

Meeting of the Policy & Resources Committee

**4pm on Tuesday, 23 September 2014
In 1B27, Technopark, London Road, SE1**

Agenda

<i>No.</i>	<i>Item</i>	<i>Paper No.</i>	<i>Presenter</i>
1.	Welcome and apologies		Chair
2.	Declarations of interest		Chair
3.	Minutes of the previous meeting (for publication)	PR.27(14)	Chair
4.	Matters arising		Chair
5.	Performance Matters (for discussion)		
6.	Key Performance Indicators	PR.28(14)	VC
7.	Student Acceptances	PR.29(14)	PVC (S&E)
8.	Management accounts to 31 July 2014	PR.30(14)	CFO
9.	Matters for Approval		
10.	British University Egypt partnership	PR.31(14)	PVC (S&E)
11.	Draft Health and Safety Policy	PR.32(14)	COO
12.	Primary Responsibilities of the Board	PR.33(14)	Sec
13.	Public Benefit Statement	PR.34(14)	Sec
14.	Corporate Governance Statement	PR.35(14)	Sec
15.	Financial Regulations	PR.36(14)	CFO
16.	Travel, Subsistence and Expenses Policy	PR.37(14)	CFO
17.	Matters for Noting		
18.	Annual Report on Fundraising and Charitable Funds expenditure	PR.38(14)	D. Dev

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|-----|----------------------------------------------------|-----------|-------|
| 19. | Treasury Management Report | PR.39(14) | CFO |
| 20. | Terms of Reference | PR.40(14) | Sec |
| 21. | Committee Business plan | PR.41(14) | Sec |
| 22. | Any other business | | Chair |
| 23. | Date of next meeting: 3pm on Wednesday 12 November | | |

Members: Sarah Mullally, David Longbottom (Chairman of the Board), David Phoenix (Vice Chancellor), Ilham Abdishakur, Ken Dytor, Neil Gorman, Hilary McCallion, Anne Montgomery, Diana Parker and Jon Warwick.

With: Deputy Vice Chancellor, Pro Vice Chancellor (Students and Education), Chief Financial Officer, University Secretary, Director of Development (for item 18) and Governance Manager.

	PAPER NO: PR.27(14)
Paper title:	Minutes of the meeting of 24 June 2014
Board/Committee	Policy and Resources Committee
Date of meeting:	23 September 2014
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	Dame Sarah Mullally, Chair of the Committee
Purpose:	To approve the minutes of the past meeting as a correct record and to approve the suggested redactions for publication

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

Executive Summary

The Committee is asked to approve the minutes of its meetings of 24 June 2014 and the suggested redactions (in grey) for publication on LSBU's website.

Minutes of a Meeting of the Policy and Resources Committee
held at 4pm on Tuesday 24 June 2014
in room 1B27, Technopark, London Road, London SE1

Present

David Longbottom	Chair of the meeting and Chairman of the Board
Prof David Phoenix	Vice Chancellor and Chief Executive
Barbara Ahland	SU President
Prof Hilary McCallion	
Prof Jon Warwick	

Apologies

Dame Sarah Mullally	Chair of the committee
Ken Dytor	
Anne Montgomery	
Diana Parker	

In attendance

Prof Rao Bhamidimarri	Executive Dean, Faculty of Engineering, Science and the Built Environment (<i>for minutes 16-17</i>)
Prof Phil Cardew	Pro Vice Chancellor (Academic) (<i>from minute 10</i>)
Richard Flatman	Chief Financial Officer
Beverley Jullien	Pro Vice Chancellor (External)
James Stevenson	University Secretary and Clerk to the Board of Governors
Michael Broadway	Governance Manager

Welcome and Apologies

1. The Chairman welcomed governors to the meeting.
2. Apologies for the meeting had been received from Sarah Mullally, Ken Dytor, Anne Montgomery and Diana Parker. David Longbottom agreed to chair the meeting in Sarah Mullally's absence.
3. The Chairman reported that as there were only two independent governors in attendance the meeting was inquorate. Minutes of the meeting would be circulated to those unable to attend to ratify the recommendations of the committee prior to the Board meeting of 8 July 2014.
{*Secretary's note: the absent independent governors subsequently ratified the actions of this meeting*}

Declaration of Interests

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

Minutes of the previous meeting

5. The committee approved the minutes of the meeting of 6 May 2014 and the proposed redactions for publication (paper **PR.18(14)**).

Matters Arising

6. The committee noted that performance indicators were being developed in line with the strategy for 2015-2020. The detailed delivery plan for the strategy and performance indicators would be considered by the Board at its meeting of 9 October 2014.

Key Performance Indicators

7. The committee discussed the key performance indicators (paper **PR.19(14)**). It was noted that improving the student staff ratio was an important factor in improving league table position.

Management accounts to 31 May 2014

8. The committee discussed the management accounts to 31 May 2014 (paper **PR.20(14)**). The full year forecast as of May 2014 indicated a contribution of £1.5m, against a budget target of £2.5m. The key reasons for this were an income shortfall and unbudgeted investment in IBM and unbudgeted restructuring costs.

Student recruitment

9. The committee discussed student recruitment (paper **PR.21(14)**). Undergraduate full time firm acceptances were up 10% on this time last year. A detailed strategy for Clearing had been developed and a high level summary would be presented to the Board meeting of 8 July 2014.

Prof Phil Cardew entered the meeting

10. Part time and post graduate applications were trending up on last year.

Budget, 2014/15

11. The committee discussed the proposed budget for 2014/15 (paper **PR.22(14)**), which showed a target surplus of £1m. The budget was in line with the five year forecasts as presented to the board strategy day of 1 May 2014 and which would be submitted to HEFCE (minutes 14-15 refer).
12. It was noted that budgeted staff costs had increased by 2% to allow for the nationally negotiated pay rise of 2%.
13. The committee recommended the budget to the Board for approval subject to clarification on the “legal & professional”, “financial” and “internal recharge” lines.

HEFCE annual accountability return

14. The committee discussed the annual accountability return to HEFCE (paper **PR.23(14)**). The five year forecasts in the return were in line with those presented to the board strategy day of 1 May 2014 and the proposed budget for 2014/15 (minutes 11-13 refer).
15. It was noted that cash balances were declining over the five year period due to the necessary level of investment in improving the student experience and developing the estate.

University Academy of Engineering / University Technical College

Rao Bhamidimarri entered the meeting

16. The committee discussed the University Academy of Engineering South Bank (UEASB) and the proposed University Technical College (UTC) Brixton (paper **PR.24(14)**). The University would be lead sponsor for these schools. The committee noted that the benefits of sponsoring these schools included improving engagement in the local community, to help prepare potential future students for University study, and to offer young people in the University’s primary catchment area distinctive professionally focused secondary education.
17. The committee noted the proposed relationship with the University, which allowed the University a degree of control over the schools but without the need to consolidate the schools’ accounts into the University’s accounts. The committee requested that a reporting framework is developed for the Board to allow oversight of any risks or issues.

Rao Bhamidimarri left the meeting

Insurance renewal, 2014/15

18. The committee noted the insurance renewal for 2014/15 (paper **PR.25(14)**).

Fees, 2015/16

19. The committee noted fee proposals for 2015/16 (paper **PR.26(14)**).

Date of next meeting

20. The next committee meeting will be at 4pm on 23 September 2014.

The Chairman closed the meeting.

Confirmed as a true record:

..... (Chairman)



Committee Action Points

17 September 2014

15:13:18

Committee	Date	Minute	Action	Person Res	Status	
Policy and Resources	24/06/2014	9	Clearing strategy to Board meeting of 8 July	PVC - E	On Board agenda	<input checked="" type="checkbox"/> Completed
Policy and Resources	24/06/2014	13	Clarification on the "legal & professional", "financial" and "internal recharge" budget lines for the Board meeting of 8 July	CFO		<input type="checkbox"/> Completed
Policy and Resources	24/06/2014	17	Development of reporting framework for UEA and UTC	Exec Dean - ESBE	To be reviewed by Audit Committee at its meeting of 25 September 2014	<input checked="" type="checkbox"/> Completed

	PAPER NO: PR.28(14)
Paper title:	Key Performance Indicators Report
Board/Committee	Policy & Resources Committee
Date of meeting:	23 September 2014
Author:	John Baker, Corporate & Business Planning Manager
Executive/Operations sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	To provide the latest results for the Corporate Key Performance Indicators.

Executive Summary	
Context	The attached report provides the latest results at September 16 th 2014.
Question	Is the University meeting its agreed performance targets?
Conclusion & Recommendation	<p>The financial figures in section 1 have been amended to update the management account forecast figures to the figures from the draft accounts.</p> <p>New results have been included for Student satisfaction, Staff/student ratio and the % of Firm Acceptances, and all of these have been RAG rated according to the criteria agreed by the Board in October 2013.</p> <p>The Executive recommends that the committee notes this report.</p>

Matter previously considered by:	Policy and Resources Committee	At each meeting
Further approval required?	Board (for information)	On: 9 October 2014

LSBU Corporate Key Performance Indicators (2011/12 - 2013/14)

Report Production Date: 16th September 2014

Financial Sustainability						
KPI	2011/12 Actual	2012/13 Actual	2013/14		YoY up down	
			Target	Actual (Draft Accounts)		
Student Numbers & Contracts						
1	Recruitment against HEFCE contract	Within tolerance	Within tolerance	Within tolerance band	within tolerance	➔
Income						
2	NHS contract income (£)	On target	On target	£25.9m	£25.2	⬇
3	International student income	£9.6m	£8.8m	£9.4m	£8.5	⬇
4	Research (non-HEFCE) income (£)	£2.4m	£2.2m	£2.4m	£2.3	⬆
5	Enterprise income (£)	£10.0m	£8.4m	£9.0m	£7.5	⬇
6	Total Income (£)	£138.3m	£137.9	£137.6m	£134.8	⬇
Surplus						
7	Total Surplus (% of income)	4.7%	4.00%	1.8%	2.4%	⬇
Other Financial Indicators						
8	Cash Balance (£)	£69.1m	£60.0 m	£48.2	£53.0m	⬇
9	Gearing Ratio	0.31	0.27	0.26	0.29	⬇
10	Days liquidity	203	176.6	139	157.1	⬇
11	Staff Costs as a % of Income	<i>new indicator</i>	<i>new indicator</i>	55%	55.8%	

The Student Experience						
KPI	2011/12 (Actual)	2012/13 (Actual)	2013/14 (Target)	Current Performance (RAG)	YoY	
Student Satisfaction						
12	Overall Student Satisfaction - UG (NSS) *	80%	82%	86%	80%	⬇
13	Overall Student Satisfaction - PG	78%	76%	80%	77%	⬆
Student Retention & Progression						
14	FTUG Year 1 Progression (%)	63%	65%	65%		
15	Graduating in intended period (FTUG 3/4yrs) (%)	52%	51%	65%		
Value Added						
16	Employment of graduates (DLHE return)* (Employed, or studying, or both)	78.1%	77.4%	85%	85.50%	⬆
17	No. of first degree students obtaining 1st or Upper 2nd class degrees *	56.0%	58%	62%		
Resource Measures						
18	Spend per student (£) * (Academic Services)	£940 <i>(Complete UG 2013)</i>	£900 <i>(CUG 2014)</i>	£1,000	£971 <i>(CUG 2015)</i>	⬆
19	Spend per student (£) * (Services & Facilities)	£1,062 <i>(Times GUG 2012/13)</i>	£1,110 <i>(SundayTimes/Times GUG)</i>	£1,150		
20	Staff:student ratio *	22.4:1 <i>(2010/11 HESA)</i>	23.7:1 <i>(2011/12 HESA)</i>	21:1	24.2:1 <i>(2012/13 HESA)</i>	⬇

Institution Reputation and Esteem						
KPI	2011/12 (Actual)	2012/13 (Actual)	2013/14 (Target)	Current Performance (RAG)	YoY	
League Table Ranking						
21	The Times / Sunday Times	111 (of 116) <i>(2012/13 Table)</i>	118 (of 120) <i>(2014 Table)</i>	< 110		
22	The Guardian	104 (of 120) <i>(2013 Table)</i>	113 (of 119) <i>(2014 Guide - June 13)</i>	< 110	112 (of 116) <i>(2015 Guide - June 14)</i>	⬆
23	The Complete University Guide	109 (of 116) <i>(2013 Table)</i>	119 (of 124) <i>(2014 Table - April 13)</i>	< 110	120 (of 123) <i>(2015 Table - May 14)</i>	⬇
Subject League Tables (The Guardian)						
24	No. of subjects in top 75% nationally	5 (of 17)	3 (of 21)	5 (of 21)	3 (of 25)	➔
25	No. of subjects in top 50% of post-1992	3 (of 17)	2 (of 21)	7 (of 21)	2 (of 25)	➔
26	No. of subjects in top 25% of post-1992, London	3 (of 17)	4 (of 21)	4 (of 21)	2 (of 25)	⬇
Student Perceptions						
27	% of Firm acceptances against enrolment target from FTUG students prior to clearing	<i>new indicator</i>	<i>new indicator</i>	75%	75.6%	
28	Early : late applications (% of FTUG enrolments arising from early/late applications)	74:26	79:21	80:20		
29	Financial support from donors (cash received, £)	£1.5m	£1.35m	1.4m		
30	Alumni Engagement: Number of placement, volunteer & mentor opportunities for students	<i>new indicator</i>	<i>new indicator</i>	500	520	
Staff Perceptions						
31	Staff Turnover rate	<i>new indicator</i>	21%	18%		

KPI Notes: Measure Overview	Data date & Source	Notes
1-11 Financial performance	Nov to Aug: LSBU Management Accounts	Forecast data updated after each month end period Draft figure prior to audit & final after accounts sign
Student Satisfaction		
12 Overall Student Satisfaction - UG (NSS)	Aug 14: Ipsos Mori National Student Survey	Satisfaction has fallen by 2%
13 Overall Student Satisfaction - PG	Sep 14: LSBU PG Taught Survey	Satisfaction has increased by 1%
14 FTUG Year 1 Progression (%)	Oct/Nov 14: LSBU Cognos PAT Reports	
15 % Graduating in intended period (FTUG 3/4yrs)	Oct/Nov 14: LSBU Registry Analysis	
Value Added		
16 Employment of graduates (% Employed, Studying, or both)	July 14: Hefce DLHE survey	An improvement to 85.5%
17 No. of first degree students obtaining 1st or Upper 2nd class degrees *	Oct/Nov 14: LSBU Registry Analysis	
tbc No. of first degree students obtaining 1st or 2nd class degrees	Oct/Nov 14: LSBU Registry Analysis	
Resource Measures		
18 Spend per student (£) * (Academic Services)	April/May 14: 'Complete University Guide'	
19 Spend per student (£) * (Services & Facilities)	Sep 14: Times 'Good University Guide'	
20 Staff:student ratio *	Aug 14th: publication of HESA data for 12/13	
League Table Ranking		
21 The Sunday Times / Times	September 14: The Sunday Times Newspaper	
22 The Guardian	June 14: The Guardian Newspaper	
23 The Complete University Guide (formerly The Independent)	April 14: Complete University Guide website	
Subject League Tables (The Guardian)		
24 No. of subjects in top 75% nationally	June 14: The Guardian Newspaper	
25 No. of subjects in top 50% of post-1992	June 14: The Guardian Newspaper	
26 No. of subjects in top 50% of post-1992, London	June 14: The Guardian Newspaper	
Student Perceptions		
27 % of Firm acceptances against enrolment target from FTUG students prior to clearing	August 2014, Recruitment Analysis	2080 Firm Acceptances were received by the 12th August, against a SNC target of 2750
28 Early : late applications (% of FTUG enrolments arising from early/late applications)	Oct/Nov 14, Registry Analysis	
29 Financial support from donors (cash received, £)	Oct/Nov 14, Development Office	
30 Alumni Engagement: Number of placement, volunteer & mentor opportunities for students	August 14, Development Office	P&R Report notes 200 mentors, 300 placements & 20 student talks
Staff Perceptions		
31 Staff Turnover	HR Database Analysis	

UNDERGRADUATE FULL-TIME: Table One – Comparison of total number of acceptances for UG FT against the control number

	Pre-Clearing		Clearing		Total Acceptances	
	Target	Firm Accepts	Clearing Accepts	Clearing Offers Pending	Total	Total % to Target
School of Applied Sciences	446	263	163	24	426	95.51%
School of Arts and Creative Industries	370	334	83	8	417	112.70%
School of Built Environment and Architecture	258	147	57	13	204	79.06%
School of Business	678	481	245	61	725	106.93%
School of Engineering	437	237	139	14	386	88.32%
School of Health and Social Care	71	63	4	0	67	94.37%
School of Law and Social Sciences	520	389	209	22	598	115.00%
LSBU (SNC) - Total	2,750	1,913	899	142	2,812	102.25%

Table Two – Comparison of total number of acceptances for UG FT outside the control number

	Pre-Clearing		Clearing		Total Acceptances	
	Target	Firm Accepts	Clearing Accepts	Clearing Offers Pending	Total	Total % to Target
School of Applied Sciences	0	14	7	1	26	
School of Arts and Creative Industries	0	25	2	0	22	
School of Built Environment and Architecture	0	11	2	0	14	
School of Business	71	61	8	2	70	98.59%
School of Engineering	3	17	5	2	21	700.00%
School of Health and Social Care	751	710	95	3	793	105.59%
School of Law and Social Sciences	9	18	11	1	28	311.11%
LSBU - Total	834	856	130	9	986	118.23%

UNDERGRADUATE PART-TIME : Table Three – Comparison of total number of acceptances for UG PT

	Pre-Clearing		Clearing		Total Acceptances	
	Target	Firm Accepts	Clearing Accepts	Clearing Offers Pending	Total	Total % to Target
School of Applied Sciences	7	19	7	3	26	371.43%
School of Arts and Creative Industries	0	0	0	0	0	0%
School of Built Environment and Architecture	312	300	87	6	387	124.04%
School of Business	119	91	14	5	105	88.24%
School of Engineering	65	54	10	1	64	98.46%
School of Health and Social Care						
School of Law and Social Sciences	30	52	9	3	61	203.33%
LSBU (PT-UG) - Total (excluding HSC)	533	516	127	18	643	120.64%

POSTGRADUATE FULL-TIME : Table Four – Comparison of total number of acceptances for PG FT

	Pre-Clearing		Clearing		Total Acceptances	
	Target	Firm Accepts	Clearing Accepts	Clearing Offers Pending	Total	Total % to Target
School of Applied Sciences	63	39	6	1	45	71.43%
School of Arts and Creative Industries	22	6	0	0	6	27.27%
School of Built Environment and Architecture	112	141	15	2	156	139.29%
School of Business	84	147	11	1	158	188.10%
School of Engineering	28	62	3	1	65	232.14%
School of Health and Social Care					0	
School of Law and Social Sciences	181	120	7	3	127	70.17%
LSBU (FT-PG) – Total (excluding HSC)	490	515	42	8	557	113.67%

POSTGRADUATE PART-TIME : Table Five – Comparison of total number of acceptances for PG PT

	Pre-Clearing		Clearing		Total Acceptances	
	Target	Firm Accepts	Clearing Accepts	Clearing Offers Pending	Total	Total % to Target
School of Applied Sciences	43	43	6	1	49	113.95%
School of Arts and Creative Industries	0	0	0	0	0	0%
School of Built Environment and Architecture	211	231	36	3	267	126.54%
School of Business	147	120	15	1	135	91.84%
School of Engineering	17	22	4	0	26	152.94%
School of Health and Social Care						
School of Law and Social Sciences	136	99	19	1	118	86.76%
LSBU (PT-PG) – Total (excluding HSC)	554	515	80	6	595	107.40%

	PAPER NO: PR.29(14)
Paper title:	Student Recruitment Update (UK and EU) 2014/15
Board/Committee:	Policy and Resources Committee
Date of Meeting:	23 September 2014
Author:	Tere Daly, Deputy Director, Marketing and Student Recruitment
Executive sponsor:	Professor Phil Cardew, Pro Vice-Chancellor, Students and Education
Purpose:	To note the progress towards recruitment for 2014/15

Executive Summary	
Context:	This paper provides a regular update in student recruitment (UK and EU) in order to both monitor performance against target, but more specifically match performance against budget.
Question:	Is the university on track to achieving its student recruitment target?
Conclusion and recommendation:	<p>LSBU has maintained a steady application rate throughout the cycle and is on-track to achieve 2,750 full-time undergraduate numbers (including ABB+ applicants) as long as conversion rates from previous years are sustained this year. In some areas where full-time undergraduate applications are falling below target there are increases in part-time, postgraduate and international recruitment, which will help to off-set a drop in income from full-time students. Current figures would, then, support the view that we are likely to achieve desired income targets for student recruitment to sustain the approved budget for 2014/15. Given we introduced the threshold level of offers this would indicate a substantial increase in market share for students qualified above 120 points (A level) and 160 points BTech.</p> <p>The committee is requested to note the report.</p>

Executive Summary

- **Undergraduate Full-time (Student Number Control).** Applications continue to be ahead of the past two years. Firm acceptances are up 16.09% in comparison to last year. We currently have 2,679 acceptances against our target of 2,750 with an additional 106 ABB+ applicants. Whilst this puts us slightly above target, on paper, there is always some fall-back from firm acceptance to enrolment. For this reason, we will not be closing admissions until the very end of the cycle (the end of September).
 - **High performance areas**
 - School of Arts and Creative Industries
 - School of Business
 - School of Law and Social Sciences
 - **Medium performance areas**
 - School of Applied Sciences
 - School of Health and Social Care
 - **Low performance areas**
 - School of Built Environment and Architecture
 - School of Engineering
- We have maintained offers above 120 points (A level) and 160 points BTech indicating a significant increase in market share of students above these thresholds.
- Current analysis would indicate that, if trends remain as they are, we are on track to achieve the desired income targets at an institutional level. This will be confirmed once the enrolment cycle is completed and we have a full view of conversion between acceptance and enrolment. Local impacts will be reviewed once numbers are confirmed

Currently (16/9/14), 80% of full-time undergraduate students have engaged with the enrolment process.

ACCEPTANCE SUMMARY – UNDERGRADUATE FULL-TIME STUDENTS

Application Comparison

	2012	2013	2014	% Change 2012/2014	% Change 2013/2014
LSBU Applications	22,171	22,841	24,880	12.22%	8.93%
UCAS Applications (Nationally)	2,639,440	2,715,234	2,828,108	7.15%	4.16%
Competitor Applications	164,056	163,562	169,823	3.52%	3.83%

In the application cycle up to the beginning of clearing (August 13th) LSBU continued to perform ahead of the sector, and our direct competitor group (which, for the purposes of the University and Colleges Admissions Service is a group of post '92 London institutions). LSBU achieved a growth in applications over the 2013 cycle of 8.93% pre-clearing.

Clearing has been steady, with less 'peak' activity at the start, but with continued activity throughout the following weeks (which continues to-date, with a slight surge in interest as the cycle ends). In addition to the 2679 students directly within the Student Number Control, we also have 106 ABB+ applicants providing a total of 2785 against our target of 2750. Not all will convert to enrolments hence we will continue to make offers over the next few weeks. The risk of over recruitment is diminished by the lack of control number in 2015 (ie it's a free market) hence numbers can not be withdrawn for over recruitment although fines would be allocated.

Firm acceptances are up 15.15% ahead of the same time last year. The majority of schools have recruited positively, but there continues to be gaps in the STEM disciplines – a last minute recruitment push has commenced from the 15th September to help increase new applications to these programmes – this promotion links directly into the clearing applicant timeline, which will close on 30 September.

Enrolment is progressing with 2,218 (80.65%) of full-time undergraduate students having commenced or finished their enrolment. 1,630 students (59.27%) have full completed their enrolment.

Table One – Comparison of total number of acceptances for UG FT against the control number

	Pre-Clearing		Clearing		Total Accepts	
	Target	Firm Accepts	Clearing Accepts	Clearing offers made	Total	Total % to Target
School of Applied Sciences	446	266	148	15	414	92.83%
School of Arts and Creative Industries	370	330	75	3	405	109.46%
School of Built Environment and Architecture	258	150	51	11	201	77.91%
School of Business	678	479	202	49	681	100.44%
School of Engineering	437	236	113	16	349	79.86%
School of Health and Social Care	71	63	4	0	67	94.37%
School of Law and Social Sciences	520	381	181	21	562	108.08%
LSBU (SNC) - Total	2,780	1,905	774	115	2,679	96.37%

Table Two – Comparison of total number of acceptances for UG FT outside the control number

	Pre-Clearing		Clearing		Total Accepts	
	Target	Firm Accepts	Clearing Accepts	Clearing offers made	Total	Total % to Target
School of Arts and Creative Industries	0	25	1	0	26	
School of Applied Sciences	0	14	8	1	22	
School of Built Environment and Architecture	0	12	2	0	14	
School of Business	71	61	9	1	70	98.59%
School of Engineering	3	17	4	1	21	700.00%
School of Health and Social Care	751	709	84	2	793	105.59%
School of Law and Social Sciences	9	19	9	1	28	311.11%
LSBU (Non-SNC) - Total	834	857	117	6	974	116.79%

UNDERGRADUATE PART-TIME

Applications for UG PT have seen a steady increase over the past 12 weeks, with an uplift at 12.32% ahead of last year. Acceptances are positive, having already achieved target at 114.82% against target (excluding HSC). This is also against an inflated target, as the Admissions Summary Report target currently includes additional programmes, such as ACCA, which are also reported through Enterprise figures.

Currently 78.99% of applicants have commenced their enrolment.

Table Three – Comparison of total number of acceptances for UG PT

	Pre-Clearing		Clearing		Total Accepts	
	Target	Firm Accepts	Clearing Accepts	Clearing offers made	Total	Total % to Target
School of Applied Sciences	7	19	6	2	25	357.14%
School of Built Environment and Architecture	312	295	73	6	368	117.95%
School of Business	119	88	12	3	100	84.03%
School of Engineering	65	50	6	1	56	86.15%
School of Law and Social Sciences	30	54	9	0	63	210.00%
LSBU (PT-UG) - Total (excluding HSC)	533	506	106	12	612	114.82%

POSTGRADUATE FULL-TIME

Applications for PG FT are marginally ahead of last year at 3.05% up year on year. Acceptances are however marginally down on last year, but at 103.27% against target (please note that the target listed in the Admissions Summary includes some franchise programmes i.e. the target for UELS is 17, not 100). This excludes HSC and Education programmes.

Currently 58.98% of applicants have commenced their enrolment.

Table Four – Comparison of total number of acceptances for PG FT

	Pre-Clearing		Clearing		Total Accepts	
	Target	Firm Accepts	Clearing Accepts	Clearing offers made	Total	Total % to Target
School of Applied Sciences	63	38	4	1	42	66.67%
School of Arts and Creative Industries	22	6	0	0	6	27.27%
School of Built Environment and Architecture	112	128	12	1	140	125.00%
School of Business	84	127	10	4	137	163.10%
School of Engineering	28	60	3	0	63	225.00%
School of Law and Social Sciences	181	115	3	1	118	65.19%
LSBU (FT-PG) – Total (excluding HSC)	490	474	32	7	506	103.27%

POSTGRADUATE PART-TIME

Applications for PG PT are progressing well with an increase of 7.66% up year on year. Acceptances are also up, but only marginally year on year, with currently stand at 93.14% against target. This excludes HSC programmes.

Currently 66.25% of applicants have commenced their enrolment.

Table Four – Comparison of total number of acceptances for PG PT

	Pre-Clearing		Clearing		Total Accepts	
	Target	Firm Accepts	Clearing Accepts	Clearing offers made	Total	Total % to Target
School of Applied Sciences	43	42	2	2	44	102.33%
School of Built Environment and Architecture	211	207	23	5	230	109.00%
School of Business	147	107	12	0	119	80.95%
School of Engineering	17	21	2	0	23	135.29%
School of Law and Social Sciences	136	84	16	1	100	73.53%
LSBU (PT-PG) – Total (excluding HSC)	554	461	55	8	516	93.14%

Conclusion - overall position:

LSBU has maintained a steady application rate throughout the cycle and is on-track to achieve 2,750 full-time undergraduate numbers (including ABB+ applicants) as long as conversion rates from previous years are sustained this year. In some areas where full-time undergraduate applications are falling below target there are increases in part-time, postgraduate and international recruitment, which will help to off-set a drop in income from full-time students. Current figures would, then, support the view that we are likely to achieve desired income targets for student recruitment to sustain the approved budget for 2014/15. Given we introduced the threshold level of offers this would indicate a substantial increase in market share for students qualified above 120 points (A level) and 160 points BTech.

	PAPER NO: PR.29a(14)
Paper title:	International Recruitment Update (non-EU) 2014/15
Board/Committee	Policy and Resources Committee
Date of meeting:	23 September 2014
Author:	Nuria Prades, Senior International Officer (UK & non-EU Europe)
Executive/Operations sponsor:	Prof Phil Cardew, Pro Vice Chancellor (Students and Education)
Purpose:	To provide an update on International Recruitment for 2014/15

Executive Summary	
Context	International Recruitment remains a key target for growth within the 2015-20 Corporate Strategy and the 16-20 Project. This report indicates that some progress has been made in year-on-year applications, which are meeting targets within the Budget set for 2014/15. This will be further augmented when the International Strategy is fully developed upon Prof Paul Ivey taking up his post, later in the year.
Question	Is international recruitment on target?
Conclusion & Recommendation	The Committee is asked to note that: 1. The recruitment target set within the budget for 2014/15 is on target to be met. 2. The University's refusal rate for Certificate of Acceptance to Study currently stands at 3%, well within the limit of 10% set by UK Visas and Immigration. This may rise, slightly, due to refusals of visa extensions for continuing students (but will remain lower than 5%).

Matter previously considered by:	Operations Group	On: 16 September 2014
Further approval required?	No	N/A

Context:

International Students are recruited directly, and through agents and collaborative partnerships (some of which include articulation between courses or levels of study). This report concentrates on direct (and agent) recruitment onto full-time undergraduate and postgraduate courses for September 2014. There is an additional point of entry for January 2015.

Whilst the majority of students require a Certificate of Acceptance to Study (CAS) before joining the University, there are a number who do not. Of these, some are already resident in the UK, on other visa schemes and others are the result of some oddities of nationality and passport control (some Brazilian students, for example, hold Portuguese passports but are not counted as EU citizens and so still have to pay international fees).

The 2014/15 target for international recruitment is 587 for Semester 1 entry. This report concentrates on students joining programmes on campus in London.

Semester 1 2014 Entry: Summary figures

	Sept 2013	Sept 2014	% change
Applications	5,448	6,915	27
Offers	2,196	2,671	22
Acceptances	1,179	1,412	20
Firm accepts	803	1,051	31
CAS issued	347	560	61
Study Abroad	21	56	62

In 2014/15, international recruitment has benefitted from being part of the Science without Borders scheme, recruiting UG Brazilian students. LSBU has been allocated 69 students for its first year of participation. The relationship with the Cambridge Education Group (CEG) has transformed during 2013/14, mainly due to staffing changes at CEG, which will see the number of students progressing onto LSBU programmes increase from 32 to over 70. Programmes which have had targeted academic involvement during the recruitment process have also seen success in 2014/15. An example of this is the MSc International Marketing suite which has had 42 CAS issued to date, in comparison to 9 (to date) in 2013. Study abroad continues to grow, from 25 Semester 1 students in 2013 to 56 in 2014.

The International Recruitment Team have been focussing on conversion activities, both face-to-face, in country, and through increased social media activities. This has proved highly popular and will be assessed at the end of the cycle for its impact on conversion numbers. Clearing has seen the International Office receive 133

London South Bank University

applications, of which 25 have been unconditionally accepted. We are awaiting funds to mature for visa purposes for the rest of the students whom offers have been made to. Conversion of current undergraduate students to postgraduate courses has increased, aiding the growth in MBA applications in particular.

There have been decreases in some postgraduate areas, particularly in Engineering. The beginning of the cycle was affected as direct applicants were reluctant to apply for new course titles, as the courses were not fully approved. This should not have a long-term impact.

There have only been two days of international enrolment so far, so it is difficult to take concrete messages from figures at this stage. However, early signs are positive showing increases of 61% on the same date last year. It would be prudent to expect that this level of increase will not be sustained as the enrolment cycle continues.

APPLICATION SUMMARY – INTERNATIONAL

Level	Target	Firm Acceptance (2014)	Firm Acceptance (2013)	%change	Conditional Acceptance (2014)	Conditional Acceptance (2013)
Applied Science	22	33	33	0	7	11
UNDERGRADUATE	13	18	17	6	1	0
POSTGRADUATE	9	15	16	-6	6	11
Arts and Creative Industries	54	80	49	63	5	3
UNDERGRADUATE	39	70	36	94	0	1
POSTGRADUATE	15	10	13	-23	5	2
Built Environment and Arch.	64	136	82	66	34	33
UNDERGRADUATE	41	79	31	155	3	1
POSTGRADUATE	23	57	51	12	31	32
Business	189	346	254	36	127	136
UNDERGRADUATE	80	74	78	-5	6	3
POSTGRADUATE	109	272	176	55	121	133
Engineering	101	185	198	-7	79	96
UNDERGRADUATE	57	117	90	30	6	8
POSTGRADUATE	44	68	108	-37	73	88
Health and Social Care	61	54	26	108	25	5
UNDERGRADUATE	47	10	5	100	0	0
POSTGRADUATE	14	44	21	110	25	5
Law and Social Science	101	217	161	35	84	92
UNDERGRADUATE	12	25	17	47	2	2
POSTGRADUATE	84	192	144	33	82	90
LSBU - Total	587	1,051	803	31	361	376
UNDERGRADUATE	289	393	274	43	17	15
POSTGRADUATE	298	658	529	24	354	361

Enrolment Summary (to report date)

Please note that international students have only been enrolling for two days for the purposes of this data.

Academic year	Fully Enrolled	Enrolled with conditions	Total (to date)
13/14	148	48	196
14/15	272	44	316

LSBU has seen a 61% increase in enrolments over the first two days, but this must be viewed in the context that there is still a month to go to enrol and this level of increase is unlikely to hold across this period.

Certificate of Acceptance of Studies (CAS) REPORT TO DATE

CAS issued for new students (not continuing):

Academic session	CAS issued	LSBU programmes	Cambridge Education Group (CEG) Foundationcampus programmes	Visa refusals
Sept 13	412	347	65	Data not available
Sept 14	654	560	94	22 (3%)

- Students studying on a Foundation year at CEG come under the LSBU Tier 4 licence with the Home Office and as such count towards our refusal rates.
- When continuing student visa extensions are included the refusal rate is currently between 3-5%.
- The total number of CAS issued for Semester 1 2013 was 389. As such this total has already been exceeded with one month to go.
- Not all enrolled new students will need a CAS. Some may have other valid visa status in the UK. In previous years around one third of new international students did not require sponsorship.

Conclusion

Recruitment for 2014 is meeting expected targets and may be on course to slightly exceed expectations. The system of admissions continues to be rigorous, and to maintain the expectations of the UK Visa and Immigration Service, with refusal rates for Certificate of Acceptance to Study remaining well within required limits.

	PAPER NO: PR.30(14)
Paper title:	Management Accounts (July)
Board/Committee	Policy and Resources Committee
Date of meeting:	23 September 2014
Author:	Ralph Sanders, Director of Planning, Information & Reporting
Executive sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	To brief the committee on the 13/14 Financial result

Executive Summary	
Context	Financial Sustainability
Question	What was the Financial outcome of 13/14?
Conclusion & Recommendation	<p>The full year forecast as of July 2014 is trending towards a contribution of £3.1M. This is an improvement of £1.5M on the previous month and would leave the University £0.6M ahead of budget and 24% ahead of the forecast we communicated to HEFCE in December 2013.</p> <p>The committee is requested to note the report.</p>

Matter previously considered by:	Operations	On: 16 September 2014
Further approval required?	Board (summary)	On: 9 October 2014

Executive Summary

The full year forecast as of July 2014 is trending towards a contribution of £3.1M. This is an improvement of £1.5M on the previous month and would leave the University £0.6M ahead of budget and 24% ahead of the forecast we communicated to HEFCE in December 2013.

