

**Minutes of the meeting of the Board of Governors  
held at 4.00 pm on Thursday, 15 October 2020  
MS Teams**

**Present**

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  
Harriet Tollerson

**Apologies**

**In attendance**

Pat Bailey  
Michael Broadway  
Richard Flatman  
James Stevenson

**1. Welcome and apologies**

The Chair welcomed members to the meeting.

The Board had just received an informative pre-Board presentation on the LSBU Group's response to the coronavirus pandemic. The Board noted the focus on delivery to all students at the start of the autumn 2020 university, college and school terms.

The Board confirmed that it was content with actions taken and thanked the Executive and colleagues for re-opening education services in challenging circumstances.

**2. Declarations of Interest**

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

**3. Minutes of previous meeting**

The Board approved the minutes of the meeting of 16 July 2020 and their publication, as redacted.

**4. Matters arising**

The Board noted the matters arising.

**5. Report from Nomination Committee**

The Board noted an update on the recruitment of independent governors. Audeliss had been appointed to lead the recruitment. Audeliss's focus was on providing good quality, diverse candidates for boards. At its meeting of 24 September 2020, the Nomination Committee had agreed to recruit two new governors to replace Hilary McCallion and Mee Ling Ng whose terms end in March 2021. The priority skills needs are health, research funding, entrepreneurship, and IT and digital. Interviews with shortlisted candidates were likely to be in January 2021.

The Nomination Committee had regard to the Board's Athena Swan commitments on gender diversity, although they would take longer to achieve due to the current pattern of governors' terms. The Committee had requested the Secretary to look at the possibility of having co-opted or associate governors to help address gender equality on the Board.

**6. Report from Academic Board**

John Cole, observer on the Academic Board, provided an update on its main business. Recent focus was to ensure the university's academic regulations were adjusted to respond to the coronavirus pandemic, maintaining the integrity of awards and ensuring "no detriment" to students.

The Board noted that the recent expansion of the membership of the Academic Board to include two representatives from each school had allowed greater breadth of debate at meetings.

The Academic Board's priorities were addressing the awarding gaps, Graduate Outcomes, Student Satisfaction (NSS) and Portfolio Review.

**7. Governor and Chair appraisals**

The Senior Independent Governor (SIG) updated the Board on her first formal appraisal of the Chair. The SIG had consulted all governors about the Chair's performance before having a discussion with the Chair.

Feedback had been very positive and a number of actions for the Chair had been agreed, including opening committees to governor observers and encouraging questions ahead of meetings.

An update on the outcomes of the appraisal had been circulated to governors by email for information.

The Chair updated the Board on his appraisals of individual governors who had served for longer than a year on the Board. Actions for individual governors had been agreed with the Chair who will monitor progress over the next year.

## **8. VC Report**

The Board discussed the Vice Chancellor's report, which updated on progress of a number of strategic projects.

The Board noted an update on the proposal for the Sir Simon Milton Westminster UTC to join SBA. The case had been passed to the Minister for a decision which was not expected until mid-November 2020.

The Board noted that Ofsted was undertaking a two day visit of SBC. A full inspection was expected in 2021.

The Board noted that work was progressing on the Croydon campus ready for a 2021 opening.

The Board noted that the new Health Skills Centre at Tabard Street was now open. The Centre included provision from all parts of the LSBU Group.

## **9. CFO Report**

The Board discussed the CFO report which updated the Board on financial performance, year end audit, risk and control, cashflow and pensions.

The July 2020 management accounts, which had been reviewed in detail by FPR, forecast a surplus to be on budget at £1.5m. The Group CFO reported that the year end audit is being finalised and no material matters that impact on the report result for the year had been identified.

The Board discussed the update on forecast variances to the agreed budget for 2020/21. The biggest risks to meeting the budget targets were a reduction in halls fee income and a potential fees reduction as a result of the

coronavirus pandemic. The Board noted that the final surplus for 2020/21 may be closer to break-even than the £2m budget target.

