)
Reputation	National/International negative exposure over a period longer than a week, beyond the HE environment	National/International negative exposure over a period longer than a week within HE publications and forums	A single National/International negative exposure inside or outside of HE publications or forums.	Negative exposure at local level inside or outside of HE publications or forums.

Residual Likelihood

- Very High – Almost certain to occur within 1 year
- *High* – likely within 1 year
- *Medium* –may occur medium to long term
- *Low* – unlikely to occur

Risk Classification Matrix

Training

A training programme will be developed. This will be undertaken with support from colleagues in OD. The initial stage will be to identify relevant stake holders and owners in each part of the risk management process, and deliver training that meets these requirements.

Technology

An appropriate workflow system (e.g. 4Risk platform) will be used to maintain the register of risks. Registers at local level and sub-strategies at Institutional and Group will be owned by a single individual, and updates will be self-served. There will not be automated emails however, and its completion will be supported through regular communication with the PPA team.

Appendix A - Risk Appetite Matrix

	Avoid / Averse	Minimal	Cautious	Open	Seek	Mature
Overall	Avoidance of risk and uncertainty is a Key Organisational objective	(as little as reasonably possible) Preference for ultra- safe delivery options that have a low degree of inherent risk and only for limited reward potential	Preference for safe delivery options that have a low degree of inherent risk & may only have limited potential for reward	Willing to consider all potential delivery options and choose while also providing an acceptable level of reward (and VfM)	Eager to be innovative and to choose options offering potentially higher business rewards (despite greater inherent risk)	Confident in setting high levels of risk appetite because controls, forward scanning and responsiveness systems are robust
Financial	Avoidance of financial loss is a key objective.	Only prepared to accept the possibility of very limited financial loss if essential.	Prepared to accept possibility of some limited financial loss. Resources generally restricted to existing commitments.	Prepared to invest for return and minimise the possibility of financial loss by managing the risks to a tolerable level. Resources allocated in order to capitalise on opportunities.	Investing for the best possible return and accept the possibility of financial loss (with controls may in place). Resources allocated without firm guarantee of return – 'investment capital' type approach.	Consistently focused on the best possible return for stakeholders. Resources allocated in 'social capital' with confidence that process is a return in itself.
Legal Compliance	Play safe; avoid anything which could be challenged, even unsuccessfully.	Want to be very sure we would win any challenge. Similar situations elsewhere have not breached compliances.	Limited tolerance for sticking our neck out. Want to be reasonably sure we would win any challenge.	Challenge would be problematic but we are likely to win it and the gain will outweigh the adverse consequences.	Chances of losing any challenge are real and consequences would be significant. A win would be a great coup.	Consistently pushing back on regulatory burden. Front foot approach informs better regulation.
Academic Activity	Defensive approach to objectives – aim to maintain or protect, rather than innovate. Priority for tight management controls & limited devolved authority. General avoidance of systems/ technology developments.	Innovations always avoided unless essential or commonplace elsewhere. Decision making authority held by senior management. Only essential systems / technology developments to protect current operations.	Tendency to stick to the status quo, innovations in practice avoided unless really necessary. Decision making authority generally held by senior management. Systems / technology developments limited to improvements to protection of current operations.	Innovation supported, with demonstration of commensurate improvements in management control. Systems / technology developments used routinely to enable operational delivery. Responsibility for non- critical decisions may be devolved.	Innovation pursued – desire to 'break the mould' and challenge current working practices. New technologies viewed as a key enabler of operational delivery. High levels of devolved authority – management by trust rather than tight control.	Innovation the priority – consistently 'breaking the mould' and challenging current working practices. Investment in new technologies as catalyst for operational delivery. Devolved authority – management by trust rather than tight control is standard practice.
Reputation	No tolerance for any decisions that could lead to scrutiny of, or indeed attention to, the organisation. External interest in the organisation viewed with concern.	Tolerance for risk taking limited to those events where there is no chance of any significant repercussion for the organisation. Senior management distance themselves from chance of exposure to attention.	Tolerance for risk taking limited to those events where there is little chance of any significant repercussion for the organisation should there be a failure. Mitigations in place for any undue interest.	Appetite to take decisions with potential to expose the organisation to additional scrutiny/interest. Prospective management of organisation's reputation.	Willingness to take decisions that are likely to bring scrutiny of the organisation but where potential benefits outweigh the risks. New ideas seen as potentially enhancing reputation of organisation.	Track record and investment in communications has built confidence by public, press and politicians that organisation will take the difficult decisions for the right reasons with benefits outweighing the risks.