There were 27 distinct areas within the University and 15 of them delivered on Budget. ESBE, AHS and the Business School delivered ahead of Budget, Estates

London South Bank University

delivered the required additional contribution against Budget of £500K and Student Services delivered ahead of budget even after funding the Winter Internship programme and a significant increase in disability related expenses.

FUNI, HSC and the Bakery School missed their budget targets following the reduction in HEFCE grant, The Company Secretary's area missed its target due to unexpected IBM legal costs, Enterprise missed its target although Enterprise income grew as a whole for the University, ICT missed its target as a result of investing for the IBM programme and remains a key concern for 14/15, the Academy of Sport missed its target due to a delay in its expansion plans and the Executive Office missed its target due to the costs of the Change Programme.

July 2014 Summary

1) This Executive Summary reports on the Financial position of London South Bank University as at 31 July 2014 and summarises the changes since the June Forecast

FYF < 5%	
FYF > 5% < 10%	
FYF > 10%	

2) RAG Status

YTD Income	-2.6%	YTD Staff	-2.5%	YTD Opex	2.1%	FYF Income	-2.1%	FYF Staff %	55.8%	FYF Opex	3.8%	FYF Contribution	24.2%
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3) Summary

The full year forecast as of July 2014 is trending towards a contribution of £3.1M. This is an improvement of £1.5M on the previous month and would leave the University £0.6M ahead of budget and 24% ahead of the forecast we communicated to HEFCE in December 2013. In terms of the RAG status, our income is 2.6% lower than 12/13, a reduction of £3.6m. Our staff costs are £2M lower than in 12/13 although £0.7M of this is due to Catering Staff being reclassified as Opex following the change in catering provider, giving us a net reduction of £1.3M and keeping us with our 55% target. Operating expenses are 2.1% higher than in 12/13 although as above £0.7M of this is due to staff movement. AHS, BUS & ESBE have delivered on budget although HSC and Enterprise have fallen short

4) Table 1: Full Year Forecast vs. Budget

Financial Summary in £'m				June 13 / 14 FYF	Monthly Move	July 13 / 14 FYF	variance to Budget	variance to Budget %	12 / 13 YTD	13 / 14 YTD	Variance to 12/13	Variance %
	12 / 13 Actual	13/14 Budget	Change %									
Funding Council Grant	34.7	26.9	-22.6%	26.0	-0.2	25.8	-1.1	-3.9%	34.7	25.8	-8.9	-25.7%
Academic Fees & Support Grants	84.8	93.3	10.1%	90.2	0.1	90.3	-3.1	-3.3%	84.8	90.3	5.5	6.4%
Research Grants & Contracts	3.3	2.3	-30.3%	2.3	-0.0	2.3	-0.0	-0.6%	3.3	2.3	-1.0	-30.7%
Other Operating	15.0	14.7	-2.4%	15.5	0.6	16.1	1.4	9.6%	15.0	16.1	1.1	7.0%
Endowments & Interest	0.6	0.5	-12.6%	0.4	-0.0	0.3	-0.2	-33.1%	0.6	0.3	-0.2	-41.6%
Income	138.4	137.6	-0.5%	134.4	0.4	134.8	-2.9	-2.1%	138.4	134.8	-3.6	-2.6%
in £'m												
Staff Costs	77.1	77.3	0.3%	74.1	1.1	75.2	-2.2	-2.8%	77.1	75.2	-2.0	-2.5%
Depreciation	7.9	8.7	10.2%	8.6	-0.1	8.5	-0.2	-2.5%	7.9	8.5	0.6	7.4%
Operating Expenses	43.9	42.7	-2.9%	43.7	0.6	44.3	1.6	3.8%	43.4	44.3	0.9	2.1%
Interest Payable	3.4	4.8	39.2%	4.7	-1.0	3.8	-1.0	-21.0%	3.4	3.8	0.3	10.0%
Exceptional Items	0.0	1.7	0.0%	1.7	-1.7	0.0	-1.7	-100.0%	0.5	0.0	-0.5	
Expenditure	132.3	135.2	2.1%	132.8	-1.1	131.7	-3.5	-2.6%	132.3	131.7	-0.7	-0.5%
Surplus for the year	6.1	2.5	-58.8%	1.6	1.5	3.1	0.6	24.2%				
Surplus as % of income	4.4%	1.8%		1.2%		2.3%			100.0%	100.0%		YTD Staff Cost %
Surplus per student FTE	£426.6	£177.8		£114.4		£220.9			98.8%	100.0%		YTD OPEX Cost %
Staff cost as % of income	55.7%	56.2%		55.1%		55.8%			100.0%	100.0%		Total YTD cost %

5) Forecast Summary

The key change in our forecast is due to significant movements within AHS, Student Support and Registry following a review of operating expenses. HSC, Enterprise and Estates also released additional income. In terms of provisions and contingencies, we released £0.4M of the FRS 17 provision and our £0.5M Opex contingency. This was slightly offset by the increase of £0.4M of bad debt provision following a review of our student debt.

6) Income Summary

2013/14 income was 2.6% down for the year and 2.1% short of budget. In terms of year on year reductions, as per page 8, there was a significant reduction in HEFCE grant following the move to the new Fee regime, this was compounded by a further reduction during the year as a result of a change in the scaling factor due to pressures on HEFCE's budget. This was slightly offset by significant improvements in both Home and EU UG and PG income. Overseas income fell by 4%, there was an 8.6% decline year on year in NHS contract income and a £1M drop in Research grant and Contract income. Income growth remains a key aspiration for the University.

July 2014 Summary

7) Expenditure Summary

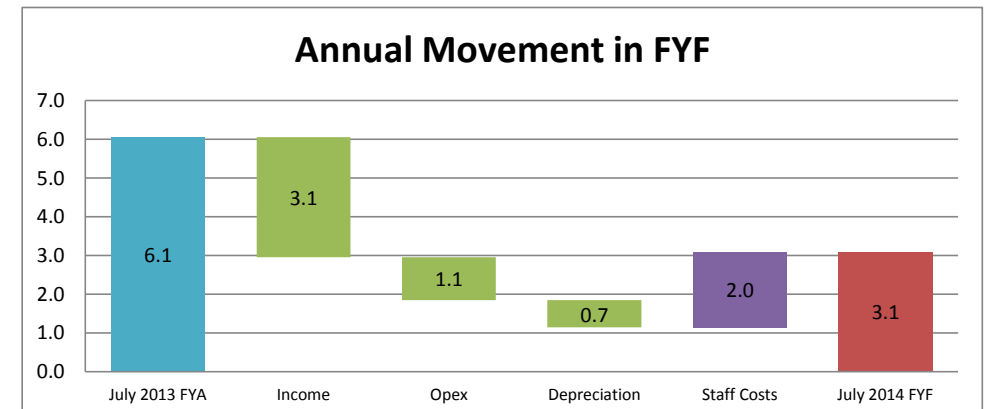
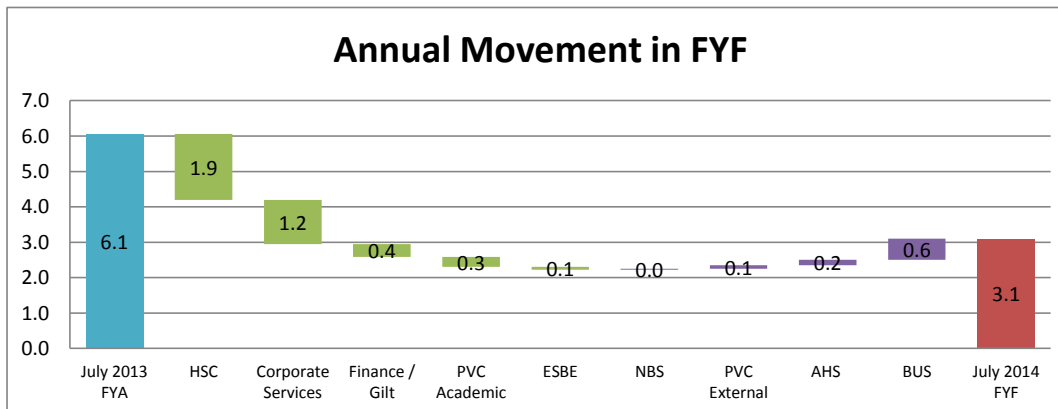
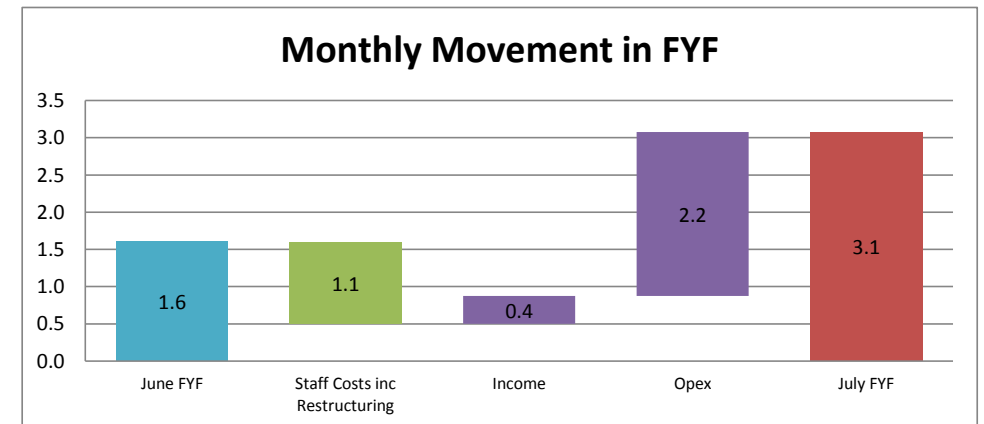
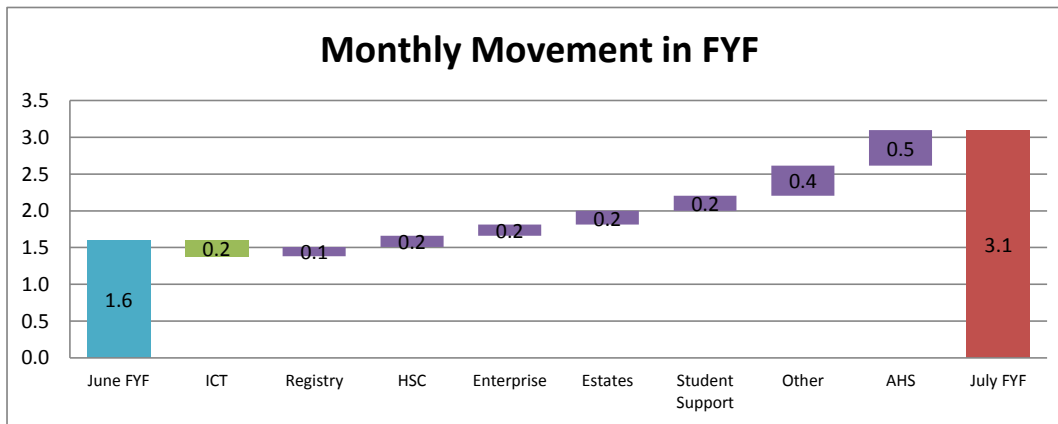
In terms of expenditure, Staff costs are £2M lower than in 12/13 and £2.2M lower than budget. £0.3M of this is due to a reduction in FRS 17 Provision, £0.2M is due to a reduction in restructuring costs both of which are held within FUNI and £0.7M is due to catering staff being reclassified as Opex, however as per page 16 there have been significant reductions in staff within HSC, BUS and AHS as the University transitions itself for new areas of student demand. These Academic reductions have been offset by increases in support staff and this will be an area of increased focus within 2014/15. In terms of Operating expenses there have been significant reductions in year on year expenditure as per page 17 in Financial costs, Bursaries and Student Recruitment costs. The reduction in Financial cost is due to the year on year reduction in the provision required for bad debt and the exceptional finance costs associated with separating the Student Union in 12/13. The reduction in Bursary costs is due to the reduction of SLC Bursary costs for Old Fee regime students. The reduction in Student Recruitment costs is due to a decrease in payments to Franchise partners which has been slightly offset by an increase in payment to Overseas Agents. There have been significant year on year increases in Estates and Computing costs as the University invests in its infrastructure although year on year investments in our Residences have slipped significantly. The increase in Other costs is due primarily to increased volume following the change in catering provider. Growth in operating expenses will have to be closely managed in 14/15

8) Risks and Contingencies

The Full Year Forecast still contains a number of risks but these will be realised in 14/15. The key risk concerns the HEFCE grant and whether there will be clawback, and there is on-going work within Registry confirming student FTEs

9) Contribution Analysis

The Full Year Forecast Contribution is £3M behind the comparable position in 12/13. It was always anticipated that 2013/14 would be more challenging given on-going financial uncertainty, pressure on student numbers and the continued reductions in government funding. As expected, recruitment proved challenging and LSBU fell marginally short of initial recruitment targets. This has been managed through effective cost control and the final surplus of £3.1M is higher than the original agreed budget surplus of £2.5M. Furthermore, the £3.1M is after accounting for unbudgeted revenue costs of £1M+ associated both with changed organisation structures and the Edison project.



July 2014 Summary

Contribution Per Student and per Faculty Staff

	AHS		BUS		ESBE		HSC		Total Faculty	
	12 / 13 Actual	Jun 13 / 14 FYF	12 / 13 Actual	Jun 13 / 14 FYF	12 / 13 Actual	Jun 13 / 14 FYF	12 / 13 Actual	Jun 13 / 14 FYF	12 / 13 Actual	Jun 13 / 14 FYF
Income (£M)	28.2	27.1	21.5	21.2	35.3	35.0	35.6	32.9	120.5	116.1
Expenditure (£M)	15.8	14.5	13.5	12.6	22.7	22.5	21.6	20.8	73.6	70.3
Contribution (£M)	12.4	12.6	8.0	8.6	12.5	12.5	14.0	12.1	46.9	45.8
Contribution %	44%	46%	37%	41%	36%	36%	39%	37%	39%	39%
Student FTE	3,764	3,362	3,169	2,839	3,664	3,601	3,599	4,220	14,196	14,022
Contribution per FTE	£3,299	£3,740	£2,537	£3,041	£3,417	£3,462	£3,880	£2,868	£3,307	£3,265
Staff FTE	181	175	156	154	233	233	282	268	851	831
Contribution per Staff FTE	£68,656	£71,855	£51,663	£56,094	£53,647	£53,404	£49,582	£45,080	£55,128	£55,099

Change
-4.4
-3.2
-1.2

Total faculty income from continuing operations dropped by £4.4M as compared to 2012 / 13, the release by AHS of £0.6M from the balance sheet and £0.3M CEG income relating to previous years means that the net reduction is £5.3M. Faculty expenses fell by £3.2M compared to 12/13, £1.0M of this fall is due to decreased Bursary payments as the University transitions from the old fee regime to the new regime and the replacement of Bursaries with Fee Waivers. The net result is that faculty expenses have decreased by £2.2M year on year. In terms of profitability, AHS remained the most profitable faculty when measured in terms of return on income and contribution per student and it has improved these figures year on year. BUS has performed a significant turnaround with a year on year contribution improvement of £0.6M. If we discount for Space Charge then as per page 14 ESBE remained the largest absolute contributor to the University and was broadly flat year on year.

Student FTEs have been taken from the a HESES recreation as of July 31 which shows a net growth of 220 FTE following second semester enrolment and continuing students completing. The biggest fall in student FTEs year on year are from AHS and BUS, whereas HSC would appear to have grown. The growth in HSC numbers would appear to be inflated due to modular enrolment. Student FTEs have declined during the year as students drop out and the chart on Page 6 shows the final withdrawal rate. We have currently withdrawn 1,092 students representing 773 FTE (or 5.2%) from all courses for intake 13/14. This stands at £3.0M of "lost income" being the difference between the full fee and the final charge. This is 5.6% of the number of students which is a deterioration based on previous performance. In terms of Year 1 Full Time Undergraduate students, we have lost 354 students including both OS and Home/EU. This represents 9.7% of this cohort.

Withdrawal Analysis

Academic year	Total Students	Total Withdrawals	% of Total Student bodies	Comparable at 30/06	
10/11	23,062	1,600	6.9%	1,487	6.4%
11/12	21,127	1,189	5.6%	1,059	5.0%
12/13	19,262	1,020	5.3%	973	5.1%
13/14	19,641	1,092	5.6%	1,092	5.6%

New Year 1 Full Time Undergraduate Withdrawal Analysis

	New FT Year 1 UG Students	Withdrawals	% of New UG FT
AHS	1,055	99	9.4%
BUS	728	90	12.4%
ESBE	915	87	9.5%
HSC	937	76	8.1%
LSBU	3,638	354	9.7%

10 Budget Analysis

As per page 11 there were 27 distinct areas within the University and 15 of them delivered on Budget. AHS and the Business School delivered ahead of Budget and improved their year on year contribution for the year, Estates delivered the required additional contribution against Budget of £500K although its actual costs grew. This area will be a focus in 14/15 as we launch our Estates Strategy. Student Services delivered ahead of budget even after funding the Winter Internship programme and a significant increase in disability related expenses. FUNI, HSC and the Bakery School missed their budget targets following the reduction in HEFCE grant, The Company Secretary's area missed its target due to unexpected IBM legal costs, Enterprise missed its target although Enterprise income grew as a whole for the University, ICT missed its target as a result of investing for the IBM programme and remains a key concern for 14/15, the Academy of Sport missed its target due to a delay in its expansion plans and the Executive Office missed its target due to the costs of the Change Programme.

13 Capital Expenditure Analysis

In terms of Capital Expenditure, the University invested £1.1M in July taking our total for the year to date to £10.7M. . The IBM project is the largest risk in terms of capital expenditure.

SMT Area: All

Cost Centre: All

REF MANSUM

Full Year Outturn Last Year (£)	Description	Note	YEAR TO DATE				Note	Variance Actuals to Last Year	
			2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£) %			(£)	%
(138,388,359)	Total Income		(134,753,977)	(137,646,818)	(2,892,841)	(2%)	(3,634,382)	(3%)	
77,115,681	Total Staff Costs		75,156,771	77,323,585	2,166,814	3%	1,958,910	3%	
7,870,225	Total Depreciation		8,453,650	8,670,254	216,603	2%	(583,425)	(7%)	
43,378,991	Total Other Operating Expenses		44,270,006	42,657,879	(1,612,127)	(4%)	(891,015)	(2%)	
3,433,426	Total Interest Payable		3,775,416	4,780,332	1,004,916	21%	(341,990)	(10%)	
533,560	Total Exceptional Items			1,720,979	1,720,979	100%	533,560	100%	
	Total Internal Allocations			-	()				
-6,056,476	Contribution		-3,098,134	-2,493,789	604,345	24%	(2,958,342)	(49%)	
55.7%	Staff costs as % of income		55.8%	56.2%					
4.4%	Contribution %		2.3%	1.8%					

July 31 QLS Student FTEs

LSBU London South Bank University

Total FTEs 14,011

YTD Withdrawn / Interrupt including 773 334 5.2% of Total Enrolled FTE 9.4% Year 1 New FT UG

Undergraduate Profile

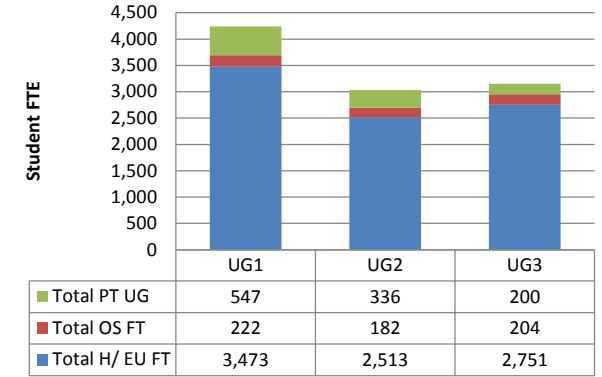
Full Time

	UG1	UG2	UG3
Home / EU			
New	3,024	192	120
Continuing	449	2,321	2,631
Total H/ EU FT	3,473	2,513	2,751
Overseas			
New	209	68	8
Continuing	13	114	196
Total OS FT	222	182	204
Total FT UG	3,695	2,695	2,955

Part Time

	UG1	UG2	UG3	UG4	UG5
Home / EU					
New	396	11	2	1	0
Continuing	131	279	191	19	24
Total	527	290	193	19	24
Overseas					
New	7	0	0	0	0
Continuing	12	46	6	2	4
Total	20	46	6	2	4
Total PT UG	547	336	200	22	28

LSBU, Undergraduate Profile



Postgraduate Profile

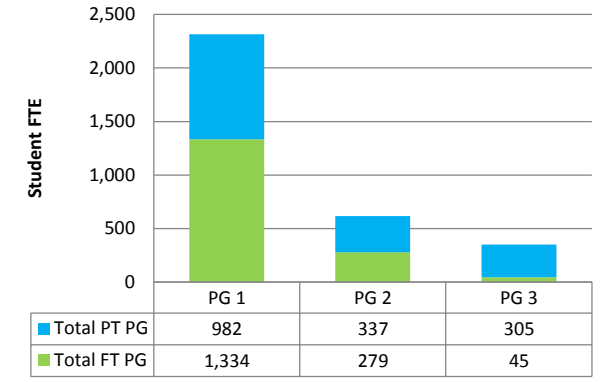
Full Time

	PG 1	PG 2	PG 3
Home / EU			
New	730	0	0
Continuing	155	203	26
Total	885	203	26
Overseas			
New	316	0	0
Continuing	133	76	19
Total Overseas	449	76	19
Total FT PG	1,334	279	45

Part Time

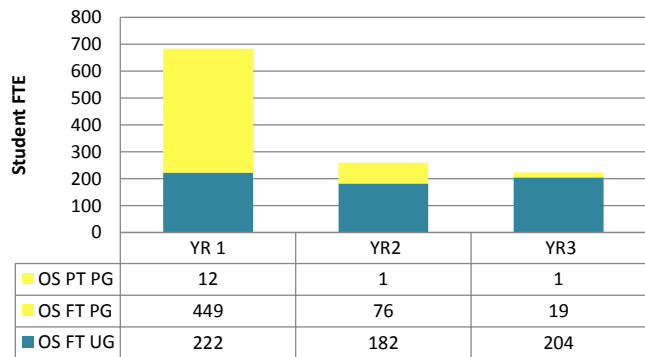
	PG 1	PG 2	PG 3	PG 4	PG 5
Home / EU					
New	660	24	53	9	0
Continuing	309	312	251	191	53
Total	969	336	304	199	53
Overseas					
New	7	1	0	0	0
Continuing	6	0	1	1	0
Total	12	1	1	1	0
Total PT PG	982	337	305	200	53

LSBU, Postgraduate Profile

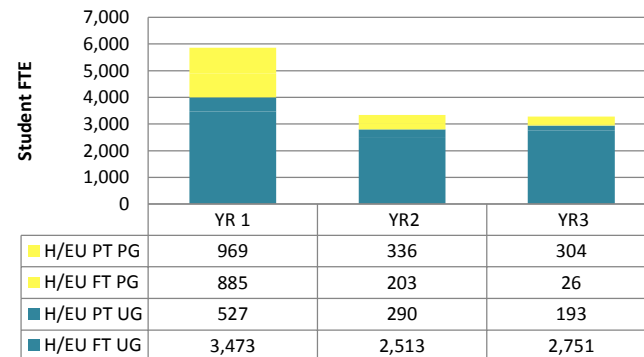


Change Since HESES 13 220

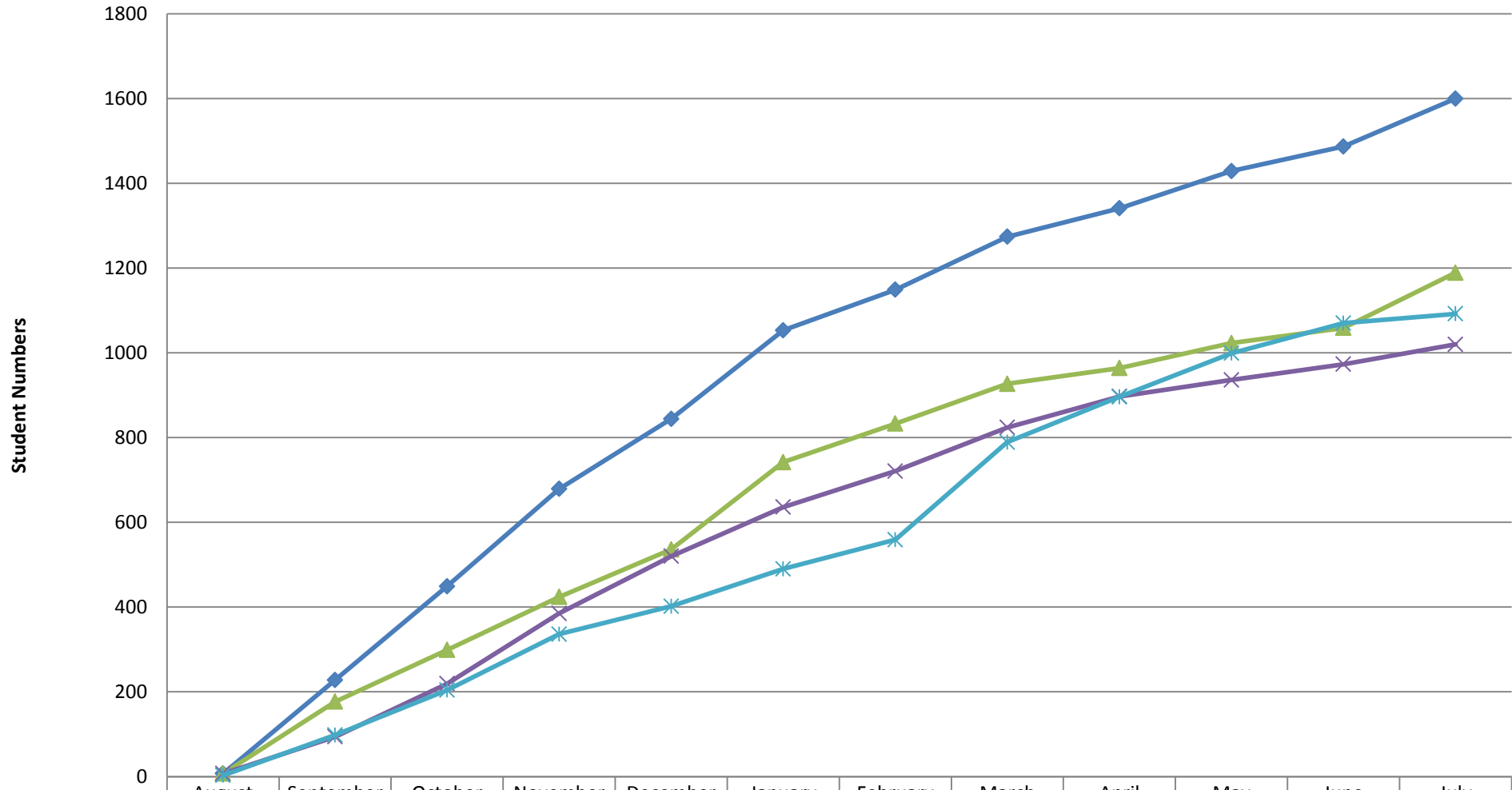
LSBU, Overseas Profile



LSBU, Home/EU Profile



Cumulative Withdrawals and Interruption 13/14



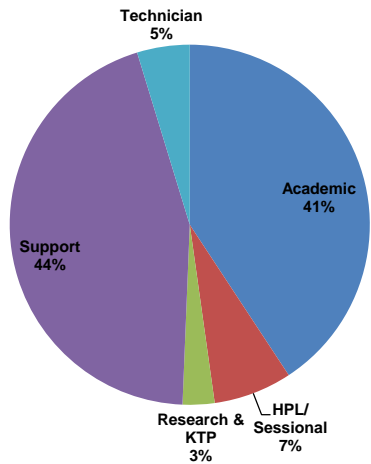
	August	September	October	November	December	January	February	March	April	May	June	July
◆ 2010/2011	7	228	449	679	844	1053	1149	1274	1341	1429	1487	1600
▲ 2011/2012	7	177	299	424	536	742	833	927	964	1023	1059	1189
✕ 2012/2013	7	94	219	385	520	636	721	824	897	936	973	1020
✱ 2013/2014	3	98	204	336	402	490	559	789	896	999	1070	1092

HR STAFF INFORMATION

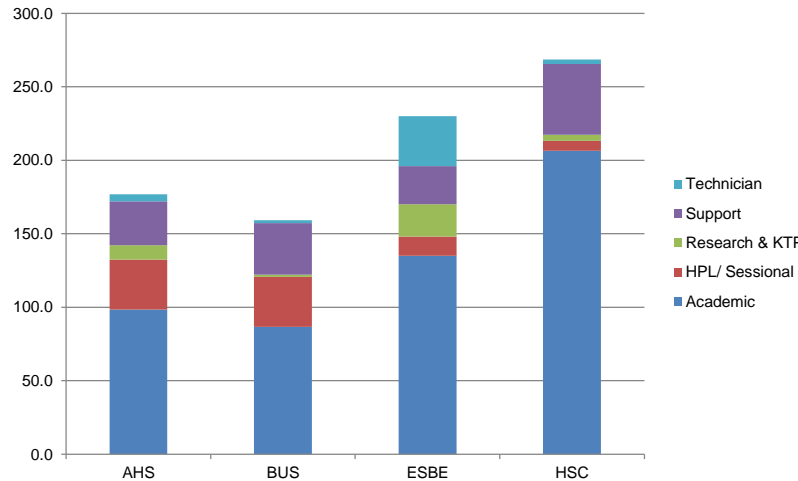
Period 12

London South Bank University	Period 12					TOTAL FTE by Staff Assignment/Contract												Prior Year	
	Academic	HPL/ Sessional	Research & KTP	Support	Technician	Jul 2014	Jun 2014	May 2014	Apr 2014	Mar 2014	Feb 2014	Jan 2014	Dec 2013	Nov 2013	Oct 2013	Sep 2013	Aug 2013	YonY Change	Jul-2013
	Academic Quality and Development Office Department				7.4		7.4	8.0	8.0	8.0	8.0	8.0	8.0	8.0	6.4	6.4	6.4	6.4	1.0
Academy of Sport				10.8		10.8	12.1	12.1	10.1	11.1	21.1	20.1	17.1	18.1	17.5	15.1	15.1	4.3	15.1
Central Research Support Department				4.4		4.4	4.8	4.8	4.4	4.4	4.2	4.2	4.2	4.2	4.2	4.2	4.2	0.2	4.2
Confucius Institute Department				1.0		1.0	1.0	2.0	2.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	3.0
Development Office Department				8.0		8.0	8.0	8.0	8.0	7.0	8.0	7.0	7.0	8.0	8.0	8.0	8.0	-	8.0
Estates and Facilities				57.4		57.4	55.4	59.4	59.4	54.7	49.9	47.9	48.9	48.9	48.9	49.0	49.0	8.4	49.0
AHS	98.3	34.2	9.7	29.9	4.7	176.8	183.3	180.7	174.8	175.0	174.5	171.2	168.8	169.5	172.6	176.4	176.4	0.1	176.9
BUS	86.7	33.9	1.6	35.0	2.0	159.2	159.8	150.4	151.6	151.2	151.1	155.4	152.2	154.1	156.3	152.9	152.9	7.4	151.9
ESBE	135.1	13.0	22.0	25.8	34.0	229.9	228.9	230.8	232.9	244.2	246.6	243.5	231.3	234.7	229.0	224.7	224.7	6.0	223.9
HSC	206.5	6.8	4.0	48.3	3.0	268.6	272.3	269.0	266.3	268.3	262.8	261.0	257.3	261.1	266.3	284.4	284.4	15.9	284.5
Finance				52.9		52.9	51.9	51.9	53.9	53.9	55.9	54.9	52.9	52.9	53.7	60.3	60.3	1.6	51.3
Human Resources		0.2		26.4		26.6	25.9	28.3	29.1	26.1	26.0	26.0	24.0	22.0	24.0	25.3	25.3	1.3	25.3
Information Communication Technology				49.2	18.0	67.2	66.8	63.8	61.8	64.8	63.8	63.8	62.4	62.4	63.4	65.4	65.4	2.8	64.4
International Office Department				16.0		16.0	15.0	14.0	14.0	14.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	2.0	14.0
Library & Learning Resources				69.7		69.7	70.5	68.4	66.4	68.4	70.2	70.2	70.2	70.2	70.2	71.9	71.9	2.2	71.9
Marketing and UK Recruitment				50.3		50.3	47.8	41.8	44.8	44.8	44.8	43.8	47.8	47.8	47.8	47.0	47.0	2.3	48.0
Registry				32.2		32.2	32.7	34.7	33.7	31.7	31.7	33.7	33.7	33.7	31.7	30.7	30.7	1.5	30.7
Residential and Catering Services				0.0		0.0	0.0	1.0	1.0	8.6	14.4	17.0	17.0	18.0	19.0	36.7	36.7	40.1	40.1
Student Services	1.0	3.2		35.8		40.0	39.9	41.0	40.0	40.0	42.0	41.4	34.4	32.1	31.0	27.5	27.5	13.5	26.5
University Enterprise		0.7		3.6		4.3	6.3	4.1	3.4	3.4	4.4	4.4	2.4	3.4	3.4	3.6	3.6	0.7	3.6
University Executive Department	3.0			10.0		13.0	10.0	9.0	7.0	7.0	7.0	7.0	7.0	8.0	9.0	8.0	8.0	5.0	8.0
University Secretary's Office Department				6.5		6.5	6.5	4.5	4.5	4.5	5.5	5.5	5.5	6.0	6.0	6.0	6.0	0.5	6.0
Academic Staff Development Unit Department	1.0	0.0		2.0		3.0	3.6	4.3	3.0	3.0	3.0	3.0	3.0	3.0	4.0	3.0	3.0	0.0	3.0
TOTAL LSBU STAFF FTE FOR ALL ABOVE:	531.7	92.0	37.3	582.5	61.7	1,305.3	1,310.5	1,292.1	1,280.0	1,298.2	1,311.8	1,305.0	1271.1	1280.4	1288.3	1322.4	1,322.3	-10.3	1,315.6
YTD staff costs	35.1	3.8	2.4	27.6	2.8														
YTD staff costs																			
Annualised YTD staff costs in £m	35.1	3.8	2.4	27.6	2.8	71.7													
Average staff cost in £	£ 66,084	£ 40,890	£ 64,264	£ 47,336	£ 45,218	£54,902													
Data Source HR Establishment Reports																			