The Board noted the recent completion of a revolving credit facility of up to £30m with Barclays which would help manage cash flow over the next few years. The Group CFO confirmed that the financial covenants with the bank were not currently in danger of being breached. The Board requested additional information on financial covenants in future CFO reports. Governors emphasized the need for the Executive to continue to control costs and conserve cash in the current challenging operating environment. The CFO confirmed that this would be the focus of the mid-year budget review.

The Board noted that BDO, the internal auditors, had given a year end opinion of 'generally satisfactory with improvements required in some areas'. This opinion was in line with previous annual opinions.

The Board noted an update on the consultations with the trade unions at LSBU and SBC on proposals to offer a defined contribution (DC) scheme only for new starters. The matter would be discussed in detail at the Group Pensions sub-committee meeting of 22 October 2020 before a final decision at the Board meeting of 19 November 2020.

The Board noted the interim finance return to the OfS which was consistent with the 2020/21 budget.

#### 10. **Corporate Risk detailed discussion**

The Board discussed the corporate risk register in detail. The Board noted that three new risks had been added or updated recently: data protection and security, fee refunds, and decline in league tables. The Board requested that the direction of the risk ratings is tracked in future reports.

The Board noted that, at its meeting of 6 October 2020, the Group Audit and Risk Committee had discussed cyber security in detail following a limited assurance internal audit report. The committee was content with management actions to address the recommendations in the report. The committee will continue to monitor the implementation of these actions.

A group risk policy had recently been approved by the Group Audit and Risk Committee to ensure that the approach to risk management is consistent across the group and scrutinised by local audit committees.

#### 11. **Risk Appetite**

The Board discussed the current appetite for risk. Based on the definitions in the risk appetite framework and following discussion on 'reputational' risks, the Board agreed to maintain the following risk appetite for the University:

- a. Legal and compliance – “cautious”;
- b. Financial – “open”;
- c. Reputational – “open”; and
- d. Academic delivery – “seek.”

## 12. **KPI targets 2020/2021**

The Board discussed the proposed University KPIs for the new corporate strategy, 2020-25. The Board noted that some targets at this stage were necessarily aspirational and that it would be appropriate to review in the future. Some KPI targets had still to be defined. Subject to this, the Board approved the defined KPIs for LSBU for 2020/21.

## 13. **Delegations of authority**

The Board noted the update on its delegations of authority.

At its meeting of 21 May 2020 the Board had authorised a sub-committee to consent to SBC entering into a contract with the DfE to facilitate the SBC estates strategy. The Board delegated additional authority to this committee, if necessary and having received legal advice, to grant a parent company guarantee of SBC's liability to the DfE as part of the contract.

The Board noted that the contractor for the Nine Elms Skills Centre, part of the SBC estates strategy, would be appointed by SBC at the end of October 2020. The Board delegated authority to MPIC, if it thought fit, to consent under the SBC governance agreement to SBC appointing the contractor.

The Board noted that if the proposal for the Sir Simon Milton Westminster (SSMW) UTC to join SBA was successful, LSBU's consent under the SBA governance agreement would be required before SSMW could join SBA. The Board delegated this consent to MPIC.

## 14. **Board Strategy Day Report**

The Board approved the board strategy day notes of 24 September 2020.

## 15. **Report and Decisions of Committees**

The Board noted the report on decisions of committees.

The Board approved the recommendation from the Group Audit and Risk Committee to adopt the CUC Higher Education Audit Committees Code of Practice.

16. **Board Annual Workplan**

The Board noted its annual plan.

17. **Review of Standing Orders**

The Board approved the revised standing orders.

18. **CUC Higher Education Code of Governance**

The Board noted the revised CUC Code of Governance. The Governance Team is reviewing the provisions of the new Code and will make any recommendations for change to the next Board meeting.

19. **Declaration of Interests**

The Board authorised the declared interests.

20. **Board and committee membership**

The Board noted its membership and the membership of committees for 2020/21.

21. **Public Benefit Guidance**

The Board confirmed its acceptance of the charity commission guidance on public benefit.

**Date of next meeting  
4.00 pm, on Thursday, 22 October 2020**

**Confirmed as a true record**

..... (Chair)