Appendix B – Risk Management Structures and Timelines (exact months might change from year to year, depending upon calendars)

		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Governance Forums	Group Board			Review and Approve Risk Appetite and Policy	Review and Approve Risk Register				Review and Approve Risk Register		Review and Approve Risk Register		Review and Approve Risk Register
	Group Audit Committee			Review and Recomend Risk Appetite and Policy	Review and Recommend Group Risk Register				Review and Recommend Group Risk Register		Review and Recommend Group Risk Register		Review and Recommend Group Risk Register
	Group Executive			Review and Recomend Risk Appetite and Policy	Review and Recommend Group Risk Register				Review and Recommend Group Risk Register		Review and Recommend Group Risk Register		Review and Recommend Group Risk Register
	SBC Board (and Audit Committee)		Review and Recomend Risk Appetite	Review and Approve Entity Risk Register				Review and Approve Entity Risk Register		Review and Approve Entity Risk Register		Review and Approve Entity Risk Register	
	SBA Board (and Audit Committee)		Review and Recomend Risk Appetite	Review and Recommend Entity Risk Register				Review and Recommend Entity Risk Register		Review and Recommend Entity Risk Register		Review and Recommend Entity Risk Register	
	SBE Board (and Audit Committee)		Review and Recomend Risk Appetite	Review and Recommend Entity Risk Register				Review and Recommend Entity Risk Register		Review and Recommend Entity Risk Register		Review and Recommend Entity Risk Register	
Strategy Implementation	Group Senior Leadership Team		Review of Risks by Executive Area. Major Project Risk Registers and Collated Group Corporate Risk Register at each meeting										
	Business Units		Review Local Risk Registers		Review Local Risk Registers				Review Local Risk Registers			Review Local Risk Registers	
	UMC (and SBA/SBC/SBUEL equivalents)		Review Entity Risk Register and Recommend to Executive		Review Entity Risk Register and Recommend to Executive				Review Entity Risk Register and Recommend to Executive			Review Entity Risk Register and Recommend to Executive	
	Other Business Planning Actvities			Review of Local Risk registers in OE Reviews					Review of Local Risk registers in OE Reviews				

Paper title:	Corporate Risk Report
Board/Committee	Board of Governors
Date of meeting:	16 July 2020
Author:	Richard Duke, Director of Strategy & Planning
Sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	For noting
Recommendation:	The Board is requested to note the corporate risk report.

Executive Summary

The corporate risk register currently has:

- Zero critical risks;
- Eleven high risks;
- Fourteen medium risks;
- One low risk

Since the last risk register, presented in March 2020:

- Risk 2, Revenue reduction if course portfolio, and related marketing activity, does not achieve Home UG recruitment targets has seen its likelihood increase (unchanged overall risk severity);
- Risk 457, Anticipated international & EU student revenue unrealised has transferred to Nicole Louis and the risk likelihood has increased from low to high, therefore increasing risk severity to high;
- Risk 628, Availability of NHS placements has transferred to Warren Turner;
- Risk 633, Unable to deliver recovery plan from Covid-19 has been added to the risk register (the Board supported the Covid-19 Recovery Plan at its meeting of 21 May 2020);
- Risks 362 (Low staff engagement impacts performance negatively), 584 External incident compromises campus operations or access) and 627 (Impact of new strategy upon organisational culture) have transferred owners from Nicole Louis to Marcelle Moncrieffe-Johnson;
- Risk 630 (HE Policy - B3 Registration Regulation and potential introduction of student number controls), has had its wording adjusted and transferred from Nicole Louis to Deborah Johnston;
- Risk 1, Capability to respond to change in policy or competitive landscape has had its likelihood increased to high.

These changes have been made as a result of the review of the Senior Leadership Team (SLT) of the Group Risk Register on 29th April 2020. The SLT reviews the Group Risk Register at each of its monthly meetings, and the last review was 27th May 2020. The Group risk register was also considered by the Group Audit and Risk Committee at its meeting of 18 June 2020.