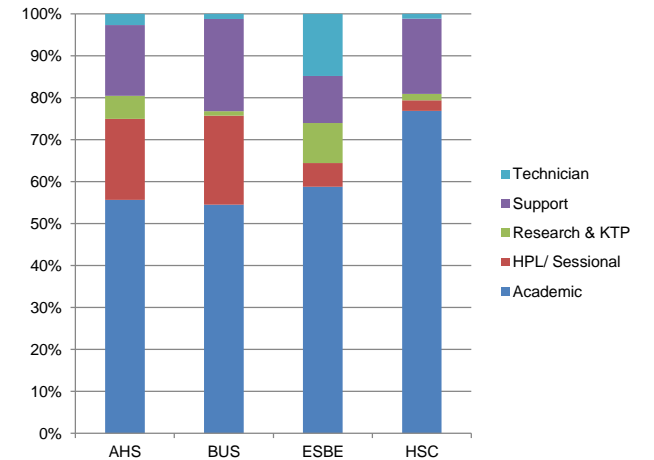
TOTAL LSBU STAFF FTE



Staff FTEs by Faculty



Staff FTEs by Faculty -%



Full Year Outturn Last Year (£)	Description	Note	YEAR TO DATE				Note	Variance Actuals to Last Year	
			2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£) %			(£)	%
(34,738,016)	Funding Grants		(25,824,679)	(26,886,577)	(1,061,898) (4%)		(8,913,337)	(26%)	
(27,525,984)	Health - Contract		(25,156,983)	(25,779,068)	(622,085) (2%)		(2,369,002)	(9%)	
(37,037,161)	Fees - Home & EU UG		(43,998,610)	(45,270,793)	(1,272,183) (3%)		6,961,448	19%	
(7,249,948)	Fees - Home & EU PG		(7,762,676)	(8,858,594)	(1,095,918) (12%)		512,728	7%	
(4,159,453)	Other Fees		(4,827,803)	(4,026,127)	801,676 20%		668,350	16%	
(5,393,250)	Fees - Overseas Fees UG		(5,140,888)	(5,621,731)	(480,843) (9%)		(252,362)	(5%)	
(3,435,348)	Fees - Overseas Fees PG		(3,376,815)	(3,768,550)	(391,735) (10%)		(58,532)	(2%)	
(3,254,843)	Research Grants & Contracts		(2,255,508)	(2,268,442)	(12,934) (1%)		(999,335)	(31%)	
(9,005,016)	Other - Student Related Income		(9,923,487)	(10,181,800)	(258,313) (3%)		918,472	10%	
(6,022,684)	Other - Operating Income		(6,155,514)	(4,490,136)	1,665,378 37%		132,830	2%	
(566,656)	Endowment Income & Interest Receivable		(331,015)	(495,000)	(163,985) (33%)		(235,642)	(42%)	
(138,388,359)	Total Income		(134,753,977)	(137,646,818)	(2,892,841) (2%)		(3,634,382)	(3%)	
39,497,395	Academic - Permanent staff		37,535,865	39,217,951	1,682,086 4%		1,961,529	5%	
3,771,372	Academic - Temporary staff		3,762,737	3,381,180	(381,557) (11%)		8,634	%	
	Interdepartmental Delivery staff			10	10 100%				
2,753,568	Technicians staff		2,788,953	2,785,920	(3,033) (%)		(35,384)	(1%)	
27,061,354	Support - Permanent staff		26,741,766	28,764,871	2,023,105 7%		319,588	1%	
534,891	Support - Temporary staff		833,387	543,149	(290,238) (53%)		(298,495)	(56%)	
3,497,101	Third party staff		3,494,063	2,630,504	(863,559) (33%)		3,038	%	
77,115,681	Total Staff Costs		75,156,771	77,323,585	2,166,814 3%		1,958,910	3%	
7,870,225	Total Depreciation		8,453,650	8,670,254	216,603 2%		(583,425)	(7%)	
2,449,990	Staff Related		2,461,058	2,104,836	(356,222) (17%)		(11,068)	(%)	
2,217,670	Marketing and PR		2,127,819	2,213,726	85,907 4%		89,850	4%	
1,107,570	Student Recruitment		734,895	1,338,550	603,655 45%		372,675	34%	
3,714,396	Bursaries and Scholarships		2,717,681	2,133,756	(583,925) (27%)		996,715	27%	
5,879,054	Student Related		5,862,689	5,718,172	(144,517) (3%)		16,365	%	
809,800	Equipment		751,006	694,949	(56,057) (8%)		58,795	7%	
2,800,152	Computing		3,449,265	3,081,336	(367,929) (12%)		(649,113)	(23%)	
3,273,100	Utilities		3,585,043	3,510,007	(75,036) (2%)		(311,943)	(10%)	

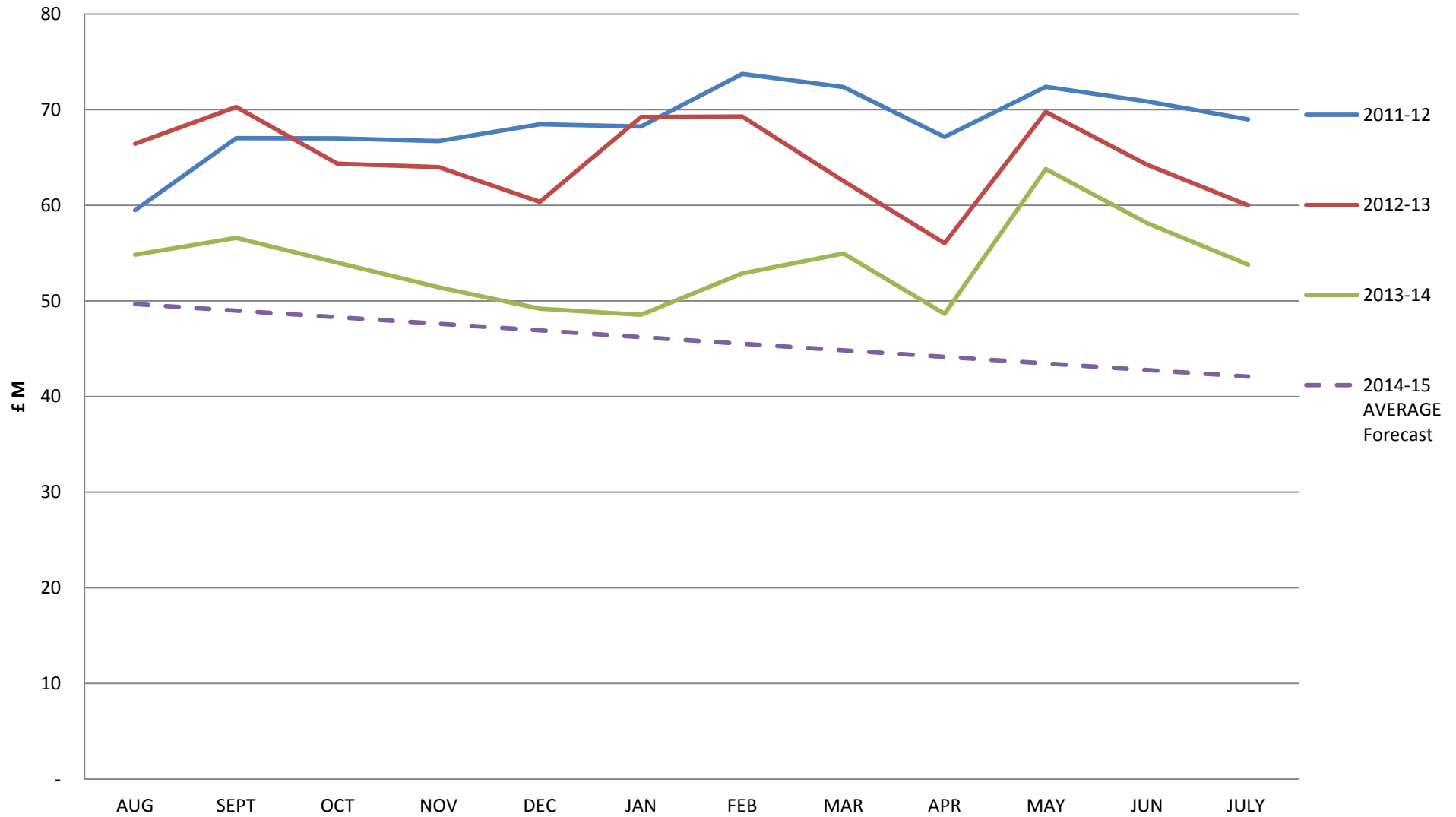
SMT Area: All

Cost Centre: All

REF MANSUM

Full Year Outturn Last Year (£)	Description	Note	YEAR TO DATE				Note	Variance Actuals to Last Year	
			2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£) %			(£)	%
7,601,733	Maintenance & Other Estate		8,295,266	7,442,436	(852,830)	(11%)	(693,533)	(9%)	
4,642,659	Cleaning & Security		4,669,033	4,453,598	(215,435)	(5%)	(26,374)	(1%)	
1,411,604	Financial		868,651	251,494	(617,157)	(245%)	542,953	38%	
819,180	Communications		632,851	705,583	72,732	10%	186,328	23%	
2,944,326	Legal & Professional		3,053,062	2,572,090	(480,972)	(19%)	(108,736)	(4%)	
635,174	Subscriptions and Membership Fees		775,692	687,130	(88,562)	(13%)	(140,519)	(22%)	
1,278,568	Photocopying and Stationery		1,347,239	1,018,630	(328,608)	(32%)	(68,670)	(5%)	
1,794,015	Other		2,937,854	4,696,884	1,759,030	37%	(1,143,839)	(64%)	
	Internal recharges		901	34,702	33,801	97%	(901)		
43,378,991	Total Other Operating Expenses		44,270,006	42,657,879	(1,612,127)	(4%)	(891,015)	(2%)	
3,433,426	Total Interest Payable		3,775,416	4,780,332	1,004,916	21%	(341,990)	(10%)	
533,560	Total Exceptional Items			1,720,979	1,720,979	100%	533,560	100%	
	Total Internal Allocations			-	()				
-6,056,476	Contribution		-3,098,134	-2,493,789	604,345	24%	(2,958,342)	(49%)	
55.7%	Staff costs as % of income		55.8%	56.2%					
4.4%	Contribution %		2.3%	1.8%					

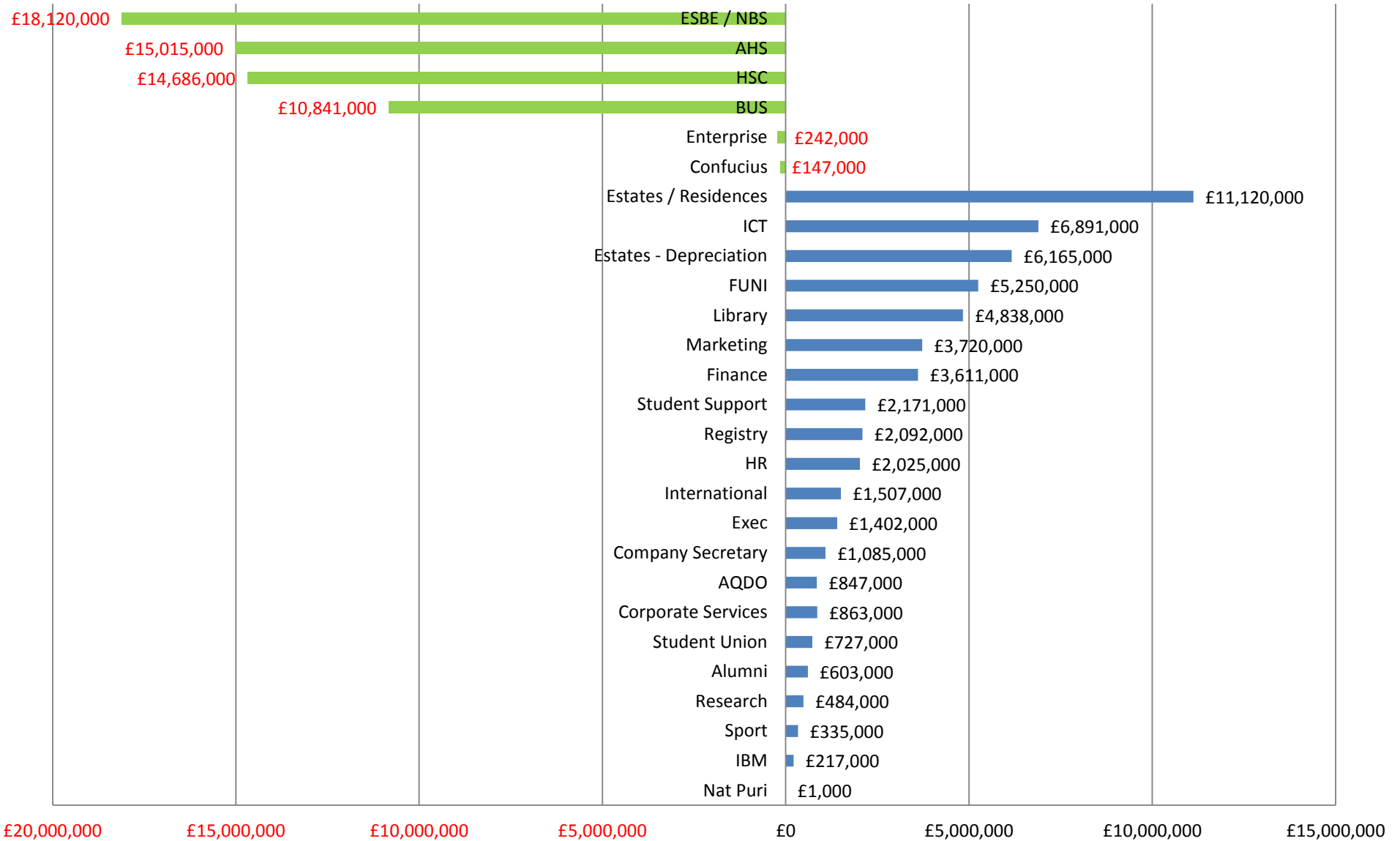
Closing cash & bank balances (£M)



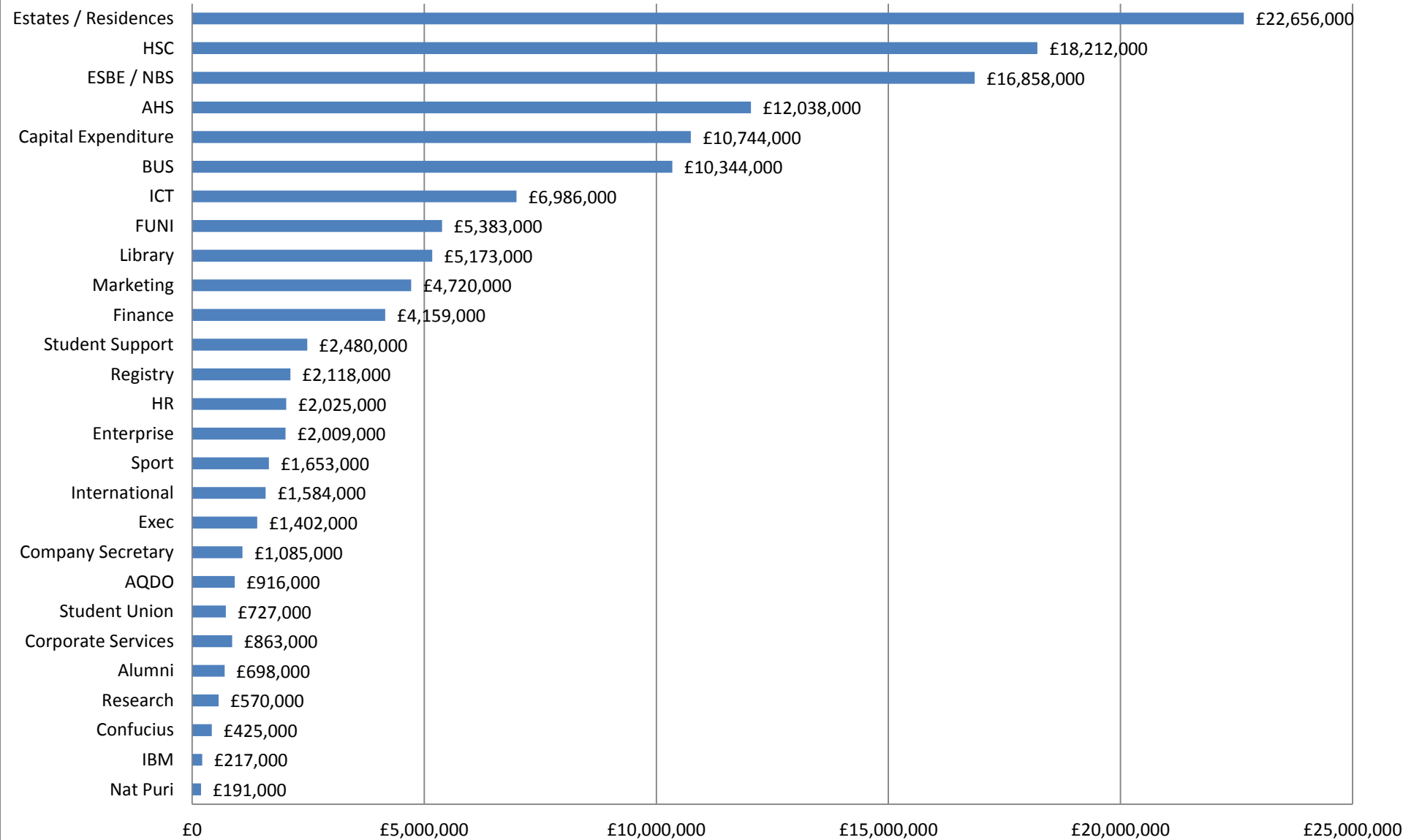
Faculty/Department	Year to date														
	INCOME			STAFF COSTS			OTHER COSTS			SPACE CHARGE			Contribution		
	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)
Company Secretary	0	0	0	486,858	483,440	-3,418	598,503	572,000	-26,503	70,104	70,104	0	1,155,465	1,125,544	-29,921
Arts & Human Sciences	-27,053,664	-27,493,237	-439,573	9,977,652	10,247,897	270,245	2,060,657	2,705,516	644,859	2,441,427	2,443,089	1,662	-12,573,928	-12,096,735	477,193
Bakery School	-993,522	-1,070,279	-76,757	335,489	435,157	99,668	197,464	105,528	-91,936	154,800	154,800	0	-305,769	-374,794	-69,025
Faculty of Business	-21,185,260	-21,837,415	-652,155	8,607,894	9,030,099	422,205	1,736,553	1,956,890	220,337	2,206,871	2,287,709	80,838	-8,633,942	-8,562,717	71,225
Confucius Institute	-572,178	-522,802	49,376	192,744	235,810	43,066	232,355	237,000	4,645	47,796	47,796	0	-99,283	-2,196	97,087
Engineering Science & the Built Environme	-33,984,840	-34,314,153	-329,313	13,287,023	13,879,051	592,028	3,038,116	2,908,166	-129,950	5,498,403	5,402,617	-95,786	-12,161,298	-12,124,319	36,979
Health & Social Care	-32,898,702	-34,066,003	-1,167,301	15,402,972	16,409,681	1,006,709	2,809,297	2,507,450	-301,847	2,583,611	2,616,685	33,074	-12,102,822	-12,532,187	-429,365
Enterprise	-2,250,580	-2,764,182	-513,602	925,231	1,205,912	280,681	1,083,573	1,186,945	103,372	121,200	121,200	0	-120,576	-250,125	-129,549
Finance	-547,997	-505,248	42,749	2,934,376	2,960,169	25,793	1,224,984	1,158,874	-66,110	217,896	217,896	0	3,829,259	3,831,691	2,432
Unallocated Infrastructure	-132,961	-927,079	-794,118	2,110,885	240,000	-1,870,885	3,271,871	5,258,596	1,986,725	0	0	0	5,249,795	4,571,517	-678,278
Human Resources	0	0	0	1,479,319	1,476,149	-3,170	545,228	590,269	45,041	172,800	172,800	0	2,197,347	2,239,218	41,871
IBM Investment programme	0	0	0	40,066	596,324	556,258	176,500	214,392	37,892	0	0	0	216,566	810,716	594,150
Information Communication Technology D	-95,428	-95,424	4	3,381,124	3,376,593	-4,531	3,605,007	3,267,111	-337,896	420,900	420,900	0	7,311,603	6,969,180	-342,423
Library and Learning	-334,595	-232,644	101,951	2,747,273	2,945,532	198,259	2,425,722	2,196,415	-229,307	2,091,504	2,091,504	0	6,929,904	7,000,807	70,903
Nat Puri Institute	-190,123	-249,996	-59,873	174,999	199,997	24,998	15,841	50,004	34,163	0	0	0	717	5	-712
Estates	-11,535,649	-11,340,264	195,385	2,700,732	2,799,011	98,279	26,119,872	26,533,040	413,168	-17,451,459	-17,471,248	-19,789	-166,504	520,539	687,043
Corporate Services	0	0	0	663,680	695,991	32,311	199,555	264,675	65,120	0	0	0	863,235	960,666	97,431
Marketing & UK Student Recruitment	-1,000,503	-844,620	155,883	2,305,441	2,343,364	37,923	2,414,940	2,228,924	-186,016	108,096	108,096	0	3,827,974	3,835,764	7,790
International Office	-76,710	-10,200	66,510	808,128	884,061	75,933	775,598	624,894	-150,704	218,304	218,304	0	1,725,320	1,717,059	-8,261
Academic Quality Development Office	-68,638	-12,000	56,638	569,447	588,564	19,117	346,250	324,683	-21,567	38,904	38,904	0	885,963	940,151	54,188
Research	-85,422	-89,004	-3,582	300,221	254,460	-45,761	269,298	290,000	20,702	13,704	13,704	0	497,801	469,160	-28,641
Development Office & Alumni Relations	-94,571	0	94,571	395,741	434,397	38,656	301,828	248,296	-53,532	30,600	30,600	0	633,598	713,293	79,695
Registry	-25,865	-12,000	13,865	1,791,018	1,763,233	-27,785	326,543	402,730	76,187	133,404	133,404	0	2,225,100	2,287,367	62,267
Academy of Sport	-1,317,888	-1,078,108	239,780	694,799	796,585	101,786	957,954	544,165	-413,789	482,904	482,904	0	817,769	745,546	-72,223
Student Support	-308,881	-182,160	126,721	1,857,044	2,169,432	312,388	622,782	392,020	-230,762	234,696	234,696	0	2,405,641	2,613,988	208,347
Student Union	0	0	0	0	0	0	727,236	669,504	-57,732	80,040	80,040	0	807,276	749,544	-57,732
Executive Office	0	0	0	986,612	872,675	-113,937	415,543	391,356	-24,187	83,496	83,496	0	1,485,651	1,347,527	-138,124
Grand Total	-134,753,977	-137,646,818	-2,892,841	75,156,768	77,323,584	2,166,816	56,499,070	57,829,443	1,330,373	1		-1	-3,098,134	-2,493,791	604,343

Faculty/Department	Year to date														
	INCOME			STAFF COSTS			OTHER COSTS			SPACE CHARGE			Contribution		
	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)	2013 Actuals (£)	2013 Budget (£)	Variance - Actuals to Budget (£)
Company Secretary	0	0	0	-19,582	0	19,582	49,503	0	-49,503	0	0	0	29,921	0	-29,921
Arts & Human Sciences	17,090	0	-17,090	-121,236	0	121,236	-354,432	0	354,432	-24,662	0	24,662	-483,240	0	483,240
Bakery School	-23,696	0	23,696	-5,433	0	5,433	10,945	0	-10,945	0	0	0	-18,184	0	18,184
Faculty of Business	9,662	0	-9,662	198,541	0	-198,541	-129,914	0	129,914	-80,838	0	80,838	-2,549	0	2,549
Confucius Institute	-49,376	0	49,376	-43,066	0	43,066	-4,645	0	4,645	0	0	0	-97,087	0	97,087
Engineering Science & the Built Environme	41,551	0	-41,551	-188,795	0	188,795	15,407	0	-15,407	95,786	0	-95,786	-36,051	0	36,051
Health & Social Care	-207,368	0	207,368	4,903	0	-4,903	85,505	0	-85,505	-33,075	0	33,075	-150,035	0	150,035
Enterprise	-75,939	0	75,939	-83,914	0	83,914	6,246	0	-6,246	0	0	0	-153,607	0	153,607
Finance	-20,539	0	20,539	-46,695	0	46,695	-26,354	0	26,354	0	0	0	-93,588	0	93,588
Unallocated Infrastructure	343,801	0	-343,801	1,870,885	0	-1,870,885	-2,254,593	0	2,254,593	0	0	0	-39,907	0	39,907
Human Resources	0	0	0	3,170	0	-3,170	-45,041	0	45,041	0	0	0	-41,871	0	41,871
IBM Investment programme	0	0	0	-2,210	0	2,210	11,747	0	-11,747	0	0	0	9,537	0	-9,537
Information Communication Technology De	-4	0	4	-16,357	0	16,357	236,774	0	-236,774	0	0	0	220,413	0	-220,413
Library and Learning	-5,556	0	5,556	-3,447	0	3,447	-13,836	0	13,836	0	0	0	-22,839	0	22,839
Nat Puri Institute	59,873	0	-59,873	-24,998	0	24,998	-34,163	0	34,163	0	0	0	712	0	-712
Estates	-254,283	0	254,283	-20,550	0	20,550	68,864	0	-68,864	19,789	0	-19,789	-186,180	0	186,180
Corporate Services	0	0	0	-21,127	0	21,127	-22,720	0	22,720	0	0	0	-43,847	0	43,847
Marketing & UK Student Recruitment	-23,337	0	23,337	-37,923	0	37,923	82,872	0	-82,872	0	0	0	21,612	0	-21,612
International Office	-66,510	0	66,510	-75,933	0	75,933	150,704	0	-150,704	0	0	0	8,261	0	-8,261
Academic Quality Development Office	62	0	-62	-14,817	0	14,817	-40,130	0	40,130	0	0	0	-54,885	0	54,885
Research	3,582	0	-3,582	-1,239	0	1,239	-13,702	0	13,702	0	0	0	-11,359	0	11,359
Development Office & Alumni Relations	-18,608	0	18,608	-38,656	0	38,656	-25,752	0	25,752	0	0	0	-83,016	0	83,016
Registry	-465	0	465	-42,215	0	42,215	-83,187	0	83,187	0	0	0	-125,867	0	125,867
Academy of Sport	163	0	-163	7,980	0	-7,980	14,074	0	-14,074	0	0	0	22,217	0	-22,217
Student Support	-106,221	0	106,221	-136,898	0	136,898	34,772	0	-34,772	0	0	0	-208,347	0	208,347
Student Union	0	0	0	0	0	0	57,732	0	-57,732	0	0	0	57,732	0	-57,732
Executive Office	0	0	0	-36,447	0	36,447	24,187	0	-24,187	0	0	0	-12,260	0	12,260
Grand Total	-376,118	0	376,118	1,103,941		-1,103,941	-2,199,137		2,199,137	-23,000		23,000	-1,494,314	0	1,494,314

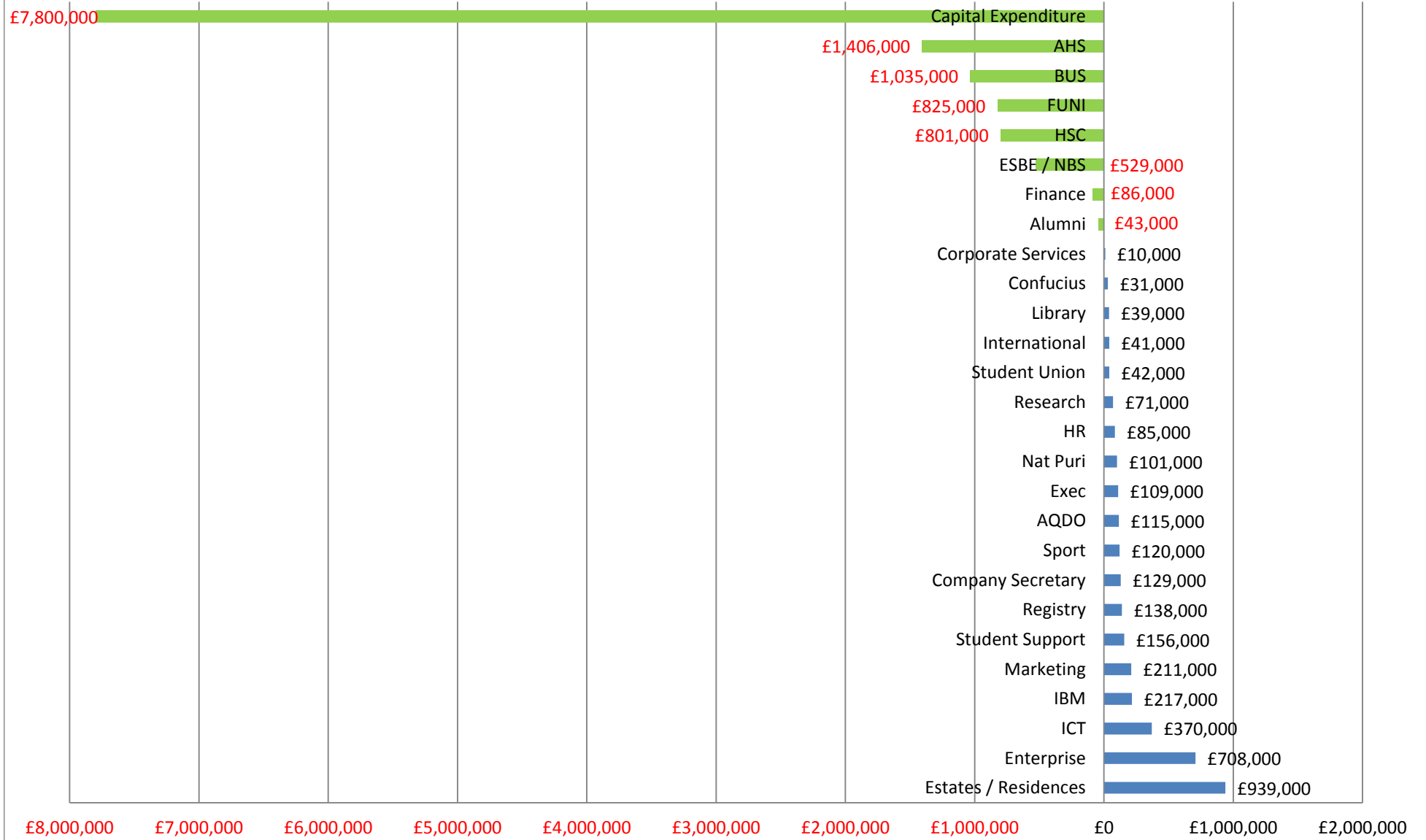
2013/14 Contribution (before Space Charge)



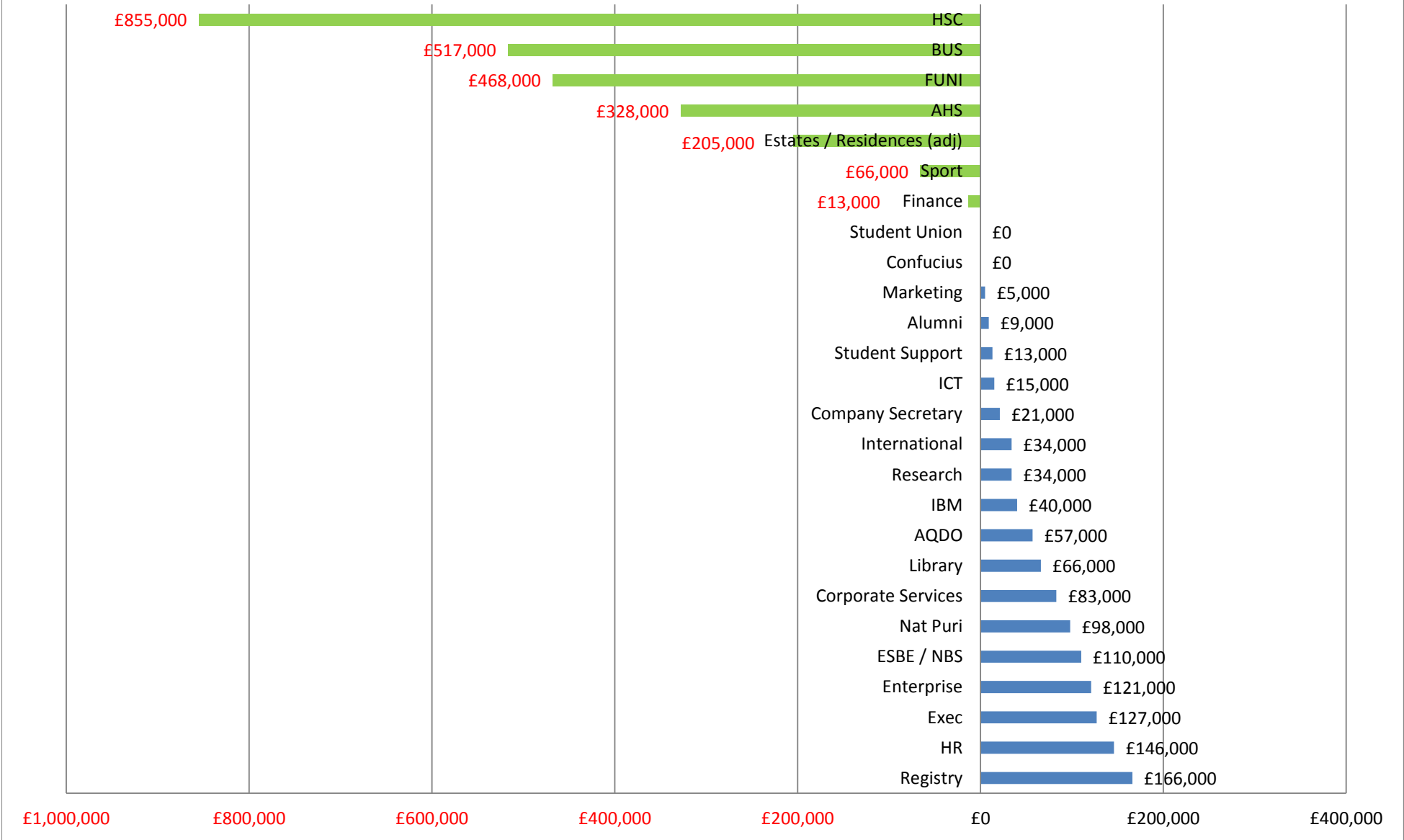
2013/14 Actual Expenditure



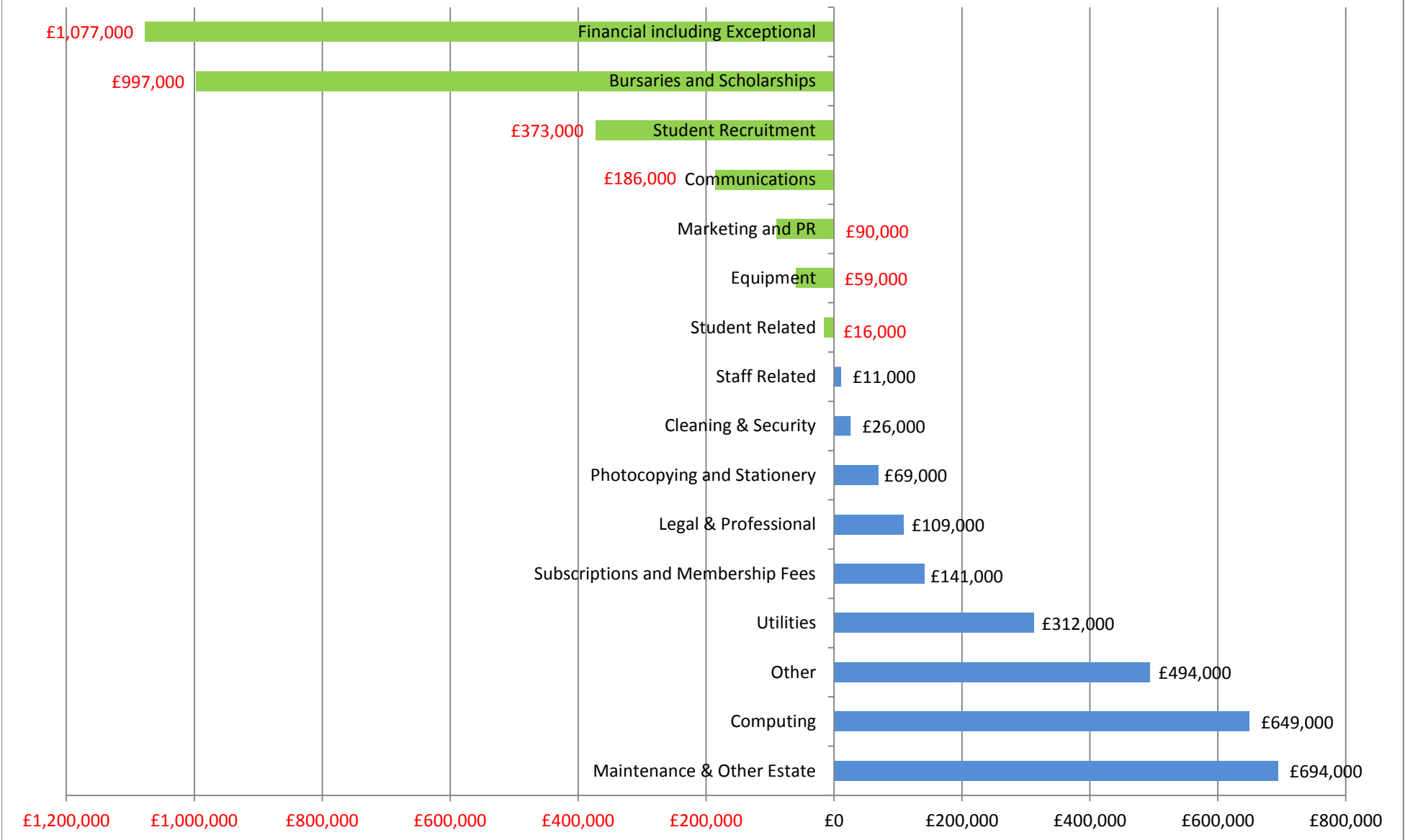
Annual change in total expenditure



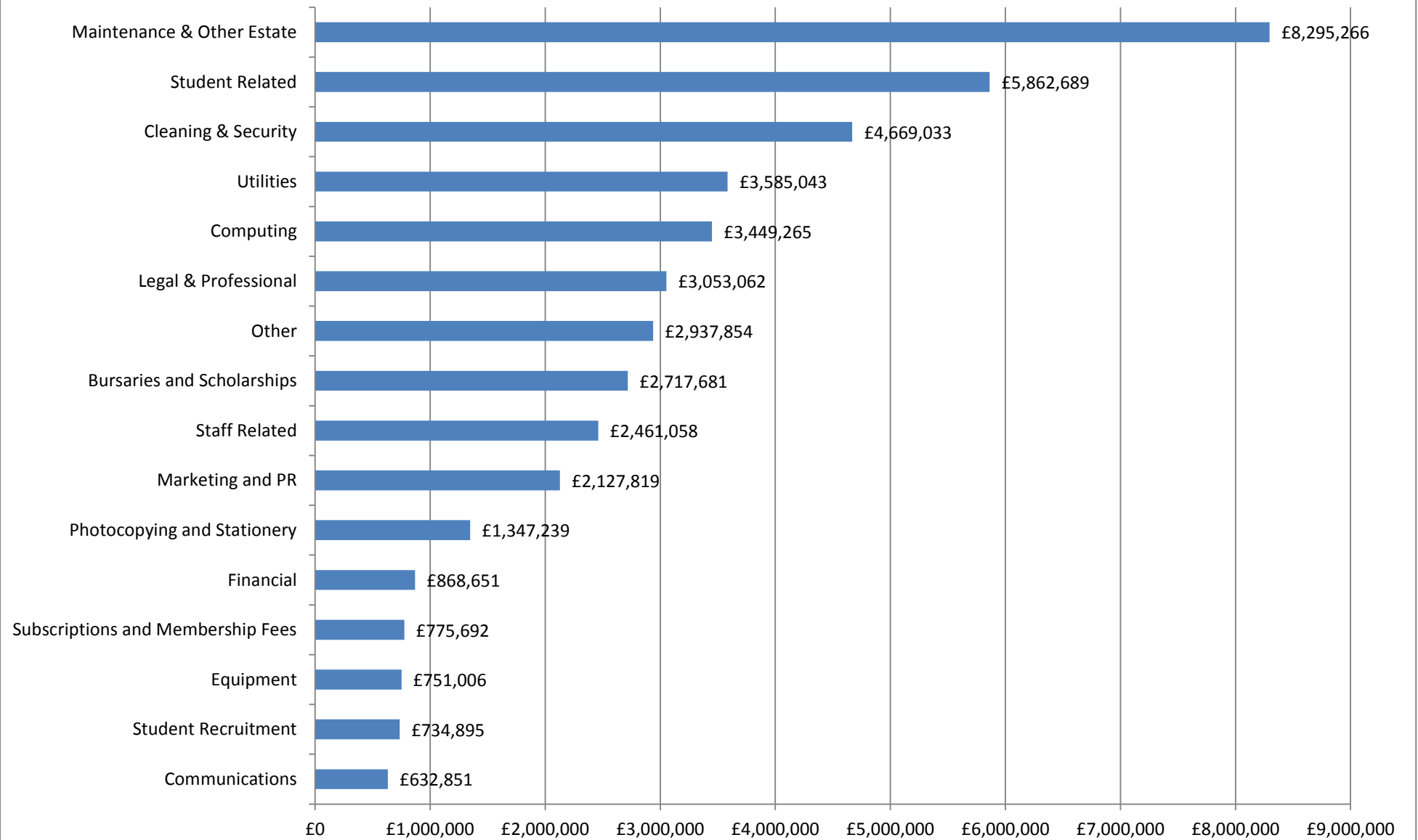
Annual Change in Staff Costs



Annual Change in Operating Expenses



2013/14 Operating Expenses



	PAPER NO: PR.31(14)
Paper title:	Academic Collaboration with the British University in Egypt
Board/Committee	Policy and Resources Committee
Date of meeting:	23 September 2014
Author:	Prof Phil Cardew, Pro Vice Chancellor (Students and Education)
Executive sponsor:	Prof David Phoenix, Vice Chancellor
Purpose:	To update the Committee as to progress made in establishing the collaborative partnership, and to seek a recommendation to progress with the project.

Executive Summary	
Context	<p>The University has validated courses at BUE for the last two years, having taken over validation in the areas of Petroleum and Chemical Engineering from the University of Loughborough.</p> <p>BUE approached LSBU with a view to widening this relationship to include their entire provision. Loughborough have signalled that, whilst they raise no concerns regarding BUE, they are content to hand over this validation to LSBU.</p> <p>The President of BUE, and other senior staff, met with the Vice Chancellor and members of the Executive in February to discuss the wider relationship. It was agreed, at that point, that if they wished to progress we would wish the relationship to be wider than simply the validation of courses, and to include research and enterprise collaboration (leading to the establishment of a joint research centre).</p> <p>Negotiations have continued on that basis and courses are being validated using our standard process. Prior to finalising the concept of the joint Centre Executive wished to seek update the Board, following from the previous Vice Chancellors reports and seek approval for the more holistic collaboration outlined here.</p>

Question	Is Policy and Resources Committee content to recommend to the Board of Governors that LSBU continues with the development of this collaborative partnership, over and above the validation of courses at BUE?
Conclusion & Recommendation	<p>The Executive were content that the Business Case provides a solid financial grounding for the partnership, and that our Collaborative Partnership processes were capable of assuring the security of academic standards in the award offered through BUE. If there is no growth in activity then as number transfer from Loughborough this partnership will cover 5000 students and is expected to generate an income of £1.9m by 2019. It is expected that as the collaboration develops we will also secure progression of students to LSBU for masters.</p> <p>Whilst the current political climate in Egypt remains volatile both the outgoing British Ambassador to Egypt and the Head of the British Council in Egypt advise in favour of progression. Both were absolutely clear in their support for BUE as an institution, and their respect for its governance and senior management.</p> <p>The aims of the collaboration are to extend joint working beyond pure validation and to develop a partnership around research and enterprise. Facilities will be provided in country by BUE and we will strengthen the Memorandum of Co-operation with BUE, to support the development of joint PhD supervision of BUE staff seeking UK PhDs, leading to further collaborative research engagement, with a view to the establishment of a joint research centre in Egypt. This will lead to a physical presence on the BUE campus.</p> <p>Executive recommend that the board approves the development of a jointly badged centre as described in the attached paper.</p>

Matter previously considered by:	Executive	September 2014
Further approval required?	Board of Governors	On:

Academic Collaboration with the British University in Egypt

Context:

LSBU's Corporate Strategy 2015-20 presents the following aims in terms of the development of international partnerships:

- We will need to work with a range of partners to raise the international profile of the university. Such partnerships will be with like-minded organisations and be developed to enhance our research and enterprise activity. By using joint supervisory teams for postgraduate students we will enhance the number and quality of internationally co-authored outputs and work to develop progression routes from franchised activity onto UK based programmes.
- We will develop up to five overseas centres for research and enterprise based on our areas of strength and in partnership with like minded universities seek to appoint a number of joint international scholars of high repute so increasing the volume and quality of research outputs and enhancing our links with international business

It is envisaged that these partnerships will, in the first instance, focus on China and the Far East, the Middle East and GCC States and Africa.

LSBU and the British University in Egypt (BUE) have an existing validation partnership for two degrees in Petroleum Engineering and Chemical Engineering. This partnership started in 2012.

LSBU were approached by BUE in January 2014 requesting that LSBU become their primary validating partner replacing Loughborough University starting in September 2015. This expansion of the partnership will be much more than a simple validation, but will include joint research, student & staff exchange, joint curriculum development and knowledge transfer activities

It is recognized that this collaboration brings great opportunities for both parties, but also raises challenges in terms of effective strategic and operational management. The collaboration will require commitment and willingness to overcome these challenges, from both sides, but current experience (and the developing relationship between both parties) indicates that this willingness is there.

Aims of the Collaboration:

1. To foster an academic partnership between LSBU and BUE, for the mutual benefit of students and staff.

2. To provide the opportunity for BUE students to graduate with an LSBU award, upon successful completion of an approved programme of study (and achievement of an appropriate level and volume of academic credit).
3. To establish a mutual community of research and enterprise between both universities, enabling the development of a research culture, collaborative working, project development and the joint supervision of research students.
4. To facilitate opportunities for student and staff exchange, and to provide BUE students with the opportunity of studying in London (either for a defined time period within their BUE academic programme, or as part of an articulation arrangement, enabling entry [with, or without, advanced standing] onto a London-based course).
5. To promote the partnership to the mutual benefit of both universities, as an example of collaborative engagement that is sympathetic to the academic development, and cultural contexts, of international higher education.

Due Diligence Assurance

LSBU and BUE signed a Memorandum of Understanding in 2013, as a part of the preparation for the validation of undergraduate degree programmes in Petroleum and Chemical Engineering.

LSBU's collaborative processes follow a standard range of checks, in these circumstances, focused around:

- Foreign and Commonwealth Office advice as to the stability of the country of partnership.
- The potential partner's license to deliver higher education courses by their government.
- Governance structures.
- Financial stability (including scrutiny of the last three years' accounts).
- Any reports emanating from other scrutiny processes.

BUE is a high quality well established university in Egypt. It has been delivering UK degrees validated by Loughborough University since 2005 and has been a part of QAA inspections with a good outcome for BUE. The University has a clear and well-established governance structure and a sound financial footing.

Given the potential instability surrounding operation within Egypt, apart from the usual FCO guidance notes (available on their web-site), LSBU sought direct guidance from the British Council and the British Embassy in Egypt.

Mark Stephens, Director of the British Council in Egypt, gave the following advice:

“The British Council has been here in Egypt for the past 75 year – throughout some fairly momentous political changes. During this time we have continued to operate and in many areas of our work we have seen substantial growth. Although the past 3 years in particular have not been the easiest, other than for a short period immediately following the stepping down of former president Hosni Mubarak, we have continued to operate. There has been substantial growth in all areas of our work these last 3 years and more Egyptians take a UK qualification than ever before. To give you an idea of the demand – last year more than 50,000 Egyptians took a UK

exam with us, up 38% on the previous year and a further 17,000 learn English with us.

We employ 280 staff of which approximately 100 are UK nationals, most of them teachers. I say all of this by way of reassurance and to let you know that despite what one reads in the papers, life here continues as normal for many people.

That said, the problems in Egypt that you see on the TV news are real. As the FCO advice makes clear, there are parts of Egypt that are off limits (not Cairo) and, like in many countries, one has to exercise care wherever you may be. The government is currently in a state of flux but Egypt is definitively open for higher education business and we're here to help where we can.

The BUE is located well away from any of the demonstrations and protest that one sees in the media and I know the university has good contingency plans in place in the event these are needed."

Phil Cardew and Philip Lockett (now Director of Collaborations, with oversight of the relationship) met with James Watt, British Ambassador to Egypt, during a visit to BUE in July. The Ambassador welcomed the partnership and gave the guidance that, as long as FCO advice were followed in terms of travel, he saw no escalated risk of collaboration with BUE.

Research and knowledge transfer

The research collaboration will start by joint PhD supervision of Teaching Assistants on a part-time basis. Teaching Assistants will follow the standard LSBU processes for off campus PhDs. It is anticipated that 5 new Teaching Assistants per year will be recruited so the total number will rise to 25 over a five year period.

The initial target areas for the joint PhDs are:

- Sustainable and Renewable Energy Engineering;
- Chemical and Petroleum Engineering;
- Information Technology. T

These areas will expand into the other specialisms within the partnership.

The regular exchange of staff between LSBU and BUE will facilitate the development of joint research and collaborative bids for external grants. It will also allow for the development of other knowledge transfer activities.

Management and Governance of the partnership

The Governance of the validation and delivery of taught courses and the admission and supervision of part time PhD students will follow existing LSBU processes and reporting mechanisms.

The co-ordination and development of the partnership on a day to day basis will be the responsibility of the Director of Collaborations, Philip Lockett.

A partnership steering group will be set up to oversee the effectiveness and development of the partnership. It will have representatives from the relevant

Schools and Central Services of LSBU. It will also invite BUE staff to attend as appropriate, this I likely to be via video conferencing. The partnership steering group will send regular reports on the development of the partnership to the Operations Board of the University.

The VC and one other member of LSBU staff will join the Board of Trustees of BUE

Risks

The key risks associated with the partnership are:

Risk	Inherent risk	Controls	Residual risk	Action required
Political instability will cause BUE to close	3 2	BUE owner is required to ensure continuity of student education (Appendix 3)	2 2	LSBU to monitor political situation
Safety of LSBU staff is compromised	2 2	FCO travel advise and feedback from British Council and British Ambassador (Appendix 2)	2 1	LSBU to monitor security situation
Quality Failure of BUE	3 2	LSBU quality processes Established QA processes at BUE	3 1	LSBU to develop new processes for large complex partnership management
Breakdown in relationships between BUE and LSBU	2 2	Senior staff from both institutions to meet regularly VC to join Board of Trustees of BUE	2 1	To develop partner management structures to ensure regular meaningful contact
BUE and LSBU fail to develop Research/ Enterprise collaboration	2 3	BUE need to develop their research culture to get be able to award Masters degrees and PhDs and improve their status	2 2	To develop a management infrastructure and incentives to promote this activity at both BUE and LSBU

	PAPER NO: PR.32(14)
Paper title:	Draft Health and Safety Policy
Board/Committee	Policy and Resources Committee
Date of meeting:	23 September 2014
Author:	Dr. Markos Koumaditis and Ed Spacey (Safety, Compliance and Business Continuity Team)
Executive/Operations sponsor:	Ian Mehrtens, Chief Operating Officer
Purpose:	To recommend approval of the draft Health and Safety Policy to the Board of Governors

Executive Summary	
Context	<p>The attached document was recommended for approval at the Operations Board on 16 September. It incorporated earlier feedback from the Operations Board Members (from 21-29 August) and all comments and feedback from the July 2014 Operations Board Meeting.</p> <p>In addition the document was previously consulted on by key players across the University from 23 May to 5 June, and the Health and Safety Joint Committee in June 2014.</p>
Question	How the University meets its obligation to have an up to date Health and Safety Policy?
Conclusion & Recommendation	To recommend approval of the draft policy to the Board of Governors.

Matter previously considered by:	Operations	On: 16 September 2014
Further approval required?	Board of Governors	On: 9 October 2014.

Executive Summary

The University is required to have a Health and Safety Policy under the Health and Safety at Work etc. Act 1974. The existing policy adopted in 2010 is out of date, and it is vital that we have a new document. In addition the Academy of Sport is undergoing an external Quest Audit in late October, and the auditors will need to see that we have an appropriate policy in place.

The new policy intends to be aspirational and set the University on a journey to excellence in this area. This is a much broader goal than simply meeting the bare minimum of legislative requirements. The policy document is designed to make reference to wider procedures, in order to enable the flexibility to change day to day process according to emerging best practice, and the changing structure of LSBU.

The policy is deliberately much shorter than the 2010 version. This is because it has been designed to give people key information which they can relate to, and focuses on the needs of a wide audience. It also accords with the wishes of the Vice Chancellor (Health and Safety Joint Committee Meeting March 2014) where the need for succinct documentation was outlined

A new Safety, Compliance and Business Continuity Team was created in May 2014, with a view to transforming the approach to health and safety, improving process and training, and delivering results. The last health and safety annual report, submitted to the Board of Governors on 8th July 2014, highlighted a range of initiatives and areas for development which this team will drive.

The new Health and Safety Policy meets all the requirements of the Act, has been consulted on extensively across the University, benchmarked externally across the sector and also compared to model Health and Safety Executive Policies.

The new Safety, Compliance and Business Continuity Manager has substantive and extensive experience of successfully delivering professional health and safety services and implementing transformational change across a range of organisations.

It is on the basis of the above facts that this policy is recommended for approval.

Health and Safety Policy

1.0 Introduction and Purpose

This document sets out the vision and high performing aspiration of London South Bank University in its approach to health and safety, and an intent to produce clear, concise, meaningful information, which is appropriate to all.

It aims to enable staff, students and visitors to go about their business or studies safely, and the University to provide an excellent environment for all its stakeholders. In achieving this, London South Bank University accepts its obligations under the Health and Safety at Work etc Act 1974 and other statutory provisions.

The Health and Safety Policy is issued upon the authority of the Board of Governors. This document is supported by health and safety procedures which can be found on the staff gateway: <https://www1.lsbu.ac.uk/staff/services/hss-policies>.

2.0 Health and Safety Policy Statement

London South Bank University accepts its responsibilities for health and safety and will take all reasonable and practicable steps to safeguard all persons affected by its activities. The requirements of health and safety legislation will be adhered to and will set the very minimum standards of health and safety performance.

All employees, and students (as a condition of enrolment) are expected to share this commitment to health and safety by complying with policies and procedures, exercising due care and attention and by understanding that they too have obligations to themselves and one another.

The University will seek to ensure that:

- a. a high commitment to health and safety amongst all employees, and students is encouraged through an active consultation and ongoing communication process;
- b. systems are in place to enable people to be empowered to raise health and safety concerns with management;
- c. the necessary expertise, resource, management structure, procedures and risk assessments are in place to ensure effective management of health and safety throughout the university;
- d. all work, teaching, communal areas, plant and equipment meet approved safety standards;

e. suitable and appropriate training is provided to maintain safe working practices.

The Health and Safety Policy will be reviewed as necessary, but as a minimum each year.

Signed

Vice Chancellor

Date

3.0 Organisation of Health and Safety

Health and safety is everyone's business.

Effective health and safety management can only be achieved through co-operative effort at all levels of the organisation. Good health and safety goes hand in hand with high standards of quality and service.

3.1 The Board of Governors

As employer, the Board of Governors has a duty to ensure, so far as is reasonably practicable, the health safety and welfare at work of its staff and those affected by its activities, including students and visitors. The Board of Governors has a key collective role in providing health and safety leadership, receiving an annual report on the performance of health and safety and is notified of any major incidents.

3.2 Vice Chancellor

The Vice Chancellor, as “duty holder”, has day to day responsibility for ensuring this policy is put into practice. This responsibility is delegated to the Chief Operating Officer in his absence.

The Vice Chancellor has overall responsibility for health and safety and shall:

- ensure that appropriate systems are in place and adequate resources are available to provide for the effective management of health and safety;
- advise the Board of Governors on its statutory health and safety obligations;
- ensure that line managers know and accept their responsibilities regarding health and safety and make arrangements to ensure that these responsibilities are adequately discharged;
- ensure adequate consultations with appropriate support services and employee representatives, trade unions and other interested parties prior to the introduction of any change which may affect the health and safety of employees;

- ensure effective communication channels exist to spread such information concerning health and safety which may affect University employees;
- report to the Board of Governors on the University's performance in the management of health and safety.

3.3 Health & Safety Lead Officer

The Vice Chancellor appoints the Chief Operating Officer to:

- take a leadership role to co-ordinate the University's activity with regards to health and safety and ensuring legislative compliance, advise on resource requirements and support continuous improvement.

3.4 Responsibilities of Executive, Deans, Directors and Heads of Professional Services

Under the direction of the Vice Chancellor, all Executive Members, Deans, Directors and Heads of Professional Services and all equivalent officers must make adequate provision for the effective management of health and safety within their area of responsibility.

To achieve this, they will be responsible for ensuring that:

- all their staff and students know and accept their individual responsibilities regarding health and safety, and have the necessary authority, training and resources to discharge them;
- an adequate programme is established and maintained to ensure the reduction of accident potential, ensure compliance with legal and university procedures and to deal with reporting incidents;
- there is effective communication and adequate consultation concerning health and safety with members of staff, students and their representatives;
- they are aware of the principal hazards and risks present in the areas under their control, that appropriate risk assessments of all hazardous items, areas and activities have been undertaken, and that work is being carried out in accordance with specified controls and safe working practices;
- where necessary the advice of the Safety Compliance and Business Continuity Team is sought on any health and safety matter;
- risk based health and safety meetings are appropriately constituted and provide minutes of their meetings to the Joint Health and Safety Committee;

- staff and students comply with health and safety policies, procedures and codes of practice. Failure to do so may result in disciplinary action being taken;
- contractors are required to supply the University with appropriate risk assessment and method statements. All contractors engaged conduct their work in accordance with the terms and conditions of the contract, health and safety legislation, university procedures, codes of practice and without endangering the university's employees, students or others. Failure to comply with the above may result in termination of the contract;
- health and safety is considered in planning and budgeting and that resources are used effectively and in proportion to local risks;
- arrangements are in place for regular monitoring, auditing and review of health and safety performance;
- any matter brought to their attention relating to health and safety receives prompt and appropriate action. Any matter found to be in breach of statutory requirements which cannot be effectively dealt with at their own level is escalated upwards appropriately.

3.5 Responsibility of the Executive Director of Human Resources

The Executive Director of Human Resources is responsible for ensuring systems are in place to monitor and take action to improve workplace sickness levels, the operation of the Occupational Health Service and Employee Assistance Programme and all related data.

3.6 Responsibilities of Supervisory Staff

Every member of staff who manages or directly supervises the work of others is responsible for their health and safety. Employees who are direct line managers of staff are required to:

- ensure all new employees reporting to them are made aware of the University Health and Safety Policy, the names of key staff with specific health and safety responsibilities, fire evacuation and first aid arrangements;
- ensure health and safety matters brought to their attention are dealt with expediently and appropriately. In cases where issues cannot be rectified by them within two working days, supervisory staff should identify and communicate an expected timescale for resolution;

- ensure adequate supervision of employees within their own area of responsibility and staff completion of appropriate health and safety training, including mandatory training as necessary;
- ensure risk assessments are undertaken where appropriate for areas and activities within their remit, staff receive Display Screen Equipment Assessments, and are aware of how to report any accidents;
- promote active participation in health and safety matters amongst staff and include health and safety as a standing agenda item at staff meetings;
- suspend activities if health and safety is being compromised, and seek advice from Line Management or through the Safety Compliance and Business Continuity Team;
- as part of the annual performance management process ensure suitable and sufficient appraisal of staff, to ensure they are able to undertake their duties without harm to themselves or others, and identify safety training needs.

3.7 Duties of all Employees

Under the Health and Safety at Work Act etc 1974 all members of staff are legally responsible for looking after their own health and safety and that of others with whom they are working.

They must:

- comply with all local and university health and safety policies and procedures, follow any health and safety instructions provided by line managers, and attend appropriate health and safety training, including mandatory training as necessary;
- report any accidents, defects, unsafe circumstances (e.g. near misses) or work related ill health of which they become aware, using the appropriate reporting systems;
- ensure that their working methods or areas do not present unnecessary or uncontrolled risks to themselves or others;
- make use of items and protective equipment provided for health and safety reasons. Never to intentionally or recklessly interfere with or misuse any equipment provided for health and safety or fire fighting;
- be aware of fire precautions, evacuation arrangements and first aid provision for their area.

- inform their line manager if they are not confident that they are competent to carry out a work activity safely , rather than compromising their own safety or the safety of others.

Failure to comply with the University's policies and procedures may lead to disciplinary action.

3.8 Responsibilities of Students

It is a condition of enrolment that students agree to abide by the University health and safety policy and procedures, particularly in relation to emergency preparedness and general safe behaviour. Students must also adhere to the authorised opening and closing times of any University building, and comply with instructions from security personnel or university staff.

The University expects that all students play an active role in managing health and safety risks by:

- making use of items and protective equipment provided for health and safety reasons. Never to intentionally or recklessly interfere with or misuse any equipment provided for health and safety or fire fighting;
- being aware of fire precautions, evacuation arrangements and first aid provision for their area, and complying with the need to evacuate a building in the event of an emergency alarm, or being requested to do so by security or university staff;
- considering health and safety risks prior to undertaking practical activities and discussing them with their tutor. Reporting health and safety incidents and accidents to their tutors or a member of staff;

3.8.1 Students should not normally bring children (i.e. anyone under 18) to the campus. (Also see paragraphs 4.1-4.3 and Appendix A.)

Failure to comply with the University's policies and procedures may lead to disciplinary action under the Student Disciplinary Code

3.9 Contractors

The University has a legal responsibility to ensure contractors provide a service to the University without endangering employees, students or visitors.

In addition the University is obliged to inform contractors of any foreseeable risks that may affect them whilst on University premises. Colleagues who employ contractors are responsible for ensuring that contractors are competent to carry out the work safely. All contractors undertaking work for the University must be

registered as a part of the approved list of contractors. This list is under the management and maintenance of the Procurement Manager.

Contractors are required to:

- comply with all statutory requirements and legal obligations placed upon them in the course of their work, and all University health and safety processes;
- ensure they attend any required induction meeting, prior to commencing work;
- carry out work in accordance with the risk assessment and method statements, both of which should be provided to the client prior to commencing the work;
- employ persons who are competent to carry out their duties without risk to the health and safety of themselves and others;
- when appointing sub-contractors to carry out all or part of the work, check their level of competence and ensure they comply with the same standards of work and requirements;
- report accidents to the appropriate member of staff immediately.

4.0 Authorised Visitors

Authorised visitors should report to the Security Staff on duty or Receptionist on arrival at LSBU. They will be issued with a visitors badge, which must be returned to Reception upon departure. Organised larger events may utilise a structured pre booking system or “sign in” on the door, where visitors receive a form of badge wristband or lanyard.

Children (Also see Appendix A)

- 4.1 Access for children and young people (i.e. anyone under the age of 18) is by specific authority set out by a special entry form. This is issued by name to each child or young person only when accompanied by a responsible adult, and authorised by appropriate staff within the University, as per the separate policy on this topic. Where the numbers are such that issuing a form to every child/young person presents a problem, a list of names may be attached to a single special entry form.
- 4.2 The University member of staff in charge of the visit should ensure that a suitable risk assessment has been completed in advance of the visit.

4.3 It must be emphasised that children and young persons must remain with the responsible adult at all times during their stay. The responsible adult should observe the conditions set out on the special entry form, and register at reception as per the authorised visitors process in paragraph 4.0 above.

5.0 Use of premises by External Bodies

The authorised hirer of University premises will be required to comply with the commercial hire terms and conditions, arrival safety briefing and event details sheet.

For any use over and above a standard classroom based activity, a copy of the appropriate Risk Assessment should be submitted to the Safety Compliance and Business Continuity Team for any comments, at least one week in advance.

6.0 First Aid

The University has a robust system in place to make first aid provision to staff, students and anyone using the premises. The Safety Compliance and Business Continuity Team maintains lists of all first aiders and appointed persons.

Full details of first aid arrangements are available in the relevant policy found on the staff gateway at <https://www1.lsbu.ac.uk/staff/services/hss-policies>.

7.0 Hazardous Substances

Any person who introduces or manufactures a source of hazard in the University has a duty towards the control of the hazard and the eventual safe disposal of the hazard. Accurate records must be maintained. The main source of information will be the Material Safety Data Sheets (MSDS) supplied by substance manufacturers / suppliers. The supply of such information is a legal requirement. Information on chemical substances must be stored and made available to staff and students who may use such substances and/or be affected by their use.

When working with hazardous substances risk assessments must be undertaken before work commences, and hazards removed or controlled where possible. Full details on the arrangements for the Control of Substances Hazardous to Health (COSHH) are available from the relevant document on the staff gateway <https://www1.lsbu.ac.uk/staff/services/hss-policies>.

Persons working with hazardous substances must undertake all necessary training as required.

8.0. Health and Safety Joint Committee

The above committee meets three times per year to be consulted on health and safety and is chaired by the Vice Chancellor or his nominee. Terms of reference and membership details are available from the Governance Team.

9.0 Trade Unions

The University recognises the importance of Trade Unions in the creation of an effective health and safety management system and is committed to consultation and dialogue, in order to achieve this aim. The process of formal consultation on matters of University Health and Safety Policy is made through the Health and Safety Joint Committee. Risk based Health and Safety Committees provide opportunity for further consultation and contribution to the effective management of health and safety.

10.0 Safety Compliance and Business Continuity Team

The Safety Compliance and Business Continuity Team is responsible for:

- promoting a positive health and safety culture throughout the University and developing and auditing the University's health and safety management system;
- and all policies and procedures to manage the effective control of health and safety risks;
- providing specialist health and safety, fire safety and information and support to all parts of the University, including the dissemination of good practice;
- advising the University on its statutory obligations relating to health and safety, fire safety and providing health and safety reports to the Health and Safety Joint Committee;
- establishing and maintaining effective procedures for fire and other emergencies and the evacuation of buildings;
- providing systems for the investigation and reporting of accidents, work related diseases, near misses and dangerous occurrences, and making recommendations to prevent recurrence;
- recommending appropriate training for employees in health and safety matters.

Authorised Child / Young Persons* Entry Form

Special Conditions:

University buildings are not to be used by children or young persons*. The conditions laid down emphasise the role of the responsible adult.

Access is restricted to the areas scheduled below, together with corridors, stairways and lifts giving access to those areas. Also toilets and similar facilities under supervision.

1. This form must be completed in advance of the visit (whenever possible).
2. The form must be produced on request e.g. by Security staff and must be handed over by the responsible adult to security / reception staff before leaving the University premises.
3. There must be strict compliance with all University, area and school rules.
4. The child / young person and the responsible adult must enter and leave the building by the main entrance ensuring they have been signed in and out.
5. The child / young person must be accompanied at all times by the responsible adult.
6. **At no time** should the child / young person be allowed access to a laboratory, store, workshop or classroom which has equipment or activities that are a potential hazard. Access is also restricted in the LRC and in all University libraries (except for returning learning materials).
7. Any child / young person found alone will be placed in care of the local police.
8. It must be emphasised that for events such as – Open Days; Conferences / Seminars; School visits to the University etc. a separate risk assessment process is required.
9. Access under normal circumstances is permitted for up to **one** hour. Visits requiring attendance of more than one hour **must** be authorised by the Safety Compliance and Business Continuity Team (except for Open Days; Conferences / Seminars; School visits).
10. Dispensation may be given for young students / university facility users enrolled with LSBU.
11. An LSBU Student / Enrolment form negates the need for this form.

Authorised Child / Young Persons* Entry Form

*Child / young person means anyone under the age of 18 years.

The following sections must be completed fully.

Section 1: Details of child / young person and responsible adult

Name of child / young person:

Name of responsible adult:

Mobile telephone number of responsible adult:

I understand that the child / young person named is present in the University in my custody.

Signed:

University campus:

**Section 2: Details of visit and authorising person
(Departmental Health and Safety Co-ordinator)**

Name:

Position:

Date of Visit:

Time of visit (24 hour clock):

Access permitted only to the following areas:

Area(s) / Room(s):

Signature:

	PAPER NO: PR.33(14)
Paper title:	Primary Responsibilities of the Board
Board/Committee	Policy and Resources Committee
Date of meeting:	23 September 2014
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	David Longbottom, Chairman of the Board
Purpose:	For information only

Executive Summary	
Context	As part of good governance practice, the Board has agreed a statement of Primary Responsibilities of the Board based on CUC Guidance. These are reviewed every year.
Question	Should the primary responsibilities of the Board be amended this year?
Conclusion & Recommendation	The Primary Responsibilities of the Board should remain the same as last year. The committee is requested to note the Primary Responsibilities of the Board.

Matter previously considered by:	Executive	3 September 2014
Further approval required?	Board	On: 9 October 2014

Primary Responsibilities of the Board

The Board has agreed a list of primary responsibilities based on CUC guidance. Following the amendments to the Articles of Association these now form part of the Standing Orders. The statement of primary responsibilities forms part of the annual report.

Following review, no changes to the Primary Responsibilities of the Board are suggested.

The Primary Responsibilities of the Board are attached for information. The Committee is asked to note.

Statement of Primary Responsibilities of the Board of Governors

1. To approve the educational character, mission and strategic vision of the institution, together with its long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders.
2. To delegate authority to the head of the institution, as chief executive, for the academic, corporate, financial, estate, personnel and health and safety management of the institution, and to establish and keep under regular review the policies, procedures and limits within such management functions as shall be undertaken by and under the authority of the head of the institution.
3. To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, and procedures for handling internal grievances and for managing conflicts of interest.
4. To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the institution against the plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable institutions.
5. To establish processes to monitor and evaluate the performance and effectiveness of the governing body itself, and to carry out such reviews at appropriate intervals.
6. To conduct its business in accordance with best practice in higher education corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life.
7. To safeguard and promote the good name and values of the institution.
8. To appoint the head of the institution as chief executive, and to put in place suitable arrangements for monitoring his/her performance.
9. To appoint a secretary to the governing body and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.
10. To be the employing authority for all staff in the institution and to be responsible for establishing a human resources strategy.
11. To be the principal financial and business authority of the institution, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for the University's assets, property and estate.

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University

12. To be the institution's legal authority and, as such, to ensure that systems are in place for meeting all the institution's legal obligations, including those arising from contracts and other legal commitments made in the institution's name.
13. To make such provision as it thinks fit for the general welfare of students.
14. To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the institution or its students.
15. To ensure that the institution's constitution is followed at all times and that appropriate advice to the Board is available to enable this to happen.