This format is under review, with plans for future Corporate Risk reports to integrate a Group Approach, which will incorporate the 2025 Group Strategy.

LSBU Corporate Risk: Board Summary Report – Apr 2020
Cover Page: Risk Exposure Matrix – Severity by risk type (from Risk Appetite)

Severity Rating/Risk Type – Appetite	Low	Medium	High	Critical
Financial (open)	(517) EU Referendum Impact on regulation & market (DP)	(631) Full financial benefits including Income and expenditure levels fail to leverage potential of Group (RF) (402) Income growth from Research & Enterprise unrealised (PI) (630) HE Policy – B3 Registration Regulation and potential introduction of student number controls (DJ)	(3) Sustainability of current pension schemes (RF) (625) Impact of Govt. Education Review on HE funding (RF) (2) Revenue reduction if course portfolio, and related marketing activity, does not achieve Home UG recruitment targets (NL) (457) Anticipated international & EU student revenue unrealised (NL)	
Legal / Compliance (Cautious)		(305) Data security and data protection (519) Negative Curriculum Assessment (584) External incident compromises campus operations or access (MMJ)		
Academic Activity (Seek)		(628) Availability of NHS placements (PB) (495) Higher Apprenticeship degrees (FM) (398) Academic programmes not engaged with technological and pedagogic developments (DJ) (494) Inconsistent delivery of Placement activity (NL) (518) Core student system inflexibility / failure (DJ) (627) Impact of new strategy upon organisational culture (MMJ)	(629) OfS Thresholds not met in relation to Condition of Registration B3 (DJ) (37) Affordability of Capital Expenditure investment plans (RF) (467) Progression rates don't increase (DJ) (633) Unable to deliver recovery plan from Covid-19 (DP)	
Reputation (Open)		(6) Management Information perceived as unreliable, doesn't triangulate or absent (RF) (362) Low staff engagement impacts performance negatively (MMJ)	(626) Impact of assurance activity & new initiatives fails to address issues around student experience (PB) (632) Alignment of estate with sector requirements across the Group (PI) (1) Capability to respond to change in policy or competitive landscape (DP)	

Date: Apr 2020   **Author:** Richard Duke – Director of Strategy & Plan **Executive Lead:** Richard Flatman – Chief Financial Officer

Impact		1 – Low	2 – Medium	3 – High
4 Critical *Corporate plan failure / removal of funding, degree award status, penalty / closure*				
3 High *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*		(495) Higher Apprenticeship degrees (FM) (305) Data security and data protection (NL) (519) Negative Curriculum Assessment (DJ) (6) Management Information perceived as unreliable, doesn't triangulate or absent (RF) (362) Low staff engagement impacts performance negatively (MMJ)	(37) Affordability of Capital Expenditure investment plans (RF) (467) Progression rates don't increase (DJ) (633) Unable to deliver recovery plan from Covid-19 (DP) (626) Impact of assurance activity & new initiatives fails to address issues around student experience (PB) (632) Alignment of estate with sector requirements across the Group (PI) (1) Capability to respond to change in policy or competitive landscape (DP)	(629) OfS Thresholds not met in relation to Condition of Registration B3 (DJ) (3) Sustainability of current pension schemes (RF) (625) Impact of Govt. Education Review on HE funding (RF) (2) Revenue reduction if course portfolio, and related marketing activity, does not achieve Home UG recruitment targets (NL) (457) Anticipated international & EU student revenue unrealised (NL)
2 Medium failure to meet operational objectives of the University		(517) EU Referendum Impact on regulation & market (DP)	(398) Academic programmes not engaged with technological and pedagogic developments (DJ) (494) Inconsistent delivery of Placement activity (NL) (518) Core student system inflexibility / failure (DJ) (627) Impact of new strategy upon organisational culture (MMJ) (402) Income growth from Research & Enterprise unrealised (PI) (630) HE Policy – B3 Registration Regulation and potential introduction of student number controls (DJ) (584) External incident compromises campus operations or access (MMJ)	(628) Availability of NHS placements (WT) (631) Full financial benefits including Income and expenditure levels fail to leverage potential of Group (RF)
1 Low *little effect on operational objectives*				
		1 – Low	2 – Medium	3 – High
		This risk is only likely in the long term	*This risk may occur in the medium term.*	*The risk is likely to occur short term*
			Residual Likelihood	