	PAPER NO: PR.34(14)
Paper title:	Public Benefit Statement
Board/Committee	Policy and Resources Committee
Date of meeting:	23 September 2014
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	David Longbottom, Chairman of the Board
Purpose:	To receive the Public Benefit statement for inclusion in the annual report, 2013/14

Executive Summary	
Context	As a charity, LSBU has to report on how it delivers its charitable objects for the public benefit in its annual report.
Question	How does LSBU deliver public benefit?
Conclusion & Recommendation	<p>LSBU delivers public benefit through teaching and learning activities, promoting knowledge and providing support to students, as set out in the statement.</p> <p>The Committee is requested to recommend to the Board the draft Public Benefit Statement for inclusion in the annual report, 2013/14.</p>

Matter previously considered by:	N/A	N/A
Further approval required?	Board (as part of the annual report)	On: 20 November 2014

Public Benefit Statement

The Public Benefit Statement forms a mandatory part of the annual report of charities. The Memorandum of Assurance and Accountability with HEFCE states that the following must be included in the audited financial statements:

- A statement that the charity has had regard to the Commission's guidance on public benefit
- A report on how the HEI has delivered its charitable purposes for the public benefit

The statement sets out the University's charitable objects as found in its Articles of Association and how these objects are applied for the public benefit. It sets out how the University advances education for the public benefit. The University's main beneficiaries are identified as its students but with a wider public benefit of the University's activities mainly through research and community work also recognised.

The committee is requested to approve the draft Public Benefit Statement for inclusion in the annual report.

Public Benefit statement

The University is an exempt charity within the meaning of the Charities Act 2011 and is regulated by HEFCE on behalf of the Charity Commission.

The University has no linked charities.

Charity Commission Guidance on Public Benefit

The members of the Board of Governors are the charitable trustees of the University. In undertaking its duties the Board of Governors has regard to the Charity Commission's guidance on public benefit.

Aims (Charitable Objects)

During the year, the Privy Council approved new Articles for LSBU. The new Articles included revised objects, approved by the Charity Commission. The revised charitable objects (under s.3 Charities Act 2011) of the University are to:

- conduct a university for the public benefit for the advancement of education, promotion of research and dissemination of knowledge;
- provide full time and part time courses of education at all levels; and
- provide facilities to promote these objects and provide associated support and welfare for students.

The University's objects are applied solely for the public benefit, as follows.

The University advances education for the public benefit by:

- providing teaching to its students in the form of lectures, seminars, personal tuition and online resources;
- delivering many courses accredited by recognised professional bodies, both full and part time;
- setting and marking assessments and providing evidence of achievement by the awarding of degrees, diplomas and certificates.

The University promotes research and the dissemination of knowledge by:

- undertaking academic research and publishing the results;
- publishing articles in peer-reviewed journals;
- maintaining an academic library with access for academics and students;

The University provides associated support and welfare for students by:

- tutorial guidance, assessment and feedback;

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- mentoring and coaching;
- providing student welfare and student accommodation;
- funding some individual students' education through bursaries and fee waivers;
- providing funds to London South Bank University Students' Union.

Beneficiaries

In carrying out its objects the University benefits the wider public, through research and knowledge transfer; and benefits its students and future students through teaching and learning activities.

The trustees affirm that the opportunity to benefit is not unreasonably restricted. The benefits of learning at London South Bank University are open to anyone who the University believes has the potential to succeed, irrespective of background or ability to pay tuition fees. Throughout its history LSBU has enabled wider access to education. The University's Strategy, 2015-2020 sets clear targets to focus on three key areas, all directly related to providing public benefit: student success; real world impact; and access to education.

Like other universities LSBU must charge tuition fees. However, maintenance grants are available to those with restricted means, especially students from families on low incomes. In addition, the University offers financial assistance in the form of scholarships, bursaries and charitable funds to students in need. LSBU's fee structure for part-time students reflects the bursary/scholarship paid to full-time students thus ensuring that they are not disadvantaged by studying part-time.

The University's portfolio is firmly rooted in professional courses supported by accreditation from professional, statutory and regulatory bodies that enhance employability and career success. 86% of graduates were in employment or further education six months after graduating (DLHE survey results 2013). Over 4,500 of LSBU's students are sponsored to study by employers.

The University's research activities also contribute to wider public benefit through the publication of technological advances, scientific knowledge and innovation. The University has undertaken and published research in 2013-14 which will benefit the wider public, examples follow.

{examples to follow}

Achievements in relation to objectives

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LSBU's student body is diverse and reflects its outreach to the wider community. During the year 97.8% of its full time first degree students came from state schools. LSBU is above the location adjusted benchmark in recruiting students from low participation neighbourhoods.

LSBU's Schools and Colleges Liaison team has received a number of accolades for their work in widening participation and in particular were the winner of a Times Higher Education Award 2012 for Widening Participation Initiative of the Year. This innovative scheme provides care leavers with a first-hand taster of University life and demonstrates that a career in the City is an attainable goal. Overall, the team encourage under-represented groups, such as care leavers, people with disabilities and those from other minority groups, to consider higher education. Through a number of workshops, mentoring and careers advice, along with visits to City firms such as UBS, PriceWaterhouseCoopers and Lloyds of London, participants leave with a set of transferable skills to utilise throughout the remainder of their education, along with defined pathways to their desired objective.

We were awarded the Frank Buttle Trust Quality Mark in 2008 for our processes in support of care leavers, and we offer all care leavers a bursary of £750 at the beginning of each academic year, up to £1,000 travel allowance, a dedicated link person to deal with their local authority, help accessing all the University's support services and support in finding accommodation appropriate to their needs and preferences, including year-round accommodation available outside term time.

The University Academy of Engineering South Bank, opened in September 2014, is the first academy in South London to be sponsored by a University. The Academy specialises in engineering within the broad science, technology, engineering and maths (STEM) framework. LSBU's sponsorship of the Academy is an example of community engagement which aims to create professional opportunities for students who have the ability to succeed and to enhance student success by preparing them for higher education.

Private Benefits

Governors are not paid in their capacity of governors. In revising the University's Articles of Association, an enabling power to remunerate governors was included. This power has not been used. It will only be used if the benefit of remunerating governors outweighs the all other options available.

	PAPER NO: PR.35(14)
Paper title:	Corporate Governance Statement
Board/Committee	Policy and Resources Committee
Date of meeting:	23 September 2014
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	David Longbottom, Chairman of the Board
Purpose:	To recommend the Corporate Governance statement for inclusion in the annual report, 2013/14

Executive Summary	
Context	The CUC Governance Code of Practice is intended to reflect good practice in HE governance. The University's aim is to comply with the Code and the Corporate Governance statement demonstrates how this is done.
Question	Has LSBU complied with the CUC Governance Code of Practice?
Conclusion & Recommendation	<p>LSBU has complied with all aspects of the CUC Governance Code of Practice during the year under review, as set out in the draft statement.</p> <p>The Committee is requested to recommend to the Board the draft Corporate Governance Statement for inclusion in the annual report, 2013/14.</p>

Matter previously considered by:	N/A	N/A
Further approval required?	Board (as part of the annual report)	On: 20 November 2014

Corporate Governance Statement

The Corporate Governance Statement is intended to assist readers of the financial statements in obtaining an understanding of the governance and legal structure of the University. It sets out the governance and legal structure of the University and how the Board complies with the CUC Governance Code of Practice.

The CUC Governance Code of Practice is being revised by the CUC and an update will be provided to the committee when it comes into effect.

The committee is requested to approve the draft Corporate Governance Statement for inclusion in the annual report.

Corporate Governance Statement

The following statement is given to assist readers of the financial statements in obtaining an understanding of the governance and legal structure of the University.

The University's Board of Governors is committed to maintaining the highest standards of corporate governance. In carrying out its duties it has regard to:

- The CUC Governance Code of Practice
- The UK Corporate Governance Code (where applicable)
- The seven principles of behaviour in public life
- The HEFCE Financial Memorandum (now the Memorandum of Assurance and Accountability) and the Audit Code of Practice
- The Directors' duties as set out in sections 170 – 177 of the Companies Act 2006
- The Charity Commission's Guidance on Public Benefit and its duties as charity trustees of compliance, prudence and care
- Other legislative requirements of corporate bodies
- The University's Memorandum and Articles of Association

In September 2011, the University received a positive outcome from HEFCE's five yearly assurance review, undertaken in July 2011, which examined how the University exercises accountability for the public funding it receives. The University's Internal Auditor's annual opinion on risk management, control and governance is that it is [*adequate and effective*].

Governance and Legal Structure

London South Bank University is a company limited by guarantee and an exempt charity within the meaning of the Charities Act 2011. Its objects and powers are set out in its Articles of Association, which govern how the University is run. During the year, the University amended its Articles of Association, approved by the Privy Council on 3 June 2014.

The Articles set the governance framework of the University and set out the key responsibilities of the Board of Governors and its powers to delegate to committees, the Vice Chancellor and the Academic Board.

Compliance with CUC Governance Code of Practice

The Board has complied with all aspects of the CUC Governance Code of Practice during the year under review, as demonstrated below.

Role of the Board of Governors

The University is headed by a Board of Governors which is collectively responsible for the strategic direction of the University, approval of major developments and creating an environment where the potential of all students is maximised. It takes the final decision on all matters of fundamental concern to the institution.

All governors, when appointed, agree to abide by the standards of behaviour in public life. As the University is also a company, its governors comply with the directors' duties as set out in sections 170 – 177 of the Companies Act 2006 and duties of charity trustees when making decisions. Governors are unremunerated but may claim back expenses properly incurred in the discharge of their duties.

The Board met seven times (five in 2012/13) during the year. In addition to the usual five ordinary business meetings the Board met twice to (i) approve the appointment of the Vice Chancellor; and (ii) to approve a secured interest free loan to the Vice Chancellor designate to purchase accommodation in London. In addition, the Board held two strategy days (two in 2012/13) allowing further time to discuss and debate longer-term strategic challenges for the University. The Board prioritises strategic matters at its meetings. Where necessary, governors receive presentations on a specific strategic matter before Board meetings to allow them to explore key issues in greater depth. All governors are expected to attend meetings and to contribute effectively. Attendance at meetings is recorded and monitored by the Chairman. In the year under review there was an 87% (2012/13: 83%) attendance rate at Board meetings.

The Board has agreed a Statement of Primary Responsibilities (on [page xx](#)), which is reviewed annually and published on the University's website. It follows the model statement as recommended by the CUC and includes approval of the educational character, mission and strategic vision of the university and to ensure that these meet the needs of stakeholders.

The Board delegates day-to-day management of the University to the Vice Chancellor as Chief Executive and Chief Academic Officer. The Vice Chancellor's delegated authority is set out in the Articles of Association and includes:

- making proposals to the Board about the educational character and mission of the University;
- the organisation, direction and management of the University and leadership of staff;
- the determination, after consultation with the Academic Board, of the University's academic activities, and for the determination of its other activities;

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- preparing annual estimates of income and expenditure for consideration by the Board of Governors, and for the management of budget and resources, within the estimates approved by the Board of Governors;
- for the maintenance of Student discipline and within the rules and procedures provided for within these Articles, for the suspension or expulsion of Students on disciplinary grounds and for implementing decisions to expel students for academic reasons.

The Vice Chancellor is the designated officer in respect of the use of Funding Council funds.

As Chief Academic Officer, the Vice Chancellor is the Chairman of the Academic Board. The Academic Board is responsible for all the academic affairs, subject to the overall responsibility of the Board of Governors, for determining the educational character and mission of the institution.

Governors are reminded of their duty to exercise their responsibilities in the interests of the University as whole during their induction and throughout their term of office. The University maintains a register of interests of governors and the Executive which is published on the University's website. New governors are required to complete a declaration on appointment and to inform the Secretary of any amendments to their entry. The register is reviewed annually by the Board who decide whether to authorise the declared interests. During the year under review all declared interests were authorised by the Board. No conditions were attached to any of the interests authorised by the Board. In addition, governors are asked at the opening of each Board and committee meeting to declare whether they have any interests in any matters on the agenda.

The University Court enhances the University's engagement with its key stakeholders. Although not a decision making body, the University Court plays an important advisory role in the development of the University through its wide membership of prominent and distinguished individuals. The University Court meets annually in the spring and helps the University build relationships with members and identify areas for collaboration for the benefit of students. The Court's annual meeting took place in the new Clarence Centre for Enterprise and Innovation on 20th March 2014.

The University's Chancellor, Richard Farleigh, acts as the principal figurehead of the University and represents the University's interests externally. His role includes hosting the annual Court event, presiding at degree ceremonies and establishing relationships with the University's stakeholders.

London South Bank University

Structure and Processes

The Board when fully complemented consists of 18 governors: 13 independent governors, the Vice Chancellor, two student governors and two academic staff members nominated by the Academic Board. Governors serving for the period are listed on page **one**. The Board determines the number and composition of the Board of Governors within parameters set by the University's Articles of Association.

In accordance with the Articles of Association the Board consisted of a majority of independent governors throughout the year and at all Board and committee meetings. All "independent governors" are external and independent of the University.

The appointment of independent governors to the Board is determined by the Nomination Committee and Appointments Committee, both chaired by the Chairman of the Board. A written description of the role and capabilities required of governors has been agreed by the Nomination Committee. Candidates are judged against the capabilities required and the balance of skills and experience currently on the Board. The balance of skills and experience of independent governors is kept continually under review by the Nomination Committee.

Each new governor is given an appropriate induction and encouraged to attend relevant external training. New governors are appointed to at least one committee.

At the University's expense, governors have the right to external, independent advice where necessary in order to fulfil their duties.

The Board of Governors is supported by the University Secretary and Clerk to the Board of Governors and his team. The Secretary provides independent advice on matters of governance to the Chairman. The Secretary ensures that governors receive information in a timely manner and of sufficient quality to allow the Board to fulfil its duties.

The University publishes minutes of Board and its sub-committee meetings on its external website. Minutes are redacted when the wider interests of the University as a whole demands it and in the spirit of the Freedom of Information Act 2000.

Effectiveness and Performance Reviews

The Board has appointed an independent facilitator to undertake a formal and rigorous review of the effectiveness of governance at the University. The review will include reviewing the effectiveness of the Board and its sub-committees, the Academic Board and its sub-committees, and their relationships with the University

Executive. The review will be carried out during 2014/15. The agreed recommendations of the review will be implemented during 2015/16. The Board of Governors last reviewed its effectiveness in 2010.

Committees

The Board operates through a number of committees which report to the Board at each meeting. All committees are formally constituted with appropriate terms of reference which are reviewed annually. Terms of reference and membership of each committee are available on the governance pages of the University's website. All committees have a majority of independent governors, from whom its Chairman is drawn. The chairs of each committee are set out on [page xx](#). The terms of reference of each committee complement the decision-making framework of the Matters Reserved to the Board, which the Board reviews annually.

Matters specifically reserved to the Board as a whole for decision include:

- The determination of the educational character and mission of the University;
- The approval of the University's long-term mission and strategic vision;
- The approval of the annual budget and five year forecasts;
- Investment in capital projects above agreed levels;
- Election of the Chairman of the Board;
- Appointment of the Vice Chancellor and the Clerk to the Board and other senior post holders; and
- The variation of the University's Memorandum and Articles of Association.

Current committees of the Board are:

- Policy and Resources Committee
- Audit Committee
- Educational Character Committee
- Human Resources Committee
- Property Committee
- Nominations Committee
- Appointments Committee
- Remuneration Committee

The Policy and Resources Committee advises the Board of Governors on the solvency and the use and safeguarding of its resources and assets, and recommends to the Board of Governors the University's annual revenue and capital budgets and monitors performance in relation to those budgets. It reviews high level corporate policy of the University. Throughout the year under review it met on five occasions.

The Audit Committee is responsible for meeting the external auditors and internal auditors of the University and reviewing their work. The Committee considers detailed reports together with recommendations for the improvement of the University's systems of internal control and management's response and implementation plans. It provides oversight of the risk management process and receives regular risk reports from management. It also scrutinises the University's relationship with HEFCE and monitors adherence with its regulatory requirements. It reviews the University's annual financial statements together with the accounting policies. In addition to the four independent governor members, there is one independent external member co-opted to the committee. Whilst members of the Executive attend meetings of the Audit Committee, they are not members of the Committee. The Chairman of the Board is not a member of the Committee and does not attend its meetings. The committee met four times during the year under review.

The Educational Character Committee helps the Board gain a greater insight and understanding of the educational and academic work of the institution. It considers issues such as student retention and progression, student satisfaction and reports from the Academic Board. The committee met three times in the year under review.

The Human Resources Committee is responsible for setting the framework for the determination and implementation of policies and procedures relating to the employment of staff. It also sets the framework for collective salary and conditions of service negotiations. The Committee considers the broad financial implications of the University's staffing needs. With the Chair's permission, one of the staff governors attends as an observer. The committee met three times during the year under review.

The Property Committee advises the Board of Governors on property and estates matters. It considers all major estates projects before recommending their approval to the Policy and Resources Committee and the Board of Governors. The Property Committee monitors the execution of these projects. It met three times during the year under review.

The Nomination Committee meets as necessary to consider candidates for independent governor vacancies on the Board of Governors. Independent Governors are appointed for a term of four years by the Appointments Committee. Renewal for an additional term can be considered, but is not automatic. The Nominations Committee met twice during the year and recommended two new independent governors for appointment.

The Remuneration Committee determines the annual remuneration of senior post holders. It met two times.

	PAPER NO: PR.36(14)
Paper title:	Financial Regulations
Board/Committee	Policy and Resources
Date of meeting:	23 rd September 2014
Author:	Natalie Ferer, Financial Controller
Executive/Operations sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	To approve amendments to the Financial Regulations

Executive Summary	
Context	An annual update of the University's Financial Regulations is brought to the Board each year. This is to ensure that the Financial Regulations remain relevant and reflect the structure and organisation of the University
Question	Whether amendments to the University's Financial Regulations are required?
Conclusion & Recommendation	Revised limits to purchasing cards are suggested. Amendments are also suggested following the move to new University structures, and in response to changes to other university policies in the year. That the proposed amendments to the University's Financial Regulations are approved

Matter previously considered by:	Operations	On: 16 September 2014
Further approval required?	N/A	N/A

Executive summary

1. An annual update of the University's Financial Regulations is brought to the Policy and Resources committee each year. This is to ensure that the

Financial Regulations remain relevant and reflect the structure and organisation of the University.

The following amendments are proposed:

- A section for schemes of delegation for commercial sales to be introduced as recommended by the Board of SBUEL. It is through such projects that much of the University's Enterprise income is generated but these contracts also bind the University (or SBUEL) to committing sometimes substantial resources, including staff time, to the delivery of projects, therefore an approval process is necessary.
- Regulations around the use of purchasing cards including the introduction of a low default transaction limit of £500 and monthly spend limit of £1,000 with a further authorisation process for spend allowed above these limits. There is also a requirement that all card applications must be authorised by the Dean or Head of Professional Services Group.
- Addition of Deputy Vice Chancellor, Chief Operating Officer and Executive Director of Human Resources to the list of postholders who can be named on the University Bank Mandate.
- Changes reflecting new university structures including, replacing Faculties with Schools and new posts and titles including Chief Financial Officer, Chief Operating Officer, Deputy Vice Chancellor, Deans and Executive Director of HR and Pro Vice Chancellors.
- changes to the Fraud Response Plan as approved by Audit Committee in June 2014
 - a) Remove the requirement for the Chief Financial Officer to immediately decide if the matter should be reported to the police, as in practice the decision may only be possible once the investigation has begun.
 - b) Changes to wording to set out the action to be taken if it is suspected that a fraud may be significant. Previously this action, which includes informing the Chairs of Audit Committee and the Board and HEFCE, was only required once it is proven that the fraud is significant.

- c) Requirement to consider carefully at the outset the role of internal audit in any investigation when it is suspected that the fraud may be significant.
- Other minor amendments as listed in appendix E

The regulations, with track changes, are attached as an appendix to the pack with a list of amendments in appendix E.

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FINANCIAL REGULATIONS

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Terminology

The following will apply in the Financial Regulations:

The University shall mean 'London South Bank University' and its subsidiary companies including South Bank University Enterprises Ltd.

Budget holder shall mean an individual who has been given delegated authority and responsibility for managing a budget within a department.

Department shall mean one of the several Departments in the University and will include, for example, any Unit, ~~Faculty school or Support Department~~ Professional Service Group which has Departmental status for financial management purposes

Dean shall mean both Executive and Non Executive Deans

Glossary

HEFCE Higher Education Funding Council for England

EU European Union

~~NI National Insurance~~

~~PAYE Pay as you Earn~~

~~SORP Statement of Recommended Practice~~

VAT Value Added Tax

1 Introduction

1.1 Purpose and Scope of the Regulations

This document sets out the University's financial regulations. It translates into practical guidance the University's broad policies relating to financial control. It applies to the University and any subsidiary companies, including South Bank University Enterprises Limited.

The purpose of the financial regulations is to provide control over the University's resources and provide management with assurances that the resources are being properly applied to ensure delivery of the University's corporate plan and its financial objectives including:

- Future financial viability
- Ensuring value for money
- The provision of effective financial control over the use of public funds
- Compliance with all relevant legislation
- Safeguarding the assets of the institution.

1.2 Compliance with the financial regulations

Compliance with the financial regulations is compulsory for all staff, including those employed by University subsidiary companies. Specific regulations relating to South Bank University Enterprises Limited that override University regulations are detailed in Appendix C. It is the responsibility of heads of department to ensure that their staff are made aware of the existence and content of the University's financial regulations.

A member of staff who fails to comply with the financial regulations may be subject to disciplinary action under the University's disciplinary policy.

1.3 Approval and amendment of the financial regulations

Proposals to amend the regulations shall be considered by the Policy and Resources Committee. The Vice Chancellor shall have the authority to make minor changes to the regulations.

The Finance Department is responsible for continuous review of the Financial Regulations and will advise the Policy and Resources Committee of any changes that are necessary.

Any recommendations for amendment or improvement should be made in the first instance to the ~~Executive Director of Finance~~ Chief Financial Officer.

This version of the regulations was approved by The Policy and Resources Committee on 23rd September 2014.

2 Corporate Governance

2.1 Board of Governors

The Board of Governors (Board) is responsible for the management and administration of the University. Its financial responsibilities are to:

- ensure the solvency of the University
- safeguard the University's assets
- ensure the effective and efficient use of resources
- approve the annual budget and five year forecast
- approve the annual financial statements
- appoint the University's internal and external auditors
- ensure that financial control systems are in place and are working effectively
- ensure that the institution complies with the funding body's code of practice
- approve the University's strategic plan
- ensure that the funds provided by the funding body are used in accordance with the terms and conditions specified in the University's financial memorandum with the funding body.

2.2 The Vice Chancellor

The Vice Chancellor has ultimate executive responsibility for the organisation, direction and management of the University. The Vice Chancellor is the Designated Officer as identified by HEFCE and documented within the Financial Memorandum.

2.3 Committee Structure

The Board of Governors has ultimate responsibility for the University's finances, but delegates specific powers and processes to the various committees detailed below. These committees are accountable to the Board of Governors.

2.4 Policy and Resources Committee

The Committee:

advises the Board of Governors on the University's performance, financial reporting and controls, and proposed investments. Its financial responsibilities include (references to sections in these financial regulations is included in the brackets):

- Recommending annually an income and expenditure budget, a capital budget and a five-year financial forecast for approval by the Board of Governors (4.1 and 4.2);
- Recommending the financial statements to the Board (4.16);
- Recommending to the Board the setting of non-regulated fees (5.2);
- Reviewing expenditure prior to Board approval (9.6);
- Recommending disposal of land to Board (9.14);
- Reviewing borrowing before approval by Board (10.5);
- Reviewing Lease finance arrangements for items with a capital value greater than £250,000 (10.5);
- Approval of investment policy (12.1);
- Approval of investment policies for charitable funds (12.3(b));
- Approval of investment policies for charitable funds (12.5); and
- Approval of levels of insurance (13.1(b))

2.5 Audit Committee

The University has an audit committee in compliance with HEFCE's audit code of practice to. The committee consists of independent and reports to the Board of Governors. The audit committee oversees LSBU's audit activities including the audit process for the financial statements, appointing the internal and external auditors, monitoring value for money and advising the Board of Governors on the effectiveness of the internal control system.

The committee's financial responsibilities include (references to sections in these financial regulations is included in the brackets):

- Recommending appointment of external auditors to Board (4.13);
- Recommending annual reappointment of external auditors to Members. (4.13);
- Recommending appointment of internal auditors to Board (4.14);
- Recommending financial statements to Board (4.16); and
- Approving the write off of individual debts over £50k

The Audit Committee also monitors the University's Corporate Risk Management Programme. The audit requirements of the University can be found in Accountability and Audit: HEFCE code of practice. Copies of this document are available in the office of the ~~Executive Director of Finance~~Chief Financial Officer.

2.6 Code of conduct

The University is committed to the highest standards of openness, integrity and accountability. It seeks to conduct its affairs in a responsible manner, having regard to the principles established by the Committee on Standards in Public Life (formerly known as the Nolan Committee), which members of staff at all levels are expected to observe. These principles are set out at Appendix B.

All members of staff who have a beneficial financial or other interest in any contract between the University and a third party must disclose that interest to their Head of Department, the ~~Executive Director of Finance~~Chief Financial Officer and the Director of Human Resources.

As a result of the Bribery Act 2010, it is illegal for any employee to accept or offer a personal inducement or bribe. It is also a corporate offence to fail to prevent bribery.

Members of staff should not accept any gifts, rewards or hospitality from any organisation or individual with whom they have contact in the course of their work that would cause them to reach a position whereby they might be, or might be deemed by others to have been, influenced in making a business decision as a consequence of accepting such hospitality The frequency and scale of hospitality accepted should not be significantly greater than the University would be likely to provide in return.

The University itself must not provide levels of hospitality or entertainment for students, external visitors, alumni, external stakeholders or actual/potential business partners that could be deemed to be an attempt to influence decision making

When it is not easy to decide between what is and what is not acceptable in terms of gifts or hospitality, the offer should be declined or advice should be sought from the relevant head of department or the ~~Executive Director of Finance~~Chief Financial Officer.

2.7 Whistleblowing arrangements

The University has a separate Speak Up Policy under the Public Interest Disclosure Act 1998.

3 Risk Management

- 3.1 The University acknowledges the risks inherent in its business, and is committed to managing those risks that pose a significant threat to the achievement of its objectives. Detailed guidance on the University's underlying approach to risk management and the agreed processes to be followed are set out in a separate risk management strategy.
- 3.2 The Board of Governors has overall responsibility for ensuring that there is a risk management strategy and a common approach to the management of risk throughout the University through the development, implementation and embedding within the organisation of a formal and structured risk management process.
- 3.3 The Executive assumes responsibility for implementing risk policy and for the effective operation of the University's risk management system.
- 3.4 In line with this policy, the Board requires that the risk management strategy and supporting procedures include:
- The adoption of common terminology in relation to the definition of risk and risk management
 - The establishment of institution wide criteria for the measurement of the likelihood and impact of each risk occurring
 - Development of a 'corporate level' risk framework for all significant risks to include a designated member of the Executive who will be responsible and accountable for managing the risk in question
 - Maintenance and regular review of risk management action plans for all risks above established tolerance levels to ensure that agreed additional controls and management actions are put in place in order to mitigate significant risks
 - Regular risk reports to the Audit Committee and Board of Governors
 - An appropriately risk focussed internal audit service
 - An annual review of the implementation of risk management arrangements.
- 3.5 The Board requires that all ~~faculties~~ Schools and ~~support departments~~ Professional Service Groups carry out a detailed regular review to identify the significant risks associated with the achievement of key objectives and other relevant areas. These procedures include:
- A member of the Executive to act as a 'risk champion' for each faculty and support department and to take responsibility for implementing risk policy within the particular faculty/Support Department
 - Development of faculty and departmental operational risk frameworks, to include a designated local 'risk owner' who will be responsible and accountable for managing the risk in question
 - Maintenance and regular review of risk management action plans for all risks above established tolerance levels to ensure that agreed additional controls and management actions are put in place in order to mitigate significant risks
 - Escalation of operational faculty and departmental risks for consideration by the Executive as necessary.

4 Financial Management and Control

4.1 Financial Planning

The Finance Department is responsible for preparing annually an income and expenditure budget, a capital budget and a five-year financial forecast for approval by the Board of Governors on the recommendation of the Policy and Resources Committee.

4.2 Budget preparation

LSBU's annual budget preparation is led by the ~~Executive Director of Finance~~Chief Financial Officer.

Detailed planning and budgeting guidance is published on the Staff Gateway each year. This includes a budget timetable and information on budget assumptions.

The completed budget is presented to the Executive for approval before being submitted to the Policy and Resources Committee for recommendation to the Board of Governors, who confer final approval.

Once the budget is approved, members of the Executive will be issued with a formal letter of delegation which will include details of the budget for which they have responsibility.

4.3 Budgetary control

The Finance Department will prepare monthly management accounts for discussion at Executive meetings and hold monthly meetings with ~~Faculties Schools and Support Departments~~Professional Service Groups to discuss performance against the agreed budget.

The control of income and expenditure within the agreed budget is the responsibility of the designated budget holder. This responsibility is formalised in the letter of delegated authority issued to each budget holder at the start of the academic year. Budget holders will be given access to and training in the use of the University's web-based finance system to enable them to monitor income and expenditure on a daily basis. The Finance Department will also provide monthly management information to budget holders in the form of budget monitoring reports

The Finance Member of the Emergency Management Team (EMT) can authorize emergency expenditure. In these circumstances the Finance Member will be responsible for ensuring records of expenditure are kept to report during and after the incident takes place.

The Head of Department must report significant departures from agreed budgetary targets immediately to the ~~Executive Director of Finance~~Chief Financial Officer.

4.4 Forecasting

Budget holders, in collaboration with their Finance Business Support Managers, will be responsible for in year budget re-forecast. The output of this process will be the latest expected position on income, expenditure and surplus compared to original budget. Budget holders are expected to incorporate all relevant information they have into these forecasts.

4.5 Year end balances

Budget holders will not be permitted to carry forward any unspent amounts at year end.

4.6 Financial year

The University's financial year runs from 1 August until 31 July.

4.7 Basis of accounting

The consolidated financial statements are prepared on a historical cost basis and in accordance with the Companies Act, the Higher Education SORP ([Statement of Recommended Practice](#)) and other applicable accounting standards.

4.8 Capitalisation and depreciation

New land and buildings will be recorded in the balance sheet at actual build or acquisition costs, except where they are received as gifts, where they will be recorded at depreciated replacement value. Buildings will be depreciated in equal installments over their estimated remaining useful life. Land will not be depreciated.

Expenditure incurred on repair, refurbishment or extension of existing buildings will not be capitalised unless it can be demonstrated that the resultant value of the building, on the basis of depreciated replacement value, is greater than the current book value.

Expenditure on equipment, software and motor vehicles will be recorded in the balance sheet where the acquisition cost per item or group of items making up one asset is £10,000 or more. Depreciation will be charged on a straight line basis commencing in the month of acquisition at rates of:

- Equipment, fixtures and fittings and motor vehicles – 5 years
- Computer hardware and software – 4 years
- Refurbishment expenditure – 15 years
- Freehold buildings – 50 years
- Leasehold buildings – lower of 50 years and life of the lease.

4.9 Accounting records

In accordance with the Companies Act 2006, the ~~Executive Director of Finance~~[Chief Financial Officer](#) is responsible for the completeness and accuracy of accounting records.

4.10 Document Retention

The Finance Department is responsible for the retention of financial documents. These should be kept in a form that is acceptable to the relevant authorities.

The University is required by law to retain prime documents for 6 years. These include:

- Official purchase orders
- Paid invoices
- Accounts raised
- Bank statements
- Copies of receipts
- Paid cheques
- Payroll records, including part-time lecturers' contracts.

Members of staff should ensure that retention arrangements comply with any specific requirements of funding organisations such as regional development agencies and the EU.

4.11 Taxation

The ~~Executive Director of Finance~~[Chief Financial Officer](#) is responsible for advising ~~Executive Deans and /Heads of Support Departments~~[Professional Service Groups](#) on taxation matters, in the light of guidance issued by the appropriate bodies and relevant legislation as it applies to the University. The ~~Executive Director of Finance~~[Chief Financial Officer](#) is responsible for maintaining the University's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date.

The University is an exempt charity and as such is exempt from corporation tax in respect of income or capital gains to the extent that such income or gains are applied to exclusively charitable purposes.

The University receives no similar exemption in respect of ~~Value Added Tax (VAT)~~, except in the case of medical equipment and advertising.

To preserve corporation tax exemption, all commercial activities must be channeled through the University's trading subsidiary South Bank University Enterprises Limited (SBUEL). SBUEL is subject to corporation tax and VAT in the same way as any commercial organisation.

The ~~Executive Director of Finance~~ **Chief Financial Officer** should be notified of any activities that are thought to be commercial in nature before they are undertaken.

4.12 Audit requirements

The university shall appoint both external and internal auditors. In accordance with the HEFCE Audit Code of Practice the same firm shall not under any circumstances be appointed as both external and internal auditors.

Both the external and internal auditors shall have authority to:

- Access University premises at reasonable times
- Access all records, documents and correspondence relating to any financial and other transactions of the institution
- Require and receive from any member of staff such explanations as are necessary concerning any matter under examination promptly.

4.13 External audit

The appointment of external auditors will take place every five years following a competitive tendering process. Appointment of the external auditors is the responsibility of the Board of Governors following recommendation of the Audit Committee.

During their period of office, the external auditors will be re-appointed annually by the Board on the recommendation of the Audit Committee.

The primary role of external audit is to report on the University's consolidated financial statements. This will involve carrying out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the consolidated financial statements.

The Financial Controller is responsible for drawing up a timetable for year-end accounts purposes and will advise staff and the external auditors accordingly.

Separate auditors may, at the discretion of the Audit Committee, be appointed to carry out audits of grant claims as and when required by the relevant funding bodies.

4.14 Internal audit

The appointment of internal auditors will take place every five years following a competitive tendering process. Appointment of the internal auditors is the responsibility of the Board of Governors following recommendation by the Audit Committee.

The primary role of internal audit is to deliver a risk based internal audit service which provides the Board of Governors with assurances on:

- The adequacy and effectiveness of the system of internal control and governance
- Risk management
- Data quality, and

- Value for money

The University's financial memorandum with HEFCE requires that it has an effective internal audit function and their duties and responsibilities must be in accordance with advice set out in Accountability and Audit: HEFCE Code of Practice.

4.15 Fraud and corruption

The Anti Fraud Policy outlines the University's position on fraud and sets out responsibilities for its prevention and detection. The policy is intended to ensure that all cases of suspected fraud are promptly reported, investigated and dealt with as necessary, thereby safeguarding the finances and resources of the University and its subsidiaries. This policy applies to all staff and students.

When an incident of fraud is identified, appropriate action should be taken in accordance with the fraud response plan (Appendix A).

4.16 Financial statements approval

The consolidated financial statements and those of SBUEL are prepared by the finance department in line with the agreed external audit timetable.

The financial statements must be reviewed and approved by both the Policy & Resources Committee and the Audit Committee.

The financial statements of the University will be signed by the Chair of the Board of Governors, the Vice Chancellor and the external audit partner. The Accounts of SBUEL will be signed by a member of the SBUEL Board.

5.0 Income

5.1 General

The ~~Executive Director of Finance~~ Chief Financial Officer is responsible for ensuring that appropriate procedures are in place to enable the University to receive all income to which it is entitled.

The cash office in the Finance Department, together with credit control, is responsible for the prompt collection, security and banking of all income received.

The Finance Department is responsible for ensuring that all grants notified by HEFCE and other funding bodies are received and recorded appropriately in the University's accounts.

The Finance Department is responsible for ensuring that all claims for funds, including research grants and contracts, are made by the due date.

5.2 Tuition Fee Income

Setting of fees

The Board of Governors on recommendation of the Policy & Resources Committee is responsible for the setting of tuition fees.

Inputting of student data

A fees matrix within the QLS Student Records System (SRS) calculates the tuition fee for each student. To ensure the correct fee is calculated, student information must be input completely and correctly into QLS.

Invoicing of fees

The Finance Department is responsible for raising tuition fee invoices.

5.3 HEFCE Recurrent Grant funding

An agreement between HEFCE and the University sets out the minimum number of funded places which the University will provide in each academic program and mode, and the funding per student place. HEFCE makes payments in monthly installments. The profile over the financial year takes account of the timetable for the payment of tuition fees by the Student Loan Company ~~and local education authorities.~~

5.4 HEFCE Specific Grant funding

The ~~Executive Director of Finance~~ Chief Financial Officer shall ensure that all specific grants are applied in accordance with their terms, and that income from such grants is only recognised to the extent that it has been spent. The Finance Department will provide a unique source of funds code to ensure that expenditure can be accurately monitored.

5.5 HEFCE Capital Grant funding

These funds are allocated to the University for technical equipment and improvements to buildings. HEFCE recommends that each institution has a proper scheme for the planned replacement of equipment, and that it monitors expenditure on equipment and replacement plans.

The Vice Chancellor shall approve the allocation of funding to ~~faculties~~ Schools and ~~support departments~~ Professional Service Groups.

The ~~Executive Director of Finance~~ Chief Financial Officer shall:

- ensure that equipment purchased is within the terms of the grant
- monitor allocations to avoid overspending;
- ensure that funds are claimed from HEFCE on a timely basis.

5.6 HEFCE Inherited liabilities reimbursement

HEFCE reimburses in full expenditure on capital and staff-related liabilities inherited by the University from the former ILEA where these liabilities were previously met from the former Advanced Further Education pool for capital-related payments. The liabilities eligible for reimbursement are:

- Debt charges on land and buildings;
- Pension increase payments in respect of pre 1989 retirants.

The Finance Department must ensure that:

- claims for reimbursement are submitted promptly at the end of each financial year;
- a record is kept, updated annually, with details of the amount and date when claimed, and the amount and date when paid.

5.6 Receipt of cash, cheques and credit/debit card payments

The cash office of the Finance Department deals with all monies received in payment of tuition fees. Faculties-Schools must instruct all students that payments are to be made direct to the cash office and all students wishing to make a payment must be directed to the cash office.

The current single cash transaction limit for the University is the sterling equivalent of €15,000, translated at the most recent rate published by the Financial Times. This is to comply with the Money Laundering Regulations 2003. The cash office must not accept cash over this limit.

The Finance Department must be notified immediately of all cash received. Failure to do so could result in disciplinary proceedings.

All monies received must be recorded promptly and posted to the relevant student account in the University's Student Record System (SRS).

The University's contractor, Loomis, must carry out all banking. The amount banked must be confirmed.

All cash awaiting banking should be stored in a locked safe, and staff should ensure that insurance limits for the level of cash holding are not breached.

5.7 Receipt of BACS payments

All BACS and electronic receipts must be recorded and posted to the finance system on the day, or closest working day, to receipt.

5.8 Collection of tuition fee debt

Any student who has not paid an account for tuition fees or any other item owing to the University shall not receive their certificate for any degree, diploma or other qualification until all outstanding debts have been cleared. The name of such students shall not be included on pass lists. In addition such students shall be prevented from re-enrolling at the University and from using any of the facilities.

5.9 Collection of other debt

The Finance Department should ensure that:

- Debtor invoices are raised promptly on official invoices;
- Invoices are prepared accurately and are credited to the appropriate income account;
- Any credits granted are valid and properly authorised;
- VAT is charged at the correct rate where appropriate and accounted for;
- Outstanding debts are monitored and chased in a systematic manner

4.17 All debts (tuition fee and sales ledger) over 6 years old will be written off on an annual basis unless there is a reasonable expectation that the money can still be recovered. If the total value of the annual write off is less than £50k it can be approved by the ~~Executive Director of Finance~~ Chief Financial Officer. Audit Committee approval is required where the total value of the annual write off exceeds £50k.

In exceptional circumstances debts may be required to be written off during the year (eg in the event of company liquidation). This will require the approval of only the ~~Executive Director of Finance~~ Chief Financial Officer. The maximum limit for write off on any individual debt is £10k. Above this limit, approval of Audit Committee is required.

5.11 Access fund income

Eligibility

These funds are used to provide financial help to students in the following three areas whose access to higher or further education might be inhibited by financial hardship:

- Postgraduate home students studying at levels above first degree;
- Undergraduate home students;
- Further education home students aged 19 or over.

Administration

Student Services, under the direction of an Access Funds Panel shall administer these funds. The membership of this panel should be drawn from Student Services, the Student Union and the Finance Department. A nominee of the Head of Student Services should chair the panel. The nominee is responsible for:

- Advising on the criteria for the allocation of funds, this will be approved by the Vice Chancellor
- Authorising payments to students on the basis of evidence of need.

Reporting

The Director ~~Head~~ of Student Services shall be responsible to the Vice Chancellor for:

- Preparing regular reports for the Vice Chancellor on the payment of funds;
- Providing annual monitoring information to HEFCE in the form required showing the number of students in receipt of payments

5.12 Halls of residence income

The Executive shall determine the level of term time fees for student halls of residence, taking account of the implications for:

- (a) Student welfare;
- (b) The financial position of the University and the surplus or deficit on halls of residence operations.

The Executive will determine the level of fees for vacation lettings at halls of residence. In doing so they must take account of the need to maximise the income to the University from these activities.

The Director of Estates shall be responsible for invoicing students and other users and ensuring payment, with the assistance of the Finance Department. Every effort shall be made to recover amounts owed, including the use of debt collection agencies and the withholding of academic qualifications.

All students in halls of residence shall be required to sign a formal accommodation agreement. The agreed period of tenancy covers the full academic year.

5.13 Catering income

The parts of the University authorised to provide food and drink for sale to staff students and visitors are:

- (a) The Department of Estates or it's contracted catering provider;
- (b) The National Bakery School

~~(c) Rockwells Café (located in Technopark)~~

No other ~~school~~Faculty, ~~Support Department~~Professional Service Group or individual member of staff shall provide food and beverages for sale on the University's premises.

The Heads of Estates and of The National Bakery School shall determine the prices charged in the refectories and other catering outlets, taking account of:

- (a) the welfare of students and staff;
- (b) the financial position of the University and the surplus or deficit on catering operations.

Arrangements for dealing with catering cash receipts are set out in Section ~~09-10~~.

6. Research grants

6.1 General

Research can be defined as original investigation, undertaken to gain new knowledge and understanding, which may be directed towards a specific aim or objective. It can use existing knowledge in experimental development to produce new or substantially improved materials, devices, products and processes including design and construction. It excludes routine testing and analysis of materials, components and processes.

The term 'Research Grant' is restricted to research projects funded by the UK and EU Research Councils, Charities and HEFCE. All other externally funded research projects are classified as 'Commercial Research Contracts'. These are managed by University Enterprise and dealt with in section 7 of these regulations.

Where approaches are to be made to outside bodies for support for research projects or where contracts are to be undertaken, it is the responsibility of the ~~Executive~~ Dean to ensure that the financial implications have been appraised by the Central Research Support Office. This will include obtaining a set of grant terms and conditions from each organisation providing funding to enable appropriate monitoring of compliance.

The Central Research Support Office is responsible for examining every application for research funding. The Central Research Support Office should ensure that the full cost of research contracts is established.

The Finance Department shall maintain all financial records relating to research grants and contracts and shall initiate all claims for reimbursement from sponsoring bodies by the due date.

Where services or supplies need to be bought as part of a research agreement or grant, procurement support must be requested if this is required in the research grant terms and conditions.

Each grant or contract will have a named supervisor and will be assigned to a specific ~~faculty~~school.

6.2 Full Economic Costs

All UK universities are now obliged to identify the Full Economic Cost (FEC) of research activities and recover the best price possible for the work taking into account the funder's own regulations.

Therefore all projects must be costed using LSBU Full Economic Costing & Pricing Form available on the Central Research Support Office website.

Where possible, full economic costs should be recovered from the funder.

6 7. Other income-generating activity

7.1 Types of activity

Income generating activities are coordinated via University Enterprise. These include:

- Knowledge Transfer Partnerships;
- Commercial research contracts;
- Consultancy;
- Commercial exploitation of intellectual property;
- Sales of materials;
- Hire of facilities;
- Full cost courses and events

7.2 Responsibilities

Executive Deans

- Encourage staff to undertake these activities where appropriate academically and financially;
- Manage the activities in accordance with these regulations and exercise proper control over the use of staff and facilities;
- Ensure that no work is undertaken before a contract has been signed by the University or, in the case of courses, payment or an employer's authorisation has been received;
- Attempt to ensure that no losses are incurred on these activities. If losses are incurred they shall be underwritten by a surplus from other income generating activities.

Academic staff members

- Inform their ~~Executive~~ Dean before entering into an obligation to undertake external work. The ~~Executive~~ Dean or nominated deputy shall consider whether that work will interfere with the performance of the individual's normal duties or compete of conflict with the interests of the University

University Enterprise

- Provide the procedural guidelines for income generating activities
- Ensure that all proposals for income generating activities to employers, funding bodies and offers of courses to individuals have been properly costed in line with Full Economic Costing (FEC);
- Deal with all contractual matters in consultation with the University Secretary & the ~~Corporate Procurement~~ Procurement Services -Manager as appropriate;

Finance Department

- Provide a unique source of funds reference code to be used for each activity;
- Issue invoices based on invoice request forms;

- Authorise claims for grants and other payments which are due and are not covered by an invoice;
- Pursue customers where payment is not received by the due date.
- Provide the ~~school~~Faculty or ~~Support Department~~Professional Service Group and University Enterprise with the information needed for financial control and monitoring purposes

7.3 Approval of activities

Proposals must be discussed at an early stage with University Enterprise. University Enterprise will involve the ~~Executive Director of Finance~~Chief Financial Officer if such a proposal has a significant impact on resources.

University Enterprise shall negotiate with the client the service to be provided and the price to be charged, on the advice of the ~~school~~faculty concerned. The price charged shall take account of staffing costs and risks involved, the University overhead and planned ~~school~~faculty surplus required.

Approval shall be sought for each project on the appropriate Full Economic Costing (FEC) form available on the University Enterprise website. All FEC forms should be signed by the proposer and the appropriate ~~Executive Dean/Pro Dean~~Dean.

6.4 Scheme of Delegation for Commercial Sales

The table below sets out the delegation of authority with respect to authorising enterprise projects to be contracted with third parties for delivery of goods or services. Authorisation can be at project level or individual programme level. The table below reflects scenarios where commercial sales are managed by either SBUEL or by the University.

<u>Total contract value (including VAT)</u>	<u>SBUEL</u>	<u>LSBU</u>	
		<u>school-led</u>	<u>Enterprise-led</u>
<u>Over £2m</u>	<u>SBUEL Board</u>	<u>Board of Governors</u>	<u>Board of Governors</u>
<u>Over £1m and up to £2m</u>	<u>SBUEL Board</u>	<u>VC</u>	<u>VC</u>
<u>Over £500k and up to £1m</u>	<u>PVC (External) & CFO</u>	<u>Dean & CFO</u>	<u>PVC (External) & CFO</u>
<u>Over 250k and up to £500k</u>	<u>PVC (External) or CFO</u>	<u>Dean</u>	<u>PVC (External)</u>
<u>Over £50k and up to £250k</u>	<u>PVC (External) or CFO</u>	<u>Dean</u>	<u>PVC (External)</u>
<u>Up to £50k</u>	<u>Chief Executive</u>	<u>Dean</u>	<u>Director of Enterprise</u>

In all cases, projects must be subject to internal University agreement in addition to this project authorisation before any contract is issued. At a minimum, this should consist of an agreed FEC form signed the Dean of the school (or schools) responsible for delivery of the project, per the Financial Regulations. Only once both internal agreement (e.g. through the FEC) and project authorisation under this scheme of delegation have been received can a contract be signed by the appropriate person per Section 13.3 of the Financial Regulations.

7.5 South Bank University Enterprises Ltd

All activities commercial in nature and carried out with the intention of making a profit should be handled through the University's trading company SBUEL. VAT must be charged on all standard rated activities carried out by SBUEL.

7 8.0 Staff expenditure

8.1 Staffing budget

The Board of Governors approves the annual staffing budget which forms part of the overall budget.

staffing shall be at a level that ensures that staff expenditure remains within budget for the financial year.

No permanent or temporary appointments in excess of the annual staffing budget shall be made without approval of the ~~Director of Finance~~ Chief Financial Officer.

The Executive Director of Human Resources must maintain staffing statistics and report to the University at regular intervals staff in post and vacancies.

8.2 Appointments to permanent posts

The Vice Chancellor is responsible for the appointment of staff. The Board of Governors is responsible for the appointment of senior post holders.

Permanent appointments should be made within the University's recruitment and selection procedures. The Human Resources Department shall seek confirmation from the hiring department that sufficient funds are available within the departmental budget in the current financial year to pay for the post before beginning the recruitment process. Holders of letters of delegated authority are responsible for ensuring that staffing levels remain within budget.

The ~~Head Executive Director~~ of Human Resources must notify promptly the Payroll Department of all appointments and terminations of employment, and any changes during employment, in sufficient time to enable the appropriate changes to be made to the payroll.

8.3 Temporary Appointments

Holders of Letters of delegated authority may authorize ~~t~~Temporary appointments, including the use of ~~a~~Agency ~~s~~Staff to vacant posts or to meet business need where expenditure is within staffing budgets for the year, including grant funded staffing budgets.

Temporary appointments shall be made within the University's recruitment and selection procedures or through the University's approved supplier of agency staff.

8.4 Conditions of employment

The Board is responsible for setting the framework for the employment of university staff (which it may delegate to the HR Committee or the Executive).

8.5 Payroll

The ~~Executive Director of Finance~~ Chief Financial Officer shall ensure that appropriate arrangements are in place to make proper payments. These shall include:

- (a) the information shall be transcribed into the form required to process payments;
- (b) the Financial Controller shall make validation checks of the proposed payment schedule before authority is given for payment to either the payments bureau or for manual payments.
- (c) pay slips shall be released to staff;

(d) a check shall be made of the payroll transactions which shall be copied to the Human Resources Department to be checked against personnel records.

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8.7 Deductions

The ~~Executive Director of Finance~~ Chief Financial Officer shall arrange for deductions of income tax, national insurance, pension contributions and other deductions, and ensure that proper records are kept.

8.8 Sickness, Maternity and Other Benefits

The Executive Director of Human Resources shall verify the entitlements and notify Financial Controller of payments to be made.

8.9 Pay Awards

The Board of Governors shall determine the annual pay level of senior post holders.

The Board of Governors shall decide annually whether the University should opt in or out of national pay negotiations. The Executive shall then make a recommendation to the Board based on budgetary consideration from year to year.

The Vice Chancellor shall after consultation with the Human Resources Committee approve the offer made to the trades unions. When agreement on the size of the pay award and the date of implementation has been reached, the Vice Chancellor shall approve the pay award having regard to the financial implications for the University.

The Director of Human Resources shall notify the ~~Executive Director of Finance~~ Chief Financial Officer of:

- (a) the nature of the pay award and the groups of staff to whom it applies;
- (b) any other arrangements for other groups of staff.
- (c) Increases in pay due as a result of pay awards

8.10 Bonus payments

The Vice Chancellor shall determine:

- (a) the principles each year underlying the performance bonus payments to eligible staff;
- (b) the amount of the annual performance bonus to be paid to each of these staff.

8.11 Promotion

The permanent promotion of staff shall operate through:

- (a) the normal recruitment procedure for vacant posts;
- (b) upgrading for staffing in re-graded posts.

All proposals for temporary promotion shall be approved by the Vice Chancellor.

~~7.4 — Staff Development and Training~~

~~7.5 —~~

~~7.6 — (a) — the Staff Development and Training Unit will act as a central focus for the co-ordinated planning and provision of a range of staff training and development activities;~~

~~7.7 —~~

~~7.8 — the annual training programme will comprise internal and external courses and seminars and sponsored study at the University or any other institution. It will be agreed by the Staff Development and Training Manager from plans submitted by, and discussions held with, Faculties and Support Departments.~~

~~7.9 —~~

~~7.10 — the annual budget will be the responsibility of the Staff Development and Training Manager and commitment must not be made by Faculties and Support Departments without his/her prior allocation of the funding.~~

~~7.11 —~~

~~7.12 (d) — applications for attendance of staff on external courses and seminars and in respect of sponsored study at the University or at any other institution must be made to the Staff Development and Training Unit on the appropriate forms which are available from the Unit.~~

~~7.13 —~~

~~7.147.4 (e) — conference attendance and associated travel cost will be treated separately and the Staff Development and Training Manager will allocate an annual budget to each Faculty and Support Department.~~

9.0 Expenditure

9.1 Scope

These regulations apply to all expenditure, including spending of grant monies and leasing arrangements, but exclude salaried payroll.

Further guidance explaining the regulations and examples of how they apply are available on the [Corporate Procurement Procurement Services](#) website.

9.2 Purpose

The purpose of these regulations is to:

- Ensure that the University's expenditure represents Value For Money including 'economy' ('doing things at best price'), 'effectiveness' (doing the right things) and 'efficiency' (doing things the right way);
- Comply with European and UK legislation and statutory requirements;
- Manage and minimise risks, including commercial protection in all contractual arrangements and mitigation against fraud and corruption.

9.3 Investment Appraisal Process

The Investment Appraisal process applies to all activities with a significant impact on current business activities or activities with significant resource requirements, including:

- Capital expenditure bids
- Operating expenditure outside existing budgets

Where the value of the bid is no more than £250k, a short business case can be submitted.

The Finance department will maintain guidance on the investment approval process.

Authorisation for all expenditure must be sought in accordance with approval limits set out in section 9.6 below.

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9.4 Use of existing and Mandatory Contract Arrangements

The University has a number of contracts that must be used for specified services, supplies or works. A list of mandatory contracts can be found on the Procurement website.

Where approved contracts are available, these must be used for all purchases. These contracts cover a wide range of goods and services and have been selected through a competitive process. These contracts should be used by either directly calling off from the existing contract, or where a framework agreement is in place with multiple suppliers, through requesting quotes from the specified list of suppliers in that category. Call-off methods are detailed for each mandatory contract and are listed on the Procurement website.

The University has a number of expenditure categories where specific [support departments Professional Service Groups](#) lead and manage any orders that need to be made. The relevant [support departments Professional Service Group](#) must be used to advise and process expenditure in these areas. Mandatory usage of departments by category are listed on the Procurement website.

9.5 Competition requirements for new contracts

Obtaining Value for Money

Value for money is the over-riding principle on procurement, ordering and tendering. The University requires all budget holders to obtain supplies, services and works at the most economically advantageous cost, consistent with quality, delivery requirements, whole life cost and always in accordance with sound business practice.

It is in contravention of the Financial Regulations to procure from suppliers for reasons other than value for money, as defined above. Procurement decisions need to be justified and 'audit trail' records must therefore be completed.

Table 1: Competition and Audit Trail Requirements:

Total Contract Value (Including VAT)	Level of Competition Required	Supporting 'Audit Trail' Documents Required
Over £50,000	Competitive Tender *	<ul style="list-style-type: none"> • Business Case Approval Form (where Board/Exec approval required) + • Full Evaluation Matrix Or 1. Single Quotation/Tender Form** + • Authority to Award Report
Over £10,000 and up to £50,000	3 Competitive Proposals	Competitive Quotes Form Or Single Quotation/Tender Form**
Up to and including £10,000	Department's Discretion ***	None

* *Procurements exceeding £50,000 over the total contract term must be discussed with ~~the Corporate Procurement~~ Procurement Services Unit at the beginning of the planning stage, to agree the procurement strategy and route and professional Procurement input required. Procurement will instruct on minimum tenderer numbers, EU compliance requirements and use of e-tendering.*

** *Where there are no sources of competition, quotations must still be obtained and a Single Quotation/Tender Form completed.*

*** *Heads of Dept/~~school~~ Faculty will have the discretion to decide whether or not to obtain quotations, however value for money must always be obtained. It is advised that at least one written quotation is obtained for items with a value of £10,000 or under.*

Table 1 above sets out minimum competition and audit trail requirements when obtaining supplies, services or works. Thresholds relate to the value over the total contract term including any potential extensions – not to per annum values. If items are bought on a rolling contract basis, the estimated per annum value should be multiplied by 4 to determine the level of competition required.

Where there is a need for a single requirement that can be divided into a number of stages, or a number of similar or identical requirements, the total value must be used when assessing the level of competition required. Contracts must not be disaggregated and split into separate contracts with smaller values to avoid having to comply with the competition requirements listed below.

Where the total committed volume cannot be determined, usage and values should be estimated to determine the level of competition required. Where more than one area of the University is likely to use the contract, competition should be based on estimated University-wide demand and total contract values.

The best value tender or quote shall be accepted (following appropriate evaluation of price and quality criteria). Approval by the Head of Procurement shall be required in all cases when award is not recommended to the most economically advantageous tender / quote.

Head of Departments and ~~Faculties~~ Schools must ensure that competitive processes are undertaken by staff with appropriate skills and expertise. The ~~Executive~~ Dean or

Head of Department shall be responsible for ensuring the goods or services are adequately specified.

'Supporting Audit Trail Documents' templates and guidance are available on the [Corporate Procurement Procurement Services](#) website.

The University's e-tender system must be used to run competitive tenders, unless otherwise agreed with [Corporate Procurement Procurement Services](#). Tender opening ceremonies for competitive tenders must be witnessed by either [Corporate Procurement Procurement Services Unit Procurement Services](#) or University Secretary representatives.

External Funding with Specific Procurement Requirements

Where the University is receiving external funding (for example from HEFCE) towards the purchase of goods or services there may be specific procurement requirements which must be followed (for example the limit for carrying out competitive tenders may be lower). These may differ from the procedures set out within the Financial Regulations. If these requirements are not adhered to the University may not receive the funding. In order to ensure that these procurement requirements are fully understood and adhered to, [the Corporate Procurement Procurement Services Unit](#) must be consulted before purchasing any goods or services for which the University is receiving external funding with specific procurement requirements.

Capital grants allocated by external organizations, such as HEFCE, must be spent solely for the purposes specified. The Finance Department shall maintain records of expenditure of HEFCE grants in the form required by the funding body.

Terms and Conditions

Appropriate terms must be clearly established at the outset of all competitive procurements. [Corporate Procurement Procurement Services](#) must be consulted in all instances where the University's standard terms and conditions are not used, in advance of committing the University.

Conflict of Interest

Any potential conflict of interest which a member of staff making or influencing a procurement may have with a supplier, must be notified to Procurement as soon as the conflict is known.

All staff involved in a competitive tender are required to complete a Declaration of Interest form, at the start of their involvement.

9.6 Authorisation levels

Authorisation for all expenditure must be sought in accordance with the threshold requirements detailed in Table 2. Thresholds relate to the value over the total contract term including any potential extensions – not to per annum values.

Table 2: Approval Requirements by Value Threshold for requisitions/orders and authorisations to award contracts

Total Contract Value (Including VAT)	Capital	Revenue	
		In Budget	Outside Budget
Over £2 million	Board of Governors	Board of Governors	Board of Governors
Over £1 million and up to £2 million	Board of Governors	Delegated Levels of Authority and Regulations	Board of Governors
Over £500,000 and up to £1 million	Executive	Delegated Levels of Authority and Regulations	Board of Governors
Over £250,000 and up to £500,000	Executive	Delegated Levels of Authority and Regulations	Executive
Over £50,000 and up to £250,000	VC & CFOFD	Delegated Levels of Authority and Regulations	VC & CFOFD
Up to and including £50,000	VC & CFOFD	Delegated Levels of Authority and Regulations	Executive member *

* Requirement still remains to deliver against agreed budget

Capital and Revenue budgets are as defined in the department and [school/faculty](#) budgeting process. Board of Governor approval is to be sought through submission of a Strategic Outline Business Case at initial project stages prior to tendering. Where Board of Governor approval is needed, papers should be submitted in advance to Executive and the Policy and Resources Committee.

Executive approval is to be sought through submission of a Strategic Outline, or Options Appraisal Business Case prior to tendering.

Threshold Application for Framework Agreements

For some categories, the University puts in place overarching framework agreements, which are 'umbrella agreements' with either one or several suppliers. Framework agreements set out the terms, mainly relating to scope of service/supply, price, quality and potential quantity, under which individual contracts (call-offs) can be made. The University becomes committed to expenditure when a call off is made, and a discreet contract is entered into.

Framework agreements are to be authorised according to the approval levels in Table 2, based on expenditure levels estimated over the term of the framework. Subsequent call offs are also subject to the approval requirements indicated in Table

2, with Executive approval replacing any Board of Governor approval requirement indicated.

Board of Governor/Executive Delegation

When approving, the Board of Governors and Executive shall specify any future delegations that may apply during the remaining stages of the competitive procurement process.

Delegated Budget Authority

Holders of letters of delegated authority are responsible for the approval of expenditure within the budget set out in their letter of delegated authority subject to the limits stated in table 2. Holders of letters of delegated authority are responsible for agreeing with the Financial Controller a scheme of delegation within their departments. Where authority has been formally delegated to Heads of Department (HoD'S) and other staff, these staff will be responsible for the approval of expenditure within their departmental budget up to the limit set out in the appendix to their letter of delegated authority. Changes to agreed authorization levels must be recorded on the Authorised Signatory list, maintained by the Financial Controller.

These arrangements are also to be applied to employees of subsidiary companies who are given delegated authority in respect of budgets.

Corporate Procurement/Procurement Services Approvals

In addition to budgetary approval, each requisition may be subject to procurement approval to ensure that requisitions, and related procurement exercises, comply with procurement and tendering policy.

Corporate Procurement/Procurement Services approve all Purchase Orders converted from requisitions approved by budget holders and other supporting authorisations as required in Table 2.

9.7 Purchase requisitions, Orders and Contracts

Purchase requisitions, and subsequent official University orders must be placed to commit all expenditure, using the web requisition process. Purchase requisitions and orders are not required when items are ordered and paid for via a University Procurement Card or for a specific exempt categories as listed in the University's Financial Regulations below.

University Procurement Cards are to be used for low value, high volume transactions and separate guidelines applicable to these cards must be followed [link to policy]. Requirements to use approved contracts and to follow competition requirements apply to Purchase Card orders. The misuse or non-compliance of the purchasing card procedures will result in the card being withdrawn and in certain cases may result in disciplinary action being taken. The following categories of spend require appropriate contracts to be put in place in accordance with competition requirements, however they do not require a purchase requisition/order to be raised:

- Accreditation Costs
- Bursary and Scholarship Costs
- Childcare Vouchers
- Contract Catering (Elior only)
- Contract Printing (Cannon only)
- Legal Fees Associated with Compromise Agreements
- Leased Computer Hardware
- Courier Charges
- CRB Checks (via HR)
- Credit Card Charges
- Franchise Costs
- Student recruitment agent's fees
- Funding Distribution (LSBU as Agency)
- Mobile Phone Rental (via ICT)
- Pension Costs paid to the LPFA
- Postage (via EAF)
- Rates
- Registrations on Behalf of Students
- Rent and Service Agreements
- Student Placements
- Telephone Call Charges
- Utilities
- Taxation

New Suppliers

Where a supplier is new to the University, a New Supplier Form must be completed. Corporate Procurement/Procurement Services and Finance may review the level of risk

relating to suppliers at supplier set up stage and on an ongoing basis, and alternative procurement solutions may be required.

Terms and Conditions

Purchase Orders fulfil the role of acceptance of a supplier's offer and bind a contract on the University's terms and conditions. The University's standard terms and conditions are automatically applied to University orders. Where a contract already exists, contract terms must be specified by requisitioners on requisitions and orders, to ensure that they take precedence.

Segregation of Duties

There must be adequate segregation of duties in place, as specified in the Procurement procedures and guidance, in particular requisitions must be raised and authorised by different individuals where staff make a commitment on behalf of the University. The University operates an electronic requisition system and the authorization hierarchy within the system must be maintained in such a way that requisitions have to be raised and authorized by different individuals. Authorization of requisitions must be within a budget holder's delegated budget authority

9.8 Estate Specific Expenditure

In addition to the above regulations, there are specific requirements regarding expenditure on the University estate.

9.8.1 Estates Strategy

The Estates & Facilities Department should only carry out work approved as part of the Estates Strategy, and that approved by Executive in order to maintain existing estate through planned and reactive maintenance and project works.

The Board of Governors shall approve an Estates Strategy and consider amendments to it where updating is required at regular intervals. The strategy shall take account of:

- (a) The quantity, quality, configuration and legal interests in the current estate;
- (b) Planned student numbers and course provision and teaching methods;
- (c) Consequential anticipated growth in staff numbers, both academic and non-academic;
- (a) The efficiency of management of existing accommodation and space utilisation;
- (a) The financial implications, with investment appraisals where appropriate, in consultation with the ~~Executive Director of Finance~~ Chief Chief Financial Officer.

All recommendations to the Board of Governors for property acquisitions and disposals shall be supported by surveyor's report as laid down in the Charities Act 1993.

All proposed building projects shall be considered by the Executive and they should meet the overall objectives of the Estates strategy and approved financial limits.

9.8.2 EU Directives

Higher Education Institutions (HEI's) are required by law to comply with the EU Directives if they intend to let a contract (or series of contracts) above or equal to the thresholds for goods, services or works contracts prescribed by EU Directives.

Estates & Facilities is responsible for consulting with ~~Corporate Procurement~~ **Procurement Services** at the planning stage of any works or project to ensure that EU Directive and UK statutory procurement obligations will be met.

9.8.3 ~~9.9.2~~ Progress and Completion Reports

The Director of Estates & Facilities shall make regular reports to the Vice Chancellor on the progress of building projects with an estimated cost of over £50,000, indicating:

- (a) Expenditure to date against budget;
- (b) Remaining expenditure;
- (c) Emerging problems;
- (d) Changes to risk profile

Reports shall be made to meetings of the Property Committee on the progress of all projects approved by the Board of Governors.

- 9.8.4 The Director of Estates ~~& Facilities~~ shall conduct a formal post completion review after all major capital projects to identify strengths and weaknesses and to feed these into the procedure for managing future projects.

9.8.5 Procedures for disposals of Exchequer Funded Assets

Where the University sells any land and buildings, including any interest in land and buildings, which was acquired or developed in whole or in part using Exchequer funds, the following conditions must be satisfied:

- a) The University must take independent professional advice on the terms and conditions of the sale.
- b) If, having considered that advice, the University is satisfied that the terms and conditions under which the sale is proposed are the best that can reasonably be obtained for the University at that time.
- c). The University must notify HEFCE in writing of the sale within 15 working days of the exchange of contracts for that sale.

9.8.6 Retention of proceeds from sale of exchequer funded assets

The University may retain the proceeds of sale provided that all the following conditions are satisfied:

- a) They are used for capital expenditure on assets, with a life of more than 12 months, that are used for activities eligible for funding as specified in sub-section 65(2)(a) and (b) of the Further and Higher Education Act 1992, but excluding capital expenditure on assets that are used primarily for activities listed in paragraph 60 of the Financial Memorandum with HEFCE.
- b) Where the expenditure is on an estates project, it conforms with the University's current estate strategy.
- c) Where the expenditure is on an estates project, the University has regard to HEFCE guidance, issued from time to time, on appraising property options.

- d) The sale proceeds are reinvested in full within 3 years.
- e) The University notifies HEFCE in writing within 15 working days of the date the sale proceeds are first reinvested; if the reinvestment is done in stages, the University must notify HEFCE in writing within 15 working days of each stage of the reinvestment.

9.8.7 Procedures when proceeds cannot be entirely retained

If the above conditions in paragraph 9.9.5 are not satisfied, the University shall pay to HEFCE:

- a) Where the Exchequer funds were provided before 1 August 1975, an amount equal to the original value of the Exchequer funds.
- b) In cases where the interest in the land and buildings was acquired or developed, since 1 August 1975, wholly with the aid of Exchequer funds, all the sale proceeds (including any element in respect of intangible assets sold as part of the transaction) after deduction of the expenses of the transaction.
- c) In cases where neither sub-paragraphs a or b apply, that proportion of the sale proceeds, after deduction of the expenses of the transaction, which corresponds to the value of the Exchequer funds as a percentage of the costs of acquisition or development of the land and buildings at the date of acquisition or development.
- d) Where only part of the sale proceeds is reinvested in accordance with sub-paragraph 9.9.5(a), but all other conditions in paragraph 9.9.5 are satisfied, the University shall repay that part of the sale proceeds that is not reinvested in accordance with sub-paragraph 9.9.5(a), subject to sub-paragraphs 9.9.5 a-c above.
- e) Where the sale proceeds are only partly reinvested within three years, but all other conditions in paragraph 9.9.5 are satisfied, the University shall repay that part of the sale proceeds that is not reinvested within three years, subject to sub-paragraph 9.9.5 a-c above.

9.9 Supplier invoices

Receipt of invoices

All supplier invoices should be sent by the supplier to the Accounts Payable ~~(AP)~~ team within the Finance Department. On receipt, invoices should be registered on the finance system

Approval of invoices

Invoices that relate to goods or services for which a purchase requisition was raised are known as 'committed' invoices. Committed invoices will quote a purchase order number. Invoices that relate to goods and services for which no purchase requisition was raised are known as 'uncommitted' invoices. Uncommitted invoices will not contain a purchase order number.

Committed invoices should be receipted on the finance system by the person who raised the original requisition as evidence that the invoice has been checked, the goods or service has been received and the department wishes the supplier to be paid. Where an invoice exceeds the original purchase order, the invoice will be referred forward to the budget holder to approve payment of the invoice.

Uncommitted invoices should be approved only by the relevant budget holder in line with levels of delegated authority, ~~holder or Executive Dean/Director~~ if the invoice exceeds the budget holder's delegated authority. This is because the approval of an uncommitted invoice is giving authority for a budget to be spent. In the case of

committed invoices, this authority has already been given by the raising and approval of a purchase requisition.

For both committed and uncommitted invoices, receipting or invoice approval confirms that:

- (a) Goods or services have been received or undertaken in accordance with specification and are satisfactory;
- (b) The prices or charges are in accordance with the contract or order;
- (c) The invoice is arithmetically accurate and VAT has been applied at the correct rate;
- (d) Where inventories or stores records are required proper entries have been made.

Payment of invoices

Once approved, Finance Staff should arrange payment within the University's Standard terms of business or any bespoke terms of business agreed with particular suppliers.

Note that if there is a delay in approving invoices, Finance Staff will be unable to meet these terms of business. Departments should therefore ensure that their suppliers send invoices directly to the Finance Department quoting the purchase order number.

9.10 Purchasing cards

Purchasing cards are issued to named staff to make low value purchases. Before issuing a purchasing card, staff should read the purchasing card guide and sign the staff declaration.

All cards are ~~issued preset~~ with a standard single transaction limit of £500 and a monthly limit of £1,000 to prevent card holders spending more than an agreed amount per month. ~~Limits may be increased subject to the authorisation of the Executive Dean/Head of Support Department and the Corporate Procurement/Procurement Services Manager or Senior Procurement Officer/Contracts Officer.~~ Applications for all cards must be authorized by the Dean or head of Professional Service Group. Requests for cards with limits over the standard transaction and credit limit, or where cash withdrawal is requested, should be authorized by the Head of Procurement Services or the Financial Controller.

The ~~Corporate Procurement~~ Procurement Services Manager and the Financial Controller will;

- control the issue of the cards,
- update procedures and check compliance therewith;
- ensure ~~monthly logs are correct and completed in due time~~ transactions are verified and authorized in a timely manner.

Cards ~~should be~~ can be used for items costing under £500 or within individual card limits 1,000. They can also be used for travel, accommodation and subsistence costs in accordance with the Travel, subsistence and expenses policy.

They cannot be used;

- for personal purchases
- by anyone other than the person to whom the card was issued
- to withdraw cash unless the cardholder is specifically authorized to do so.