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	INTERNAL
Paper title:	Delegations of authority
Board/Committee:	Board of Governors
Date of meeting:	16 July 2020
Author(s):	Michael Broadway, Deputy University Secretary
Sponsor(s):	Jerry Cope, Chair of the Board
Purpose:	To update the Board on previously agreed delegations of authority and to approve a delegation of authority to MPIC for the appointment of the implementation partner for Project Leap
Recommendation:	The Board is requested to: i) delegate authority to MPIC to approve the appointment of the implementation partner for Project Leap for c.£5.3m; and ii) note the update on previously agreed delegations of authority

1. Revolving Credit Facility sub-committee

At its meeting of 21 May 2020, the Board approved the establishment of a committee with delegated authority to review and authorise a revolving credit facility. The committee has authorised the CFO to advise Lloyds that it is the preferred lender on the basis of a 4 year £45m borrowing commitment with a margin of 1.15%, non-utilisation fee of 0.50% and arrangement fee 0.75% secured on property (to be decided). A final committee meeting is being arranged to approve the final terms of the facility agreement with Lloyds.

2. SBC revision of 2019 grant agreement

At its meeting of 21 May 2020, the Board established a committee with delegated authority to consent on behalf of LSBU to SBC approving a revised grant agreement and any related arrangements with the DfE. The term sheet for this revised agreement is still being negotiated. The committee has not met yet.

3. Croydon campus

At its meeting of 12 March 2020, the Board supported the outline business case to open a campus in Croydon and established a committee with delegated authority to

approve the final business case and to authorise the execution of the necessary legal documents. The committee met on 6 July 2020 and approved the final business case and authorised execution of a 15 year lease for the building (Electric House).

4. Project Leap implementation partner

At its meeting of 21 May 2020, the Board of Governors approved the revised business case for Project Leap.

As part of the project, MPIC has approved the migration of the existing University Customer Relationship Management (CRM) systems to a single platform and to update the Student Records System (SRS). A supplier has been identified for the licence of this software and MPIC will be requested to approve the award of the contract at c.£3.7m.

In order to implement the new system, an implementation partner for the new CRM platform has been sought, in line with the business case. The Board is requested to delegate authority to MPIC to authorise the award of this contract at c.£5.3m.

	CONFIDENTIAL
Paper title:	New governor declarations of interest
Board/Committee:	Board of Governors
Date of meeting:	16 July 2020
Author(s):	Dominique Phipp, Governance Assistant
Sponsor(s):	James Stevenson, University Secretary
Purpose:	For approval
Recommendation:	The Board is requested to authorise the following declared interests of: Jerry Cope, Independent Governor Vinay Tanna, Independent Governor

Executive Summary

1. Under the Companies Act 2006, governors have a duty to avoid a situation in which they have, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of LSBU, unless this has previously been authorised by the Board.

2. The Board is requested to authorise the interests.

3. When authorising their interests, the Board will need to consider whether to attach any conditions to the authorisation.

Jerry Cope's declared interests:

- From 2018, Director (unremunerated) of English Bridge Union

Vinay Tanna's declared interests:

- From October 2019, Lead Director of Belcampo Meat Company

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	CONFIDENTIAL
Paper title:	Report and decisions of committees
Board/Committee:	Board of Governors
Date of meeting:	16 July 2020
Author(s):	Kerry Johnson, Governance Officer
Sponsor(s):	Relevant committee chairs
Purpose:	To update the Board on committee decisions
Recommendation:	The Board is requested to note the report on decisions of committees and subsidiary boards.

Executive summary

A summary of committee and subsidiary board decisions is provided for information. Minutes and papers are available on modern.gov.

The Board is requested to approve:

- Revised terms of reference for Major Projects and Investment Committee;
- Revised wording for Honorary Awards Joint Committee terms of reference.

Other relevant papers are included separately as agenda items.

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Honorary Awards Joint Committee

As reported to the Board at its meeting of 21 May 2020, the Chair would like to appoint Tony Roberts, staff governor as Chair of the Honorary Awards Joint Committee. The current terms of reference state that "the Chair shall be an independent governor" (3.4). The Board is requested to approve amending the terms of reference to "the Chair shall be a governor".

South Bank Academies Board – 7 July 2020

The Board supported the Group strategy 2020-25.

The Board discussed:

- An education update, including an update on re-opening, quality assurance during the pandemic and expected attainment and progress;
- A revised pay policy;
- Management accounts to 31 May 2020; and
- Draft budget, 2020-21

The Board noted ongoing negotiations with the Sir Simon Milton Westminster (SSMW) UTC about it joining SBA.
An additional meeting will be held on 27 July 2020 to approve the business case for SSMW, the final budget and pay policy.

Group Audit and Risk Committee – 18 June 2020

The committee reviewed and recommended to the Board:
- 2020/21 Group risk approach and policy, revised to align with the 2025 strategy and regulatory requirements.

The committee approved:
- Draft Group external audit plan for 2019/20;
- Draft Group internal audit plan 2020/21 and three year internal audit strategy;
- LSBU annual debt write-off of £724k.

The committee reviewed:
- Coronavirus business recovery – noted key challenges and risks, endorsed the actions taken towards business recovery;
- Cyber security – noted Group's cyber security measures and potential for heightened risk due to staff working remotely. Requested further meeting to discuss cyber security internal audit when the report was finalised;
- Internal audit follow-up report – 61% of recommendations had been completed and a further 25% were in progress;

- Internal audit report: accounts receivable, which provided a limited level of assurance for both the control design and operational effectiveness of the controls in place;
- Anti-fraud policy review – agreed that the policy should be revised, then submitted to SBC and SBA boards before coming back to the committee for approval.

The committee noted:
- Internal audit progress report;
- Minimum standards notification on apprenticeship provision from the Education Skills Funding Agency (ESFA). Noted that no sanction would imposed as the issue was specific to one cohort.
- Internal audit report HESA student data, which provided a substantial level of assurance for both control design and operational effectiveness;
- Internal audit report: Research Excellence Framework, which provided a moderate level of assurance for control design and for operational effectiveness;
- Corporate risk register – zero critical risks, eleven high risks, fourteen medium risks and one low risk;
- Anti-fraud, bribery and corruption report – no new instances since the committee last met;
- Revised guidance from the OfS adapting the regulatory framework for the duration of the coronavirus pandemic;
- Data protection report – six new incidents since the last meeting, one of which was notifiable to the ICO;
- Speak up report – one new case raised by a student since the last meeting, though the student had been advised that the student complaints procedure was a more appropriate channel. One new matter involving potential fraud had arisen very recently and would be reported on at the next meeting.

Major Projects and Investment Committee – 23 June 2020 and 7 July 2020 (online)

The committee reviewed and recommended to the Board:
- Revised MPIC terms of reference

The committee discussed:
- Project Leap – MPIC noted the progress to date on Workpackage 3.5 and ongoing costs, activities and dependencies. It noted that an extended WP3.5 was required to prepare to WP4.0 and that negotiations were ongoing with Salesforce, the preferred vendor for the Customer Relationship Management software.

- Project Leap – The committee approved electronically the additional expenditure, confirmed as £1.25m, for the above extension of WP3.5.

The committee noted:
- SBC estates – noted the progress on the Nine Elms STEAM Centre and progress associated with the SBC estates programme.
- Southwark Campus redevelopment update.

Finance, Planning and Resources – 30 June 2020

The committee reviewed and recommended to the Board:
- Draft EDI annual report 2019/20 – discussed gender and ethnicity pay gaps, proposals to review promotions and recruitment processes, training and statement from Group Executive on Black Lives Matter movement.

The committee discussed:
- Management accounts to 31 May 2020;
- Student recruitment and retention – the level of full-time undergraduate university applications remained largely unaffected by the coronavirus outbreak. Noted that Clearing will take place in August. Retention numbers were in line with the forecast;
- Infrastructure strategic update – joint report from ICT and Estates and Academic Environment on the delivery of the physical and digital resources sub-strategy;
- Strategic People & Organisational Development report, including update on the proposed transition to the LSBU Group target operating model;
- SBC annual performance and value review – noted increased achievement rates, increased ranking position, progress since previous Ofsted visit and reduction of annual operating deficit.