The misuse or non-compliance of the procedures will result in the card being withdrawn and in certain cases may result in disciplinary action being taken.

9.11 Authorised signatory list and authorisation hierarchy

The Authorised signatory list is kept and maintained by the Financial Controller. It is the responsibility of the ~~Faculty school~~ or ~~Support Department~~ Professional Service Group to ensure that an up to date set of authorised signatory sheets are given to the Financial Controller. The University's electronic Procurement to Pay system is set up with hierarchies for the raising and approval of requisition and approval of non committed invoices. The Financial Controller is responsible for ensuing electronic authorisations are in line with the authorised signatory list.

9.12 Fixed Asset Register

The ~~Executive Director of Finance~~ Chief Financial Officer shall:

- (a) Ensure there is a central register of all items of capital expenditure with a purchase value of £10,000 or over including VAT within the finance system Agresso

~~Executive~~ Deans and Heads of ~~Support Departments~~ Professional Service Groups shall:

- a) Ensure the safekeeping of all equipment held in the ~~Faculty school~~ or ~~Support Department~~ Professional Service Group;
- b) Ensure that the equipment is marked as the property of London South Bank University.
- c) Report all losses of equipment through theft or damage on the prescribed forms to the Director of Estates & Facilities with copies to the Vice Chancellor and ~~Executive Director of Finance~~ Chief Financial Officer.

9.13 Equipment Removal

Land and Buildings may only be disposed of with the authorization of the Board of Governors on the recommendation of the Policy and Resources Committee.

Equipment, vehicles, fixtures and fittings shall not be removed from the University without the written approval of the ~~Executive~~ Dean or Head of ~~Support Department~~ Professional Service Group. In all such cases, the ~~Executive Director of Finance~~ Chief Financial Officer shall be informed at least two working days in advance so that, appropriate insurance arrangements can be made.

~~Faculties schools~~ and ~~Support Department~~ Professional Service Groups shall notify the appropriate ~~Support Department~~ Professional Service Group of any item of standard equipment or other goods which are no longer required, who shall advise if the item can be redeployed elsewhere in the University. .

Where an item cannot be redeployed, ~~Executive~~ Deans or Heads of ~~Support Departments~~ Professional Service Groups shall make arrangements to dispose of obsolete items. The ~~Executive~~ Dean or Head of ~~Support Department~~ Professional Service Group is responsible for disposing of the item in a way that maximizes the proceeds and

value for money to the University. This includes obtaining valuations where appropriate and quotes for costs of disposal. In exceptional circumstances, the Director of Finance may authorize the item to be donated or offered at reduced cost to students, other educational establishments, charities or local community groups.

The ~~Faculty-school~~ or ~~Support Department~~ Professional Service Group shall advise the ~~Executive Director of Finance~~ Chief Financial Officer of any proposed disposal of equipment or other goods so that, if appropriate, she or he may arrange for an invoice to be raised for payment to be obtained by the University and for accounting entries to be made in the University Accounts.

8 10. Cash management

10.1 Bank accounts

The Board of Governors shall approve:

- (a) the appointment and terms of engagement of the University's bankers;
- (b) the bank mandate which determines the terms on which cheques may be drawn on the University's bankers;
- (c) the bank account signatories and levels of authority;
- (d) overdraft and loan facilities.

All bank accounts for the University's transactions shall be held in the name of the University, and may be opened only on the authority of the Board of Governors. No bank account other than one authorised by the Board of Governors shall be operated for University's purposes. No member of staff shall open an account bearing the name of the University, or any abbreviation of it.

10.2 Signatories

The University's bank accounts shall be operated in accordance with the mandates given to the bankers under the authority of the Board of Governors. The Board of Governors has determined that the holders of the following posts shall be signatories to the University's bank accounts;

Vice Chancellor
Deputy Vice Chancellor
~~Executive Director of Finance~~ Chief Financial Officer
Pro Vice Chancellors
University Secretary and Clerk to the Board of Governors
Chief Operating Officer
Executive Director of Human Resources
Financial Controller
Financial Planning Manager

10.3 Signatory limits

Signatory limits apply for both cheque limits and electronic payments such as Bacs

- (a) For Payments of less than £10,000 - one signature and may be signed in holograph by cheque writing machine;
- (b) For payments of £10,000 and above - but less than £20,000 - one signature but may not be signed in holograph by cheque writing machine;

(d) For payments of £20,000 and over-- two signatures only one of which can be a member of the Finance Department.

8.1 Records and reconciliation

The ~~Executive Director of Finance~~ Chief Financial Officer shall

- (a) maintain a record of all bank accounts, signatories and levels of authority;
- (b) ensure adequate procedures are in place to control the issue and use of cheque stationery and for the control of electronic payment authorization
- (c) maintain proper records of all bank payments;
- (d) ensure that all bank accounts are reconciled at monthly or more frequent intervals, independently of the staff involved in making payments and banking cash.

The following accounting controls shall apply:

- (e) there shall be a monthly bank reconciliation for each bank account;

The reconciliation shall be verified by the Financial Accountant;

- (f) Unresolved discrepancies shall be reported to the Financial Controller and if still unresolved to the ~~Executive Director of Finance~~ Chief Financial Officer.

Cashbook records shall be maintained as part of the integrated accounting system.

10.4 Borrowing

All raising of capital finance must be approved, in advance, by the Policy and Resources Committee and the Board of Governors. The Board of Governors may, at its discretion, authorise an ad-hoc committee of its members to agree final documentation and execute documents within certain parameters set by the Board of Governors.

All borrowing raised on the security of any of the University's assets must be approved, in advance, by the Policy and Resources Committee and the Board of Governors. The Board of Governors may, at its discretion, authorise an ad-hoc committee of its members to agree final documentation and execute documents within certain parameters set by the Board of Governors.

Unsecured, overdraft borrowing must be within limits set by the ~~Executive Director of Finance~~ Chief Financial Officer. Authorisation by the ~~Executive Director of Finance~~ Chief Financial Officer must be given for unsecured, overdraft borrowings within such limits.

Lease finance arrangements for items with a capital value greater than £250,000 must be approved, in advance, by the Policy and Resources Committee.

The University has no pre-determined restrictions on sources of funding with any consideration of suitability of potential lenders being carried out at the time of approval.

The University has no pre-determined requirements on the mix between fixed and variable rates of interest. The suitability of the mix will be reviewed at the time of approval and should bear in mind market expectations and future cash requirements; the costs of doing so should be related to the need to spread the risk through a balanced portfolio.

10.6 HEFCE borrowing limits

The University shall obtain prior written HEFCE consent before it undertakes such a level of borrowing that the Annualised Servicing Cost (ASC) of all long-term borrowing exceeds a threshold of 4 per cent (or such higher level permitted by HEFCE) of total income as reported in the latest audited financial statements, or the estimated amount for the current year if that is lower. The ASC is the capital repayments and total interest costs spread evenly over the period of the borrowing. In assessing total long-term borrowing and total income, all inherited debt that is fully reimbursed by HEFCE, and all such reimbursements shall be ignored.

10.7 Short-term borrowing

The University shall obtain prior written consent from HEFCE before its negative net cash or cash equivalents, as determined on a cash book basis and as defined in FRS 1: Cash Flow Statements, exceeds the lower of 5 per cent of total income or £2M.

10.8 Late repayment penalties

The ~~Executive Director of Finance~~ Chief Financial Officer shall confirm in writing with the University's bankers that arrangements are in place to ensure the prompt repayment of loans to avoid any penalties that form part of the loan agreement.

10.9 Cash and cheque and electronic receipts

The current single cash transaction limit for the University is the sterling equivalent of €15,000, translated at the most recent rate published by the Financial Times. This is to comply with the Money Laundering Regulations 2003.

All cheques or cash received shall be paid to the cashier with the minimum of delay.

The ~~Executive Director of Finance~~ Chief Financial Officer shall agree with an ~~Executive Dean or Head of Support Department~~ Professional Service Group the arrangements under which the ~~Faculty school or Support Department~~ Professional Service Group may receive cash, cheques and other receipts. These arrangements shall ensure that:

- (a) The cash and cheques shall be paid to the cashier at the earliest possible opportunity in their entirety.
- (b) They shall not be used to cash any cheques or pay any item of expenditure:
 - (b) no monies other than petty cash floats shall be held in ~~Faculties~~ Schools/Support Department Professional Service Groups except as authorised by the ~~Executive Director of Finance~~ Chief Financial Officer;
 - (c) ~~Faculties~~ Schools and ~~Support Department~~ Professional Service Groups which are authorised to receive cash and cheques shall keep proper records in the form specified by the ~~Executive Director of Finance~~ Chief Financial Officer.

The ~~Executive Director of Finance~~ Chief Financial Officer shall make arrangements for receiving cash and cheques. They shall ensure that:

- (a) every sum of cash received shall be immediately acknowledged by the issue of an official receipt with the exception of cheques, where receipts should only be issued for cheques from students;

The ~~Executive Director of Finance~~ Chief Financial Officer shall determine the form and serial numbering of all official orders, receipts, books and tickets of value etc., and shall:

- (a) control their issue to ~~Schools~~ Faculties and ~~Support Department~~ Professional Service Groups;
- (b) ensure that all receipts and issues are properly recorded.

10.10 ~~Catering~~ **Cash Receipts**

All catering and residence cash takings received by the Department Estates and the National Bakery School shall be:

- (a) recorded through ~~Faculty-school~~ and Departmental tills and verified by appropriate till readings. In the case of University controlled vending machines, the readings shall be supported by sales control sheets;
- (b) paid directly to the Finance Department or an officially nominated collection agent. All takings shall be controlled and received in the manner prescribed by the ~~Executive Director of Finance~~ Chief Financial Officer.

10.11 ~~Cash~~ **Cash Collection procedures**

The ~~Executive Director of Finance~~ Chief Financial Officer shall arrange for independent checks to be carried out at annual intervals of the cash collection procedures at each of the catering sites where these are managed by the University. The arrangements shall ensure that:

- (a) the checks are carried out by a designated member of the Finance Department;
- (b) a diary is kept with details of checks and the results;
- (c) a senior member of staff of the Finance Department reviews the checks and discusses any action to be taken with the ~~Head of Residential and Catering Services and the Head of National Bakery School~~ budget holder of the department receiving the receipts.

10.12 ~~Cheque~~ **Cheque Payments**

Cheque payment controls shall be maintained by the Purchase Ledger Supervisor.

- (a) The control shall be performed before each cheque run.
- (b) The cheque pre-list shall be authorised by the ~~Executive Director of Finance~~ Chief Financial Officer or a nominated deputy.
- (c) The cheque stationery shall be kept in a secure place at all times, and proper controls maintained on the use of cheque stationery.
- (d) The number of cheques signed shall be checked against the meter reading on the cheque signing machine, and verified by a designated member of staff within the Finance Department. The cheque signing machine shall be kept locked when not in use and in a secure place at all times.

At the discretion of the ~~Executive Director of Finance~~ Chief Financial Officer payments may be made in advance to members of staff and students of the University in case of need.

10.13 –Non-University Monies

The ~~Executive Director of Finance~~Chief Financial Officer may make arrangements from time to time, with the agreement of the Vice Chancellor or Pro Vice Chancellor (Academic) and Director of the Student Services, to handle monies that do not belong to the University. Examples are extra-departmental funds, and prize or scholarship funds.

In such cases, the ~~Executive Director of Finance~~Chief Financial Officer shall:

- (a) set up proper accounting arrangements;
- (b) make appropriate charges.

9 11. Petty cash

11.1 Cash Floats

The Finance Department shall make advances for defraying petty cash expenses to ~~Faculty—school~~ Administrative Officers or an authorised person in a ~~Faculty/school/Support Department~~ Professional Service Group.

They shall:

- (a) sign a receipt for cash advance from the Finance Department;
- (b) be responsible for keeping the cash in a secure place;
- (c) keep an account of payments in the form required by the ~~Executive Director of Finance~~ Chief Financial Officer;
- (d) be required to account for payments made and cash remaining at regular intervals.

11.2 Cash Payments

The rules on payments are:

- (a) they are limited to minor items of expenditure up to a value of £50 per payee on one occasion;
- (b) requests for payments shall be supported by vouchers (with accompanying receipts) certified as correct by the ~~Faculty—school~~ Administrator Officer or authorised person in a ~~Support—Department~~ Professional Service Group/Facultyschool
- ~~(b)(c)~~ _____;
- ~~(e)(d)~~ _____ personal cheques shall not be cashed;
- ~~(d)(e)~~ _____ all vouchers shall be sent to the Finance Department with a claim for reimbursement at monthly intervals.

Because of the trading nature of catering and residences, reimbursement of petty cash may on occasions be required more often.

Petty cash accounts shall record:

- (a) advances and reimbursements from the ~~Executive Director of Finance~~ Chief Financial Officer;
- (b) payments.

No cash received other than advances and reimbursements shall be paid into these accounts.

11.3 Year end certification of petty cash

All petty cash holders are required to certify the balance on their respective floats at the financial year end of 31 July. The cash office of the finance department may carry out spot checks to ensure the amounts certified are correct.

12. Investments

12.1 Policy

The Policy and Resources Committee shall be responsible for establishing an investment policy for the University.

The ~~Executive Director of Finance~~ Chief Financial Officer shall be responsible for:

- (a) implementing the policy;
- (b) deciding how to allocate funds between short-term deposits and longer term investments, in the light of cash flow forecasts.

12.2 Short-Term Deposits

The ~~Executive Director of Finance~~ Chief Financial Officer shall be authorised to place cash on deposit for periods not exceeding six months. He/she shall:

- (a) seek to maximise the return from deposits to the University, consistent with the avoidance of risk to the principal;
- (b) review the investment on a daily basis in the light of interest rate changes;
- (c) maintain a record of such deposit;
- (d) present a monthly report to the Vice Chancellor on the state of deposits and the income earned/accrued;
- (e) prepare longer term cash flow forecasts to assist the management of the University's cash assets.

12.3 Investment Of Surplus and Trust Funds

The long-term investments of the University shall be determined by the ~~Executive Director of Finance~~ Chief Financial Officer in accordance with the policies determined by the Policy and Resources Committee on the basis of professional advice. The following rules shall apply:

- (a) all investments shall be in the name of the University or its nominees;
- (b) trust funds shall be invested in a manner authorised by the Policy and Resources Committee.
- (c) all investments shall be reviewed on a monthly basis;
- (d) the ~~Executive Director of Finance~~ Chief Financial Officer shall maintain a register of all investments.

12.4 Types of investment permitted

The investments may be made in:

- (a) UK stocks listed on the London Stock Exchange and debentures;
- (b) Government securities;
- (b) unit trusts;
- (d) major UK Banks;

- (e) major UK Building Societies;
- (f) UK Local Authorities;
- (f) other institutions rated as triple A.

12.5 Charitable funds investment strategy

The charitable funds investment strategy shall be approved by the Policy and Resources Committee. The current strategy is that

- the target income should be expressed in monetary terms and should be set at £20,000. This target to be achieved to within a 10% margin.
- the Fund Manager should be permitted to invest up to 7 – 8% of the portfolio in overseas equities. It is expected that this would be in multinational European or North American securities.
- The capital growth target to exceed the Wood MacKenzie index by 1%.

13 Insurance

13.1 Cover

The University Secretary and Clerk to the Board of Governors and the ~~Executive Director of Finance~~ Chief Financial Officer shall ensure that:

- (a) Appropriate insurance cover is provided for all aspects of the University's activities;
- (b) The University's insurance portfolio is reviewed annually in consultation with the University's brokers; after the Policy and Resources Committee have approved the proposed terms; and shall negotiate all claims with the University's brokers.

13.2 Tendering for insurance contracts

The contract for brokerage services (or for direct insurance services, if a broker is not used) shall be put out to open tender every five years.

13.3 Cover required

The insurance cover shall include:

Buildings (all risks)
Contents of buildings (all risks)
Public liability
Employer's liability
Fidelity guarantee
Professional indemnity
Cheque signing indemnity
Personal accident (assault)
Travel / personal accident (UK and overseas)
Engineering equipment
Computers
Deterioration of stock
Motor fleet
All risks of radioisotopes
Governors' liability
Playgroup activity
Directors and Officers Liability
and any other that, in the opinion of the Policy and Resources Committee, is appropriate.

~~Deans and Heads of Faculties and Support Department~~ Professional Service Groups shall review the ~~Faculty's school's~~ or ~~Support Department~~ Professional Service Group's activities and advise the Secretary and ~~Executive Director of Finance~~ Chief Financial Officer if in their opinion a material risk not covered by insurance is being incurred.

13.4 Claims and Incident Reports

~~Heads Deans and of Faculties and~~ heads of Support Department Professional Service Groups shall, as a matter of urgency, notify fires, accidents or other incidents which might give rise to an insurance claim to:

The Vice-Chancellor
The University Secretary
The ~~Executive Director of Finance~~ Chief Financial Officer

The report should give as much information as possible to include in particular:

- (a) a detailed description of the incident, its time and cause (if known);

(b) practical consequences - particularly details of any interim measures required to cope with affect of the incident;

(c) financial consequences, if assessable in advance of insurance appraisal.

| The University Secretary and ~~Executive Director of Finance~~Chief Financial Officer shall:

(a) verify the insurance of any incidents which may give rise to a claim;

(b) submit a full claim where appropriate.

| In instances where members of staff may incur loss of or damage to personal possessions and where the University has no insurance cover or responsibility, claims may be considered in very exceptional circumstances provided that full details, in writing, to the University Secretary and ~~Executive Director of Finance~~Chief Financial Officer and support is given by the member of staff's Senior Line Manager.

14 Contracts

14.1 Signature under Seal

The Common Seal shall only be used on the authority of the Board of Governors. Every instrument to which the seal shall be affixed shall be signed by a Governor and shall be countersigned by either the University Secretary & Clerk to the Board, a second governor or by some other person appointed by the Board of Governors for that purpose - see below. A register shall be maintained and the use of the Common Seal reported to the Board of Governors.

Other persons who have been authorised by the Board of Governors to sign contracts under Seal are:

Vice Chancellor
Pro Vice Chancellors Students and Education and Pro Vice Chancellor Research and Engagement

~~Executive Director of Finance~~ Chief Financial Officer

14.2 Signature of Employment Contracts

The signatories authorised by the Board of Governors to sign contracts of employment are as in 14.1 plus the Executive Director of Human Resources and Deputy Head of Human Resources.

14.3 Signature of Other Contracts

The following persons are authorised to sign other contracts on behalf of the University:

Vice Chancellor
Pro Vice Chancellors Students and Education and Pro Vice Chancellor Research and Engagement

~~Executive Director of Finance~~ Chief Financial Officer.

University Secretary & Clerk to the Board of Governors

Head of Procurement (£50,000 and under)

14.4 Disclosure of Beneficial Interest

A member of staff who has a beneficial financial or any other interest, whether direct or indirect, in any contract between the University and a third party shall disclose that interest to the Head of ~~Faculty/School/Support Department~~ Professional Service Group and to the ~~Executive Director of Finance~~ Chief Financial Officer. A record of the interest will be entered in the Register of Interests held by the Secretary.

14.5 Content of Contracts

Every contract issued by the University shall use the appropriate standard contract documentation. Copies of all standard contract documentation are available from the ~~Corporate Procurement~~ Procurement Services Manager. The advice of the ~~Corporate Procurement~~ Procurement Services Manager should be sought if any amendments are required to the standard documentation.

The Contracts (Rights of Third parties) Act 1999 came into force on 11 May 2000. It applies to all contracts made on or after this date in England, Wales and Northern Ireland. The Act gives third parties named in contracts, or expressed to benefit from them, the right to sue under those contracts. The majority of contracts entered into by the University will exclude this right as far as possible. This exclusion is incorporated into the University's standard contract documentation. Where, in a particular case, the parties to a contract are considering conferring a benefit on one or more third parties,

advice must be sought from the University Secretary/~~Corporate Procurement~~Procurement Services Manager as to the implications of any such arrangement, before entering into negotiations with any of the other parties that may be involved in the proposed contractual arrangements.

All contract documentation must be approved by the ~~Corporate Procurement~~Procurement Services Manager prior to signature.

14.6 Copies of Contracts

The University Secretary shall hold:

- (a) copies of all contracts with a value of over £50,000;
- (b) all titles, deeds and lease agreements.

14.7 Contract Performance

Holders of letters of delegated authority must ensure that all expenditure contracts within their budget area have a contract owner responsible for monitoring performance through regular meetings with the contractor. Reports of any discrepancy or failure must be completed. ~~Corporate Procurement~~Procurement Services advice should be sought in order to assist in the management of poor contract performance and emerging risks.

Appendices

- Appendix A Fraud response plan

- Appendix B: The Seven Principles of Public Life
- Appendix C: Specific regulations relating to (SBUEL)
- Appendix D: List of Associated Documents

Appendix A

Fraud Response plan

When an incidence of fraud is identified, there is an immediate need to safeguard assets, recover losses and secure evidence for legal and disciplinary processes. In order to meet these objectives, the University has a fraud response plan. Staff and students are required to act in accordance with the fraud response plan.

If a member of staff discovers or suspects a fraud, theft, corruption or other financial irregularity, they must immediately inform their Dean or Head of ~~Support Department~~ Professional Service Group and the Chief Financial Officer. Failure to do so will result in disciplinary action. The Chief Financial Officer will instigate the following responses:

- Take action to mitigate the potential loss to the University
- Immediately inform the Vice Chancellor, the University Secretary, the Head of Internal Audit and The University's Employee and Officers insurers.
- Initiate an investigation. The scope of this investigation should be agreed with the Vice Chancellor and the University Secretary.
- Decide whether or not to treat this incident as a criminal investigation and involve the police and/or accredited fraud investigators
- Take steps to prevent a recurrence of such an irregularity or breach of internal controls.

If it is suspected that a fraud may be significant:

- The chair of the Audit Committee, the Chair of the Board of Governors and the University's HEFCE accounting officer should also be informed (The Accountability and Audit: HEFCE Code of Practice, which flows from the HEFCE Financial Memorandum, contains a mandatory requirement that any significant fraud must be reported to the HEFCE Accounting Officer)
- The Chair of Audit Committee will decide whether or not to convene an extraordinary meeting of Audit Committee to consider action already taken, or proposed to be taken.
- The CFO will liaise with the VC, Chair of Audit Committee and Head of Internal Auditoras appropriate to determine the role of internal audit in the investigation.

A significant fraud is one where:

- The sums of money involved are significant
- The fraud involves senior officers of the University
- The particulars of the fraud or irregularity are novel, unusual or complex
- There is likely to be public interest because of the nature of the fraud or irregularity, or the people involved.

In the event of a suspected fraud involving the Finance Department, the Vice Chancellor will initiate action. The Chief Financial Officer will not be involved in the subsequent investigations.

In the event of a suspected fraud involving the Vice Chancellor, the Chief Financial Officer will inform the Chair of the Board of Governors directly.

Investigation of a suspected fraud

The investigation must be conducted on a timely basis, observing the principles of natural justice and preserving confidentiality.

All staff must cooperate in an investigation or action to mitigate loss and must observe reasonable expectations of confidentiality.

The Vice Chancellor may take action during the investigation against any member of staff who is potentially implicated in the suspected fraud. This action may include:

- Temporary suspension from duty
- Denial of access to University buildings and computer networks

Result of investigation

In the event that an allegation is substantiated, the action taken by the Vice Chancellor as a consequence will be recorded in writing. Such action should be proportionate to the allegation but may include:

- Temporary suspension from duty
- Denial of access to University buildings and computer networks
- Summary dismissal or dismissal under notice
- Notification of the police
- Notification of other parties likely to be affected
- Restitution by the perpetrator
- Other disciplinary procedures

|

Appendix B

The seven principles of public life from the report of the committee for standards in public life (The Nolan report).

Selflessness

Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.

Appendix C – Specific procedures relating to SBUEL

University Regulations apply to the subsidiary company, SBUEL, with separate financial procedures covering the following areas:

Area	Section in these regulations
1. Expenditure	Paragraph 9.1 - 9.6
2. Travel, subsistence and Expenses Policy	University Travel, Subsistence and Expenses Policy
3. Delegated authorities	Letters of delegated authority
4. HR policies	Paragraphs 8.1-8.13

Changes to these financial procedures relating to SBUEL will be approved by the SBUEL board. A Statement of Governance was approved by the LSBU board on 19th July 2012.

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 Policy and Resources Committee and the main board as part of the monthly management accounts

The Director of Enterprise is responsible for maintaining a risk register and the SBUEL board should consider this at its board meetings. Any Significant risks should be escalated to the LSBU Executive for future consideration and inclusion in the LSBU corporate risk register.

Appendix D

Associated documents:

The following documents and procedures support these Financial Regulations and are available on the Staff Intranet or from the Finance Department:

Regulations:

Code of ethics relating to procurement
Tuition fee regulations

Policies:

Travel and Expense policy
Gifts and Hospitality Policy
Anti Fraud Policy
Speak Up Policy
Risk Policy
Procurement Tendering Policy
SBUEL Governance statement
Anti Bribery Policy
Recovery of Payroll Overpayments

Procedures and Guidance

Letter of delegated authority 2014³
Purchasing card guide
VAT Guidance
Capitalisation guidance notes
School/Department managers guide to contract management
Manual payment procedures
SBUEL Letter of delegated authority
SBUEL Expenditure procedures
SBUEL HR procedures
General ledger guidance note
Credit Control procedures

Forms:

VAT exemption form for medical research expenditure
VAT exemption form for Advertising expenditure

Appendix E

Changes to the Financial Regulations in this version

Paragraph	Page	Update
Terminology throughout		Changes reflect new university structures including, replacing Faculties with Schools and new posts and titles including Chief Financial Officer, Chief Operating Officer, Deputy Vice Chancellor, Deans and Executive Director of HR and Pro Vice Chancellors,
Glossary	13	Removal of PAYE, NI and SORP from Glossary as not necessary Amended wording regarding HEFCE grant funding
4.19		
6.4		Introduction of a scheme of delegation for commercial sales. This change was recommended by the Board of SBUEL. It is through such projects that much of the University's enterprise income is generated but these contracts also bind the University (or SBUEL) to committing sometimes substantial resources, including staff time, to the delivery of projects, often to closely defined timescales, therefore an approval process is necessary. The authorisation thresholds are based on the thresholds in place for the authorisation of expenditure. To supplement this new section of the regulations, the Authorised Signatory Register has been updated to include the authorisation of sales invoice requests.
7.10	24	Removal of section on staff development and training
8.10	30	Added wording to make it clear that uncommitted invoices can only be approved in line with delegated authorities
8.11	31	Change to regulations for the issue of purchasing cards, include a default transaction limit of £500 and monthly spend limit of £1,000, to say that all card applications must be authorised by the Dean or Head of Professional Service Group Professional Service Group, and that cards issued with transaction or credit limits above the default amount must be authorised by the Head of Procurement Services or the Financial Controller
Appendix A	46	Update Fraud Response Plan as approved by Audit Committee on 13 June 2014
Associated documents	49	Reference to letter of delegated authority 2014 Addition of GL guidance note

Credit control procedures
Recovery of payroll overpayments

	PAPER NO: PR.37(14)
Paper title:	Travel, Subsistence and Expenses Policy
Board/Committee	Policy and Resources
Date of meeting:	23 September 2014
Author:	Natalie Ferer, Financial Controller
Executive sponsor:	Richard Flatman Chief Financial Officer
Purpose:	To approve the revised Travel, Subsistence and Expenses Policy

Executive Summary	
Context	The University's travel, subsistence and expenses policy is in place to ensure value for money is achieved, whilst ensuring the safety of University employees at all times. The policy was last updated in June 2010.
Question	What amendments are required to the policy?
Conclusion & Recommendation	<p>The following changes are proposed:</p> <ul style="list-style-type: none"> • Amend the target audience, policy and objectives to include governors and external claimants. • Add a provision for approval of expenses by the Financial Controller, Chief Financial Officer or Vice Chancellor in exceptional circumstances when compliance with the policy is not possible • Remove the need to send a copy of overseas travel authorisation forms to the recruitment team • Reinforce the preference for booking travel through the University's approved travel provider • increase the millage rate from 40p to 45p a mile in line with HMRC guidance • increase the rate payable for bed and breakfast accommodation within London from £100 to £150 per night • addition of wording to say that expenses incurred by another employee or third party or supplier invoices cannot be claimed through the expenses process • addition of guide for external claimants

Matter previously considered by:	Operations	On: 22 July 2014
Further approval required?	No	N/A

1. Executive summary

The University's travel, subsistence and expenses policy is in place to ensure value for money is achieved, whilst ensuring the safety of University employees at all times. The policy was last updated in June 2010. The proposed changes are listed in section 2 below.

A substantial review to the Travel, Subsistence and Expenses Policy is being considered including changes in the way travel is booked across the University and further update will be brought to this committee later in the year. This will also include an update to overseas accommodation and subsistence rates.

2. Proposed amendments

- Amend the target audience, policy and objectives to include governors and external claimants.
- Add a provision for approval of expenses by the Financial Controller, Chief Financial Officer or Vice Chancellor in exceptional circumstances when compliance with the policy is not possible
- Remove the need to send a copy of overseas travel authorisation forms to the recruitment team
- Reinforce the preference for booking travel through the University's approved travel provider
- increase the millage rate from 40p to 45p a mile in line with HMRC guidance
- increase the rate payable for bed and breakfast accommodation within London from £100 to £150 per night
- addition of wording to say that expenses incurred by another employee or third party or supplier invoices cannot be claimed through the expenses process
- addition of guide for external claimants
- updated to reflect new University Structure throughout.

3. Recommendation

It is recommended that the attached policy is approved

London South Bank University

TRAVEL, SUBSISTENCE AND EXPENSES POLICY

Originating Department:	<i>Finance/Corporate Procurement <u>Unit</u> <u>Services</u></i>
Enquiries to:	<i>Simon Blee (<u>Natalie Ferer – Financial Controller</u>), <u>Penny Green</u> (Senior – Head of Procurement Officer)</i>
Approving Committee/Body:	<i>Executive, Audit Committee and Policy and Resources Committee</i>
Version No:	<i><u>42 – pending approval by Policy and Resources Committee</u></i>
Last Approved:	<i>24 June 2014 <u>23rd Sept 2014</u></i>
Next due for approval:	<i>One Year</i>
Document Type (delete as appropriate):	<i>POLICY</i>
Mandatory Target Audience:	<i>All staff and governors</i>
Also of Relevance to:	<i><u>Externals claimants</u></i>
Brief Summary of Purpose:	<i>The University’s travel, subsistence and expenses policy is in place to ensure value for money is achieved, whilst ensuring the safety of University employee’s at all times.</i>



Travel, Subsistence and Expenses Policy

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Annex 1: Maximum Travel and Subsistence Rates

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Introduction

Travel, subsistence and other expenses incurred by employees accounts for around £1m of spend per annum. The University's travel, subsistence and expenses policy is in place to ensure value for money is achieved, whilst ensuring the safety of University employee's at all times.

The Policy applies to all employees ~~and, Governors using and visitors to the University and other official funds for all expenses and expenditure associated with travel.~~ All employees ~~and, Governors~~ and other claimants must adhere to the Policy when incurring travel and associated expenditure on behalf of the University.

Adherence to this policy (and policy annex) is mandatory and non-compliance constitutes a breach of the University's financial regulations.

Policy Objectives:

- To obtain maximum **value for money** from the University's expenditure on travel, subsistence and other expenses
- To **inform employees and other claimants** of procedures to be undertaken when arranging travel
- To ensure that the University's expenditure on travel and subsistence represents only the **necessary and reasonable costs** incurred by or on behalf of staff who are on University business
- To ensure **safe and healthy travel**
- To **minimise the cost of administration**, including the time spent by members of staff making travel arrangements, processing approvals and submitting expense claims
- To enable budget holders to **control expenditure, manage and monitor staff safety** and adherence to policy and procedures
- To rationalise business travel to minimise the **environmental impact** of travel

1. Definitions

Official Business:	Authorised, necessary business undertaken in relation to, or on behalf of, the University and its subsidiary companies which, for legitimate reasons, cannot be carried out at or within the University's premises.
Domestic Travel:	Travel on Official Business, to any location within UK Territorial Limits.
Overseas Travel:	Travel on Official Business, to any location outside the UK Territorial Limits, and which commences from within the UK Territorial Limit.
Non Domicile Overseas Travel:	Travel on Official Business, to any location inside or outside the UK Territorial Limit, which commences from outside the UK Territorial Limit, and pertains to a non-domicile employee.
Entertaining:	The necessary and reasonable cost incurred in entertaining third parties and staff for an approved purpose.
Subsistence:	The necessary and reasonable cost of meals and/or accommodation incurred by or on behalf of University employees engaged in Official Business.
The Policy:	The University's Travel and Subsistence Policy and related guidelines

Staff: Where reference is made to 'staff', provisions equally apply to Governors and external visitors travelling or entertaining on University business or claiming expenses.

2. Scope of Policy

This policy is applicable to all employees ~~of the University, Governors and visitors~~, irrespective of the source of funding. This policy applies regardless of payment method, and therefore applies to expense claims, purchasing card expenditure and invoiced expenditure. In exceptional circumstance where a particular business need to operate outside this policy arises, approval must be sought in advance from either the Vice Chancellor, Chief Financial Officer or Financial Controller

3. Travel Avoidance

Staff should only travel when there is no viable business alternative. Before making a booking, staff should consider whether it is necessary, or whether there are practical alternatives by which business objectives could be achieved without the need to travel. This could include video-, audio-, or web- conferencing, or where only one member of a team attends. Where only one member of the team attends, they should share the outcome of the meeting with other interested parties or members of staff.

It is the responsibility of all line managers and budget holders to ensure that staff are travelling only where there is a priority business need and no practical business alternative. Where such practical alternatives exist these should be adopted.

Only staff with a genuine business need should attend meetings. Meetings should have pre-agreed agendas and all items should be covered, where possible, to reduce the need for further follow-up meetings. ~~Meetings should be held at public sector locations whenever possible, and~~ Meetings should be arranged at a location that will keep to a minimum the amount of travel required by the attendees as a whole. The use of third-party meeting facilities that incur an additional cost to the Department should be kept to a minimum. Where practical, meeting locations should be selected within close walking distance of public transport links. Meeting times should be selected on the basis of enabling staff to make full use of public transport.

4. No Personal Gain

Employees will be reimbursed the actual travel and associated expenses incurred solely and necessarily in the performance of their duties. The rules contained within this policy ensure that employees neither gain nor lose financially in relation to expenditure and reimbursement on travel, subsistence and other expenses.

The University is also required to demonstrate to HMRC that adequate controls are in place to ensure compliance with the rules and requirements for tax dispensations. Provided they are followed, the rules and guidance contained within this policy will ensure that no taxable benefit in kind will arise on the employee.

Home to work travel expenses

Travel between home and an employee's normal work place is regarded as private and cannot be claimed as business expenses. If employees travel straight from their home or return direct to their home after a business event off the University site:

- In the case of private cars, mileage claimed must be the lesser of the actual mileage and the mileage which would have been incurred if the journey had started and finished at the normal work place
- In the case of public transport, the cost claimed must be the lesser of the cost of the journey from home to destination or normal work base to destination.

Promotional Incentives

The purchasing decision shall not be influenced by any promotional incentives such as airline mileage credits or personal credit card discounts or rebates.

~~Frequent flyer credits and Air Miles accrued on University business trips should be used on future University business trips where possible.~~

Spouse and partner expenses

Partners, spouses or other persons not connected with the University shall not travel at the University's expense except when their presence is required and authorised for a bona fide business purpose. All such expenditure must be approved in advance by the Vice Chancellor, or the Chair of the Board of Governors in the case of the Vice Chancellor.