The committee noted:
- Treasury management report – total bank balances of £76.6m and outstanding loans of £34.4m;
- REI update - £3.2m of research income secured to end of Period 10, further £1.5m contracted;
- OfS recurrent grant settlement for 2020/21;
- 2019/20 strategic enabler KPIs and proposed new KPI framework.

South Bank Colleges Board – next meeting to be held on 14 July.

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Paper title:	Draft Group MPIC terms of reference
Board/Committee:	Board of Governors
Date of meeting:	16 July 2020
Author(s):	Michael Broadway, Deputy University Secretary
Sponsor(s):	James Stevenson, Group Secretary
Purpose:	For Approval
Recommendation:	The Board is requested to approve draft terms of reference to reflect the group-wide role of MPIC.

Executive summary

Within the LSBU group there are three subsidiary companies of LSBU (South Bank Academies (SBA), South Bank Colleges (SBC) and South Bank University Enterprises Ltd (SBUEL)) and a subsidiary of SBC (SW4 Catering Ltd).

As parent, LSBU has control over these companies. This control is exercised through Governance Agreements between LSBU and its subsidiary companies. Under these agreements, the subsidiaries require LSBU consent to undertake specified actions, which are not in the ordinary course of their businesses.

MPIC's terms of reference have been reviewed to reflect its role in this Group structure. It is intended to reflect how MPIC has been operating in relation to Group rather than being a substantive change.

Key changes are:

- The inclusion of terms relating to approval for acquiring companies or businesses, and establishing operating subsidiary companies; and
- A section detailing MPIC's role in relation to decisions of subsidiary company boards.

In addition, it is proposed that the number of students on the committee is reduced to one in line with FPR.

The Board is requested to approve the amended terms of reference.

Group Major Projects and Investment Committee

Terms of Reference

The Group Major Projects and Investment Committee is a sub-committee of the LSBU Board of Governors (the Board). It is authorised by the Board to:

- approve investment decisions of LSBU within authorisation levels as set out in the Financial Regulations; and
- consent on behalf of LSBU for investment decisions made by LSBU's subsidiary companies under the relevant Governance Agreements.

The committee reviews investment decisions above its level of authority and recommends approval to the Board.

1.   Remit for LSBU and Group-wide matters

1.1 The remit of the committee is toshall:

    1.1.1 rReview proposed capital and revenue investment and significant projectstenders and, if thought fit:,

1.1.1.1   approve the proposals, if within authority levels set in the Financial Regulations; or

1.1.1.11.1.1.2   if the levels are exceeded, recommend approval to the Board. if above delegated authority, recommend approval to Board;

    1.1.2 when within set authority levels, approve capital expenditure and budgeted revenue expenditure;

    1.1.31.1.2   review 'master-plans' for the Group's estate and infrastructure; and

    1.1.41.1.3   review and recommend proposals to acquire and/or dispose of land or buildings.

    1.1.5   ;

    1.1.6

    1.1.71.1.4 monitor delivery of major projects; and

    1.1.8 1.1.5 consider post investment reviews of major projects;.

1.1.6   review company or business acquisitions committing to significant[1] expenditure, risk or reputation and recommend to the Board; and

1.1.7   review establishment of operating subsidiary companies and recommend to the Board.

2   Remit for LSBU subsidiary company matters

2.1   The committee shall:

2.1.6   review, and if thought fit, consent to the actions of SBA, SBC, SBUEL as required under the Governance Agreements (or equivalent) with those companies and in line with the delegations of authority as set out in the Group Financial Regulations.

13   Membership

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

1.23.2 A quorum shall consist of at least 2 independent governors.

1.33.3 The chair shall be an independent governor.

3.4 Members of the committee shall not be members of the Group Audit and Risk Committee.

1.43.5 In carrying out the remit of the committee, the members of the committee should discharge the fiduciary duties they owe as governors to LSBU in making decisions about group matters.

24   Reporting Procedures

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

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[1] Significant means the relevant level of authority for the committee

Approved by the Board of Governors on [*]14 May 2015.

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