However, a spouse/partner may accompany a member of staff on University business at their own expense, and with prior approval. In such instances, the University will pay only for the costs of the Employee, and must not be charged for more than if the member of staff had travelled alone. An employee travelling with a spouse/partner should obtain the hotel room rate that would have applied had they been travelling alone. Only this cost rather than the actual cost of the room will be paid by the University. Private insurance must be taken out to cover the spouse/partner's travel.

A Travel Authorisation Form (See section 5) must be completed for all travel accompanied by a spouse/partner.

'Trading down' of travel tickets, i.e. travelling by a lower class in order to claim an extra ticket for a spouse/partner is not permitted and is considered to be a serious offence.

Holidays Linked to Business Trips

An employee may stay in the destination travelled to for business purposes for additional days before or after the completion of University business. The University will not meet any of the travel costs, accommodation or subsistence for days taken as holiday linked to a business trip. Private insurance must be taken out to cover the private part of the journey.

Holidays linked to business trips are subject to the following restrictions:

- It must be clear that the reason for travel to the destination was for a business purpose and that the holiday period was a secondary consideration.
- There is no deviation from the most direct journey required to fulfil the business objectives of the trip.
- The time spent on holiday must not exceed the time that was required for business purposes.

If it is adjudged that the above have not been complied with, the University will not meet any of the costs of the trip. The deliberate spacing of business activities to artificially inflate the business element of the trip is strictly prohibited. This is in accordance with HMRC rules. In such cases the decision of the University will be final.

Excess baggage charges

Staff should meet excess baggage charges personally unless these are due to items being taken for business reasons, and this has been agreed in advance.

5. Authorisation

All travel must be authorised in advance in accordance with the hierarchy set out in the table below. By authorising travel, signatories are certifying that the expenditure is necessary, that the mode of transport has been given prior approval, that the necessary funding is available, that risk assessment has been completed and demonstrates that travel is safe, and that all other Policy requirements have been met.

~~A Travel Authorisation Form~~ A Travel Authorisation Form must be submitted for the following travel types:

- All overseas travel
- Travel accompanied by a spouse/partner
- UK travel exceeding £300.

UK travel likely to cost less than £300 does not require the use of the Travel Authorisation Form, but there must be clear agreement from the budget holder (e.g. a brief exchange of e-mails or memos, or a standing delegated authority) that the costs will be met. Without such agreement the budget holder may refuse to authorise the payment of claims or invoices relating to the journey.

All overseas travel must be preceded by a Risk Assessment approved by Health and Safety Services.

~~All Travel Authorisation Forms related to overseas travel should be copied to the Head of Recruitment following approval.~~

The authorisation hierarchy for Travel Authorisation forms, car user application forms and expenses claims is as follows:

Traveller	Authoriser
Departmental / Faculty <u>Professional Service Group</u> staff	Head of <u>Academic/Support Department</u> <u>Professional Service Group</u>
Head of Academic Department <u>School Staff</u>	Executive Dean
Dean <u>Head of Support Department</u>	Appropriate Member of the Executive <u>Deputy Vice Chancellor</u>
Member of Executive	<u>Deputy Vice Chancellor or</u> Vice-Chancellor
Vice-Chancellor	Chair of Board of Governors

Members of staff cannot authorise their own Travel Authorisation Forms.

Where more than one member of staff is travelling, the most senior member of staff must submit the Travel Authorisation Form, detailing the other staff members.

6. Booking of travel & subsistence

Travel and subsistence expenditure may be booked in three ways:

- 1) Via the University's approved Travel Management Company ~~(the preferred method)~~. This is the preferred method, ensures that the University obtains the best value for money and reduces the need for staff to spend time researching fare options
- 2) Directly by the employee, with payment made from personal funds and subsequently reclaimed through the expense reimbursement system
- 3) Directly by the employee with payment made by University purchasing card.

If travel is booked via The Travel Management Company, no comparison quotes are required. However if travel is booked directly by the employee, a minimum of three quotes must be obtained to demonstrate that the University is obtaining Value for Money. One of these quotes

must be from the Travel Management Company. This applies to all bookings; travel with a low cost carrier does not remove the need for this step.

If travel is booked via The Travel Management Company (TMC), the TMC automatically compiles a report of employees who are travelling, their location and their contact numbers, enabling the University to contact and assist staff in an emergency.

Where any business travel (UK or overseas) is booked directly by the employee and The Travel Management Company is not used, the employee must ensure that the travel details relating to their trip are registered on the [Travel Location Register](#) prior to travel. This will ensure that records are available to the University in order to contact employees. ~~The Travel Location Register is an on-line form, and can be found at <http://husk/Lists/Travel%20Location%20Register/NewForm.aspx> and will also be located on the Health and Safety web pages.~~

The following details must be entered as a minimum on the [Travel Location register](#):

- Name of Traveller
- Dept or ~~Faculty~~[School](#)
- Traveller's contact number
- Alternative Emergency Contact
- Type of Journey
- Departure Date
- Departing From
- Travelling To
- Countries Visited
- Business Activity
- Hotel Name and Number
- Multi Destination Details
- Return Date
- Returning From
- Returning To
- Booking Details
- Carrier Name
- Travel with Students

7. *Lowest Logical Cost, Advance Booking and Reduced Fare Opportunities*

Expenditure should be kept to the minimum consistent with the effective performance of work on behalf of the University.

Where possible, staff should plan trips at the 'lowest logical cost' to take advantage of reduced fare opportunities including, but not limited to:-

- Excursion fares
- Promotional fares
- Fares with restrictions which can be accepted for the planned trip
- "Academic Status" fares which are sometimes available

The Lowest Logical Cost should take into account all related costs, including fares, travel to and from airports/station, car park charges, mileage costs and other related expenditure.

Full advantage is to be taken of ~~APEX~~[advance](#), consolidated or discount fares. Rail travel, wherever possible, should be booked in advance to take advantage of early booking concessions.

Travel should be planned in advance with as much certainty as possible. Last minute and 'open' tickets are expensive and should be avoided. Employees are required to use advance purchase restricted tickets, accepting a reasonably flexible time window around requested departure and arrival times. The University accepts that employees may have to occasionally pay an additional fare should they miss their timed departure, however employees should manage meetings and travel times to reduce the risk of additional fares, where possible.

Travellers will not be expected to take unnecessary connections or travel unreasonable distances to leave from a less expensive departure point.

8. Mode of Travel

Selecting the right mode of transport

Assessing the right mode of transport for the journey is important. The mode of transport selected for Official Business travel should give consideration to the following:

- Environmental impact of the journey
- Time available to make the journey
- Health, safety, and well being of the employee and their individual needs
- Opportunity to share transportation

Walking

Staff should walk where they feel that time, convenience and personal safety allow. It is considered that a journey of less than 2 miles is a reasonable walking distance. Route planning tools should be used to select the safest walking route. The following route planners are recommended:

<http://walkit.com/cities/london>

<http://www.tfl.gov.uk/gettingaround/walking>

Cycling

Cycling should be considered for local journeys where staff feel that convenience and personal safety allow.

Consideration should be given to the following:

- Competence of the cyclist and training received. The individual is to judge whether they are a competent cyclist. Cycle training is available free to staff on all campuses from their respective local authorities and can be booked through Estates and Facilities.
- Fitness and health of the cyclist. The individual is to judge whether there are fitness or health reasons which affect their ability to cycle.
- Suitability and condition of cycle used. The individual is to judge whether their bicycle is road-worthy. If unsure, they should visit a cycle shop prior to making their journey.
- Use of safety equipment. The individual is to ensure that appropriate safety equipment, such as a cycle helmet, high visibility clothing and lights, is used for the duration of their journey
- Route planning to reduce cycle risks. Route planning tools should be used to select the safest cycle route, avoiding main roads where possible. The following route planner is recommended: <http://www.tfl.gov.uk/roadusers/cycling/11598.aspx>

A mileage rate of 20p/mile will apply for all journeys made by bicycle. Distances should be estimated using the road/cycle network unless the cycle used is fitted with an odometer, when the actual mileage recorded should be claimed. Mileage should be claimed using the mileage section of the expense claim form (See section 15).

LSBU encourages cycling through the [Cycle to Work Scheme](#) which allows employees to buy a bicycle tax free.

Rail travel

Staff are encouraged to use public transport. Rail travel should be by standard class unless a first class ticket is cheaper at the point of purchase, and evidence can be provided to prove that this was the case. Rail tickets should be purchased as far in advance as possible in order to take advantage of discounted fares. The purchase of 'walk-on' tickets for long distance rail journeys should be avoided.

London Underground and Bus travel

Staff are encouraged to use public transport. Where an employee holds a season ticket or travelcard, only travel costs incurred over and above the cost of the season ticket or travelcard should be claimed.

Journeys should be paid for using Oyster pre-pay, as paper ticket fares are significantly higher than Oyster pre-pay fares.

Expense claims for Oyster pre-pay fares should include a copy of the Oyster usage statement showing the journeys claimed for. These statements can be obtained by registering the Oyster card at www.tfl.gov.uk/oyster and following the instructions on that website.

If a University purchasing card is used to add pre-pay credit to an employee's Oyster card, a journey usage log must be provided with the relevant receipt to demonstrate that all of the credit has been used to fund business related travel. Any credit not used must be refunded to the University by the card holder. For this reason, it is recommended that purchasing cards are not used in this way unless the exact cost of the journeys to be taken is known in advance.

Air travel

Booking of travel

Air travel should be either booked through the University's approved Travel Management Company or directly by the employee. The preferred method is to use the Approved Travel Management Company. This will ensure that the University obtains the best value for money, reduces the need for staff to spend time researching fare options, and is able to trace the location, and advise, its business travellers through a single source.

Where air travel is booked directly by an employee, staff must provide evidence that they have booked the cheapest available fare. This evidence should include quotes from at least three airlines to demonstrate that the cheapest option was taken. One of these quotes must be from the Travel Management Company.

Class of travel

Travel should normally be in economy class. Premium economy class may be booked only for flights exceeding 6 hours, and only with prior approval ~~of the relevant Executive set out in section 5 of this policy.~~ ~~Dean/Head of Support Department.~~ Business class may only be booked where premium economy is not available and under the same circumstances detailed above. However, free upgrades to premium economy or business class may be taken if offered at check-in.

Frequent flyer bonuses

~~Staff may retain frequent flyer bonuses accrued to them on business travel, provided that the earning of these benefits has not resulted in any incremental costs to the University.~~

Taxis

Taxis should only be used in the following circumstances:

Journeys within the M25 boundary:

- Travel home if you are occasionally required to work until such a time where public transport is no longer operating. Late working that follows a predictable pattern (e.g. every Friday) or occurs frequently (more than 60 occasions per year) does not qualify.
- Travel whilst carrying heavy or bulky University materials and equipment.
- Journeys to and from London airports on University business if the luggage to be carried makes travel by public transport impractical, or if the journey is outside public transport operating hours.

Journeys outside the M25 boundary

- Whilst on a UK or overseas overnight stay on University business, taxis may only be used if the journey is business-related (e.g. travel from a hotel to a conference venue & travel from hotel to an airport); and there is no practical public transport alternative.

A receipt showing the name of the taxi company, the start and end point of the journey and the cost of the journey must be obtained.

Private vehicles

Private vehicles should only be used for business travel when it can be demonstrated that the destination is difficult to access by public transport, or when heavy or bulky equipment has to be carried.

Staff wishing to use a private vehicle on University business should do the following before any use takes place:

- Complete a ~~car user application form~~ [car user application form](#). This should be authorised by ~~the relevant Executive Dean/Head~~ [as set out in section 5 of Support Department this policy](#).
- Obtain comprehensive insurance which includes use of the car in connection with the employee's business. Business use will not be included in most standard car insurance policies and it is likely there will be an additional premium to extend policies to cover business use. This additional premium will not be reimbursed by the University.
- Submit the authorised car user application form to the Finance Department together with a copy of the insurance certificate stating that cover for business use has been obtained.

Once the above steps have been completed, staff may submit expense claims for mileage. Claims should be submitted on the standard expense claim form with details of the journey, date, reason, departure point and destination. The amount to be claimed in each tax year is as follows:

- Up to 10,000 miles ~~40p~~ [45p](#) per mile
- Over 10,000 miles 25p per mile
- Motor cycles or mopeds 24p per mile

The tax year runs from 6 April to 5 April. Staff claiming mileage should keep a cumulative record of mileage in order to claim accurately.

The University will not accept any liability for incidents arising from the use of a private vehicle being used on University business. In addition to arranging insurance covering business usage, it is the responsibility of the individual to ensure that their vehicle is legally roadworthy with a valid MOT certificate (when applicable), is taxed and is suitable for business use.

Parking or other fines will not be paid. The London Congestion Charge will not be paid as there is no justification for using a private vehicle to travel in central London. Car parking and bridge/tunnel tolls may be claimed.

University purchasing cards must **NOT** be used to purchase fuel for private vehicles as this is included in the mileage rates.

Standard Mileages

Certain journeys are undertaken frequently by University staff and those have been allocated standard distances which should be used on your claims. They are:

- Southwark to ~~Harold Wood~~ [Havering](#) (Essex) 21 miles
- ~~Southwark to Whipps Cross (East London)~~ [20 miles](#)
- ~~Harold Wood to Whipps Cross~~ [13 miles](#)
- ~~Southwark to Stanmore (RNOHT)~~ [16 miles](#)
- ~~Stanmore to Harold Wood~~ [32 miles](#)

Hire cars

For road journeys over 100 miles, employees may hire a car rather than use a private vehicle as this will often represent better value for money, and will remove the need to go through the steps required for private car usage. The University will meet the hire and fuel costs.

The size of the vehicle hired should be no larger than the minimum required to comfortably transport the employee(s) and required luggage.

The level of carbon emission should be considered in selecting a vehicle within the same class of vehicle. Band A and Band B vehicles offer optimum performance. Lower carbon emissions is currently not a justification for the hire of higher class of vehicle where that hire attracts an increase in price.

9. Accommodation

Hotels

Employees/Claimants may stay in hotels when on University business away from home if the journey time plus the time spent conducting University business is 12 hours or more. Employees/claimants may also stay in hotels when part of a multi-day conference.

The maximum limit for bed & breakfast accommodation in the UK is £100 per night per person- (£150 in London). Hotels should normally be booked via the University's approved travel provider who will have pre negotiated rates with suitable hotels, including hotels close to London South Bank University.

Where hotel accommodation is booked directly by the employee/claimant using either personal funds or a University Purchasing card, every effort should be made to find the cheapest accommodation of an acceptable standard. 'Acceptable standard' means cleanliness, privacy, personal security and the availability of breakfast. This would normally correspond to hotels with a UK 3 star rating. The University will only reimburse up to £100 (£150 in London) with the claimant being responsible for any spend above this amount.

The claim limits for hotel accommodation overseas are on a country-specific basis and will be updated periodically to reflect exchange rate fluctuations. See [Annex 1](#) for current limits.

Staying with friends/relatives

An allowance of up to £25 per night can be claimed to meet the cost of hospitality provided by a friend or relative as an alternative to staying in hotel accommodation. On each occasion a claim is made, it must be supported by a statement from the employee/claimant confirming that payment of the sum claimed was made to the third party.

10. Subsistence

Meal allowances

The following daily limits apply when away from the University and engaged in University business in the UK for more than 5 hours:

- Business requiring between 5-7 hours away from the workplace – up to £10, e.g the cost of lunch and other refreshments
- Business requiring 7-12 hours away from the workplace, including travel time – Up to £15.
- Business requiring 12+ hours away from the workplace, and when overnight bed & breakfast accommodation has been booked – up to £40, with a maximum of £25 for the evening meal.

Evening meals may only be taken when staying away from home overnight in circumstances outlined in the 'Hotels' section.

Employees/Claimants may claim a maximum of £25 per head per night for an evening meal. This may include a modest amount of alcohol, e.g. a glass of wine, pint of beer. Any alcohol consumed above this allowance is a personal expense. Receipts must be obtained for all expenditure and submitted with the relevant expense claim/purchasing card statement.

The claim limits for meal allowances overseas are on a country-specific basis and will be updated periodically to reflect exchange rate fluctuations (see [Annex 1](#)).

Other subsistence costs

A daily limit of up to £5 in the UK and up to £10 overseas will be paid to cover personal expenses such as laundry, internet access and private phone calls. Receipts must be provided in all cases. Payment for set fee internet access for business uses will not be included in this allowance when overseas, provided that the set fee was the best value option for business purposes.

Items to be paid for by the **employeeclaimant**

Personal items, including those below, may not be paid for using a University purchasing card or claimed through the expense system:

- Luggage
- Clothing
- Cosmetics
- Toiletries
- Personal books, magazines and CDs
- Access to premium airport lounges
- Electronic equipment such as cameras, mobile phones and memory sticks
- Alcoholic drinks over and above the evening meal allowance shown above
- Mini bar alcoholic drinks and snacks
- Films
- Treatments in hotel leisure facilities

11. *Passports, Visas and Vaccinations*

Employees are responsible for ensuring that they have a valid passport for overseas business travel, and the necessary visas and vaccinations. Advice on requirements for travel destinations is available through the Travel Management Company. For any journey, the expiry date of the passport should be at least 6 months after the date of returning to the United Kingdom. Employees must ensure that they meet all passport and visa requirements for their travel destination. It is expected that employees have passports for their own personal use; therefore the cost of a passport will not be met by the University. Neither will the University meet the cost of replacing lost or stolen passports. If a second or replacement passport is required for official business purposes, due to a very high volume of business travel, the University will meet the expense of a second or replacement passport.

Employees are responsible for ensuring that they have the necessary visas and vaccinations for the areas they will be travelling to. The cost of visas, vaccinations and any required medication (e.g. anti malarial tablets) will be met by the University.

12. *Travel Insurance*

Policy Cover

The University will maintain travel insurance to cover employees and students travelling on Official Business. Details of the University's current insurance cover are on the Health and Safety web pages <http://www1.lsbu.ac.uk/safety/HSpolicies/policies.shtml>

For the purpose of travel insurance employees are categorised as follows:

- Type 1 - Business travel within the UK territorial limits (i.e. road or rail travel with an overnight stay, or a journey made via domestic flight within the same working day)
- Type 2 - Business travel to a foreign destination which originates within the UK
- Type 3 - Business travel to a foreign destination which originates outside of the UK and relates to Official Business of non domicile employees

Each type of travel may vary in the level of insurance cover in place.

Type 3 cover is not generally available except by arrangement with the **Corporate Procurement Unit Services** prior to travel, and on an individual traveller basis

Full policy details are held by the ~~Corporate~~ Procurement ~~Unit~~ [Services](#). Employees are required to review the University's travel insurance prior to travel to ensure that they comply with all insurance requirements and to ensure that sufficient cover is in place for their upcoming business related travel, including any University materials and equipment to be carried.

Private Travel Insurance

Employees must arrange adequate private travel insurance to cover any private travel that they have arranged in conjunction with official business travel (such as extra days linked to the business trip, accompanied by partner, etc.). The University will not reimburse additional personal insurance costs.

Materials and Equipment

When University materials and equipment are carried, members of staff should check with ~~the Corporate~~ Procurement ~~Unit, Finance Department~~ [Services](#), that these items are covered by the University's insurance policies. If they are not covered, the ~~Corporate~~ Procurement ~~Unit, Finance Department~~ [Services](#) will arrange special cover where appropriate.

When members of staff carry their own materials and equipment, they are responsible for arranging any insurance cover.

Lost Luggage

The University's travel insurance policy provides cover in the event of lost luggage. Employees may purchase minimal, essential replacements as detailed in the University insurance policy. Any items over and above this will be regarded as personal items and their cost will not be met by the University.

13. Emergency Travel

Employees must ensure that they have followed the necessary booking processes and completion of [registers](#) to ensure that the University can locate and contact them in the case of an emergency (see Booking of Travel Section 6). In the case of an emergency, staff who have booked using the University's Travel Management Company should contact the Travel Management Company who will provide support as required.

Staff who have booked directly should contact their line manager. If the line manager cannot be contacted, staff should contact the University's emergency control room on number +44 207815 6666- [or via the Travel Management Company's own emergency contact number](#). Staff will be reimbursed for necessary and reasonable additional travel and subsistence costs incurred during an emergency.

14. Cancellations

Travelling employees are responsible for cancelling reservations within the timeframes permitted in the booking arrangement, either by contacting the University's Travel Management Company or dealing direct with the booking agent. Written evidence of cancellation should be provided and a cancellation reference obtained.

'No show' charges are not reimbursable by the University and the traveller will be held responsible for these costs.

Under circumstances where the reason for cancellation is outside the control of the business traveller the cost of cancellation may be submitted as an insurance claim to the University's insurer. In providing evidence of the cancellation the business traveller is required to attempt to mitigate the cost of cancellation as far as possible by transfer of the booking to a later date or to another employee.

15. Payment for travel, accommodation and subsistence

Travel and/or accommodation may either be booked through the University's Travel Management Company or directly by the [employee claimant](#). When travel and/or

accommodation is booked through the Travel Management Company, payment will be made directly by the University to the Travel Management Company.

If travel and/or accommodation is booked by the [employee claimant](#), payment will either be made using personal funds and subsequently reclaimed (See Expense Claim Procedure section below), or by University procurement card.

Subsistence costs will be incurred directly by the [employee claimant](#). Payment will either be made using personal funds and subsequently reclaimed (See section Expense Claim Procedure section below), or by University procurement card.

Payment by the University

When travel and accommodation is paid direct by the University, an authorised purchase order must be raised before travelling in accordance with the Financial Regulations.

Purchasing Card

When travel, accommodation and subsistence costs are paid for using a University purchasing card, all receipts must be retained and ~~submitted to the Financial Controller with the corresponding monthly statement uploaded to Spendvision~~. All payments made by Purchasing Card must be in accordance with the University’s Purchasing Card User Guide (located on the [Corporate Procurement Services web page](#)).

Expense claim procedure

When travel, accommodation and subsistence costs are paid for using personal funds, all receipts must be retained and an expense claim must be submitted within 3 months of the trip. An expense advance may be requested ~~for where~~ expenditure [is estimated to be](#) over £200. There are separate procedures on the finance department intranet setting out how to obtain an advance. An expense claim must be submitted within 2 weeks of receiving the related advance.

All expense claims must be made using the LSBU ~~expense claim form~~ [expense claim form](#) and submitted to the Finance Department. This form should be used to claim for actual travel, subsistence and other expenses incurred, and to claim mileage in accordance with the guidance set out in section 12. All claims for actual expenses incurred (i.e. not mileage) must be supported by a receipt. Note that credit and debit card receipts alone are not sufficient; a receipt clearly showing the item paid for must be provided. Claims submitted without receipts will not be paid.

Expense claims must be submitted within three months of the expenditure being incurred. Claims received after this deadline will not be paid.

Expense claims relating to overseas travel, travel with spouse/partner and UK travel costing over £300 must be accompanied by a Travel Authorisation Form (See section 5).

The expense claim system is intended to refund travel and subsistence expenditure that could not be met directly by the University. The expense claim system should not be used to purchase items such as technical equipment, subscriptions and membership fees ~~or to pay supplier invoices~~. These items should be purchased directly by the University via purchasing card or purchase order. Expense claims submitted for these items will not be paid.

The expense claimant is responsible for ensuring that their claim abides with this Policy.

All expense claims must be authorised by another member of staff according to the hierarchy shown below. The person authorising the claim must check that the claim abides with this policy. [Employee claimants](#) must not authorise their own expense claims.

Expense claimant	Authoriser
Departmental / Faculty School staff	Head of Department/ Executive Dean
Head of Academic Department	Executive Dean
Head of Support Department	Appropriate Member of the Executive

Member of Executive	Vice-Chancellor
Vice-Chancellor	Chair of Board of Governors

Provided that the above steps are complied with, and the expenditure claimed for is in accordance with the Policy, the claim will be paid ~~with the next salary payment on your pay date, usually directly into an claimant's bank account.~~ payment in the next pay day is the first day of the month. Any claims received after this will be paid in the following month's payroll.

~~Where more than one employee's expenses are to be claimed on one claim form, the employee who incurred the expenditure should submit the claim. The names of the employee's claimed for should be included in the narrative section of the form.~~

Claims should be made only for expenses personally incurred. Expenses incurred by another employee or third party cannot be reimbursed through the expenses system.

Claims for expenditure in foreign currencies should be converted into sterling. Evidence of the exchange rate used (a commission slip or copy of an entry on a credit card bill) must accompany the claim; otherwise the rates prevalent at the date the claim is processed may be applied. Commission charged on currency exchange is reimbursable as a separate amount and should not be included when calculating the exchange rate.

Items to be funded by employees

The following may not be paid for using a University purchasing card or claimed through the expense system. They should be funded by personal employee contributions.

- Leaving and retirement functions and gifts
- Other gifts of a personal nature
- Floral gifts – other than on the death or serious illness of an employee, student or an employee's partner or child
- Christmas decorations
- Tea and coffee for office use
- Radios for office use

16. Staff entertaining

Modest staff events or functions may be provided by the University at the discretion of delegated budget holders. The majority of staff entertaining will result in a tax liability which, by agreement with HMRC, is met by the University rather than the employee.

This charge is around **50%** of the cost of the entertaining and will be applied to the relevant ~~faculty~~ School /department at the end of the financial year. Holders of delegated budget authority should consider this extra cost when organising staff entertaining events.

17. Non-staff entertaining

It is recognised that the entertaining of third parties is a necessary part of achieving University and departmental objectives. When entertaining, staff should ensure that the amount spent is proportional to the strategic importance of the event and within the following limits:

- Breakfast: £15 per head
- Lunch: £25 per head
- Dinner: £35 per head
- Gifts: £20 per head

These limits should only be exceeded with prior approval of a member of the Executive.

The number of University employees should not normally exceed the number of individuals being entertained.

18. Enforcement and Consequences of Non-Compliance with this policy

Employees/Claimants' s who do not comply with this policy may be subject to:

- Withheld/reduced expense claim payment
- Withdrawal of University purchasing card
- Appropriate disciplinary action in accordance with HR policies in place



Annex 1

Annex 1

Maximum Travel

Hotel and **Subsistence** rates

Period: From ~~May 2010~~ June 2014

Region/ Country	General Subsistence (per day)	Hotels (per night)
Africa (General)	£40	£160
Ghana	£45	£160
Kenya	£40	£160
Mauritius	£40	£160
Nigeria	£55	£280
Uganda	£40	£150
Asia (General)	£30	£130
China	£50	£160
Malaysia	£30	£130
Singapore	£40	£160
Thailand	£30	£130
Vietnam	£35	£130
Europe (General)	£35	£120
Russia	£80	£250
Turkey	£45	£180
Middle East (General)	£40	£200
Kuwait	£40	£210
Oman	£40	£200
Qatar	£40	£200
Saudi Arabia	£55	£220
UAE	£40	£150
Saudi Arabia	£55	£220
South Asia (General)	£30	£130
Bangladesh	£30	£100
India	£33	£140
India (Delhi)	£33	£180
India (Mumbai)	£33	£180
Sri Lanka	£33	£135
USA (General)	£30	£100

UK	Up to £40 <i>depending on no. of hours away on business</i>	£100 <u>(£150 in London)</u> <u>Bed and breakfast</u>
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Annex 2

Travel, Subsistence and expenses for visitors to the University

The University's Travel, Subsistence and expenses policy is applicable to visitors to the University. This appendix is meant as a quick guide for visitors – further information is contained in the main policy

1. Visitors will be reimbursed the actual travel and associated expenses incurred solely and necessarily in connection with their visit to the University.
2. Travel and accommodation can be booked by LSBU through our authorised travel provider, Ian Allan Travel – ask the person inviting you to LSBU to arrange this.
3. If you have to book your own travel, visitors should use public transport whenever possible. Try to take advantage of discounted advance fares – we would normally expect you to travel by standard or economy class.
4. If you have to use your own private vehicle to travel to LSBU we can reimburse you at 45p per mile. You should ensure your own insurance policy includes business travel as LSBU will not be liable for any incident resulting from use of your private car when on LSBU business. We cannot pay parking or other fines or the congestion charge but will pay for tolls and, with prior approval, parking charges.
5. Once you are in London, the most economical way to travel is by public transport. The Cheapest fares are using an Oyster card and you should keep a record of the journey's made in order to claim your fare.
6. You can claim a maximum of £40 per day for meals during your visit to LSBU, of which £25 can be for an evening meal, including a modest amount of alcohol. We cannot reimburse you for any other alcohol or for meals costing over £40 in a day.
7. We cannot reimburse you for personal items including clothing, cosmetics, toiletries, mini bar drinks and snacks or films
8. Keep all receipts as we will not be able to reimburse expenses without them

Claim your expenses using an external expenses form – your contact at LSBU can send you the appropriate form.

	PAPER NO: PR.39(14)
Paper title:	Treasury Management Report
Board/Committee	Policy and Resources Committee
Date of meeting:	23 September 2014
Author:	Brian Wiltshire, Treasury Manager
Executive sponsor:	Richard Flatman, Chief Financial Officer
Purpose:	To report to the Committee on Treasury Management activities from 1 April – 31 August 2014.

Executive Summary	
Context	Financial Management/Sustainability
Question	N/A
Conclusion & Recommendation	<p>That the Committee:</p> <ul style="list-style-type: none"> • Note the Contents of this report; and • Recommend to the Board the approval of Professor Patrick Bailey (DVC) and Professor Paul Ivey (PVC R&E) as authorised Signatories; and the removal of Beverley Jullien with immediate effect.

Matter previously considered by:	Policy & Resources Committee	On: Each Meeting
Further approval required?	Board of Governors (for changes to authorised signatories)	On: 9 October 2014

1. Executive Summary

- 1.1 The purpose of this paper is to update members on the bank balances, deposits and loans as at 31/8/14 and update the University's list of authorised signatories.

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- 1.2 At 31/8/14 the University held £48.9m in bank balances and deposits. This compares to £55.4m at 31/3/14 and £54.8m at 31/8/13. Interest earned for the last 12 month period was £300.8k. Risk continues to be managed by the use of Treasury Management procedures approved by the Board of Governors. Appendix A shows the monthly summary of closing bank balances and deposits as at 31 August 2014.
- 1.3 At 31/8/14 the University held loan balances of £29.3m. Annual interest on these loans is £1.4m.
- 1.4 It is proposed that two new postholders and members of the Executive, Patrick Bailey (DVC) and Paul Ivey (PVC R&E), be added to the University's bank mandate with effect from agreed start dates and that Beverley Jullien be removed as an authorised signatory with immediate effect.

2. Cash Balances and term deposits

- 2.1 The table below shows interest received for the 5 months to 31 August 2014 compared to budget and prior year.

5 months to 31 st August			12 months to 31/8/14
2014 Actual £'000	2014 Budget £'000	2013 Actual £'000	Actual £'000
138.4	165	223.5	333

Interest received in the 5 months to 31 August 2014 was 26.6K below budget and £85.1k lower than the same period last year. The variances reflect lower rates of return than in the comparative period.

- 2.2 The interest of £138.4k received in the 5 months to 31 August 2014 is analysed below:

Bank	Account Type	Current Interest rate	Interest Received 5 Months to 31/8/14 £'000	12 months to 31/8/14 £'000	Balance held £'000
Bank of Scotland	Inst. Access	0.40%	1.2	6.9	727
	Fixed Deposit	0.70%	11.4	36.7	5,253
Lloyds	Inst. Access	0.00%	0.0	0.0	-
	Fixed Deposit	0.70%	20.5	71.7	10,465
	Fixed Deposit	0.70%			
Barclays	Inst. Access	0.60%	41.4	49.7	8,331
NatWest	Inst. Access	0.55%	24.3	44.3	2,420
NatWest Euro	Inst. Access	0.00%	0.0	0.0	1,229
HSBC Deposit	Inst. Access	0.05%	0.0	0.0	7
HSBC €Liq.	Inst. Access	0.00%	0.0	0.0	0
HSB C Euro	Inst. Access	0.00%	0.0	0.0	647
Prime Rate £ Liq.	Inst. Access	0.80%	13.6	33.2	5,172
Scottish Widows	7 Day Notice	0.40%	8.7	20.8	5,224
	Inst. Access	0.40%	8.0	16.3	5,075
NatWest Charitable Fund	Inst. Access	0.55%	6.2	14.2	2,795
NatWest (Access fund)	Inst. Access	0.55%	1.1	2.4	463
NatWest (SBUEL)	Inst. Access	0.55%	2.0	4.6	1,116
Total			138.4	300.8	48,924

2.3 Since the last treasury management report, three fixed term deposits with a value of £15.7m placed with the Lloyds Banking Group matured and were reinvested as follows:

<i>Banks</i>	<i>Deposit (£M)</i>	<i>Rate (%)</i>	<i>Term (Days)</i>	<i>Maturity Date</i>
Lloyds	5.0	0.70	94	6 Oct 2014
	5.4	0.70	94	20 Sept 2014
Bank of Scotland	5.3	0.70	94	4 July 2014

3. Risk

- 3.1 Risk continues to be managed by the continued application of the treasury management procedures agreed by the Board of Governors. These procedures require that our cash deposits are diversified only across UK banks, and that cash is only placed on immediate access, short & medium term deposit. Subject to normal Board approval processes, exceptions are made as considered appropriate as in the case of Federated Prime Rate where £5m has been placed in a sterling liquidity funds since January 2011. Federated Prime Rate is now known as Federated Investors.

4. Loans

- 4.1 The University's Loan Balance at 31 August 2014 is £29.3m split between AIB and Barclays Bank Plc. The next loan repayments, including interest are scheduled for 30 September 2014. The table below shows the balances and repayable period per loan at 31 March 2014.

Bank	Balance 31/8/14 £'000	Repayable Period	Interest rate	5 months to 31/8/14 £'000	12 months to 31/8/14 £'000
AIB					
Dante Road	5,000	26.5 yrs to 2027	6.67%	84.7	351
Barclays Bank*					
David Bomberg Hse	5,441	25 yrs to 2032	5.68%	78.0	323
K2 Loan 3	5,000	20 yrs to 2029	5.03%	0.0	250
K2 Loan 4	8,625	23.25 yrs to 2032	5.32%	115.1	470

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K2 Loan 5	5,271	23 yrs to 2032	0.745%	9.9	41
Total	29,337			287.7	1,435

*Total Loan Balance with Barclays is £24.3m

- 4.2 The majority of these loans are at fixed rates for varying terms and penalties apply for early repayment. The exception is the variable rate K2 loan 5 where the current balance outstanding is £5.3m. However, the interest rate on this loan is such that we should not consider early repayment at present.

5. Authorised Signatories

- 5.1 The Committee is asked to recommend to the Board of Governors that Professor Patrick Bailey (DVC) and Professor Paul Ivey (PVC) be added as authorised signatories on all University held bank accounts and investment funds; and for the removal of Beverley Jullien, Pro-Vice Chancellor as an authorised signatory following her recent resignation from the University.

6. Conclusion

- 6.1 It is recommended that the committee:
- a) Note the Contents of this report
 - b) Recommend to the Board the approval of Professor Patrick Bailey (DVC) and Professor Paul Ivey (PVC) as an authorised Signatory; and the removal of Beverley Jullien with immediate effect.

Brian Wiltshire
Treasury Manager
wiltshbl@lsbu.ac.uk
Telephone: 020 7815 6310

Monthly Summary of Closing Bank Balances and Deposits
As At 31 August 2014

Bank / Title	Type of Account	Agresso Account	31 August 2014		31 March 2014		
			Balance Currency	Balance Sterling	Balance Currency	Balance Sterling	
			€	£	€	£	
NatWest [LSBU's Main Trading Account]	Business Current Account	7160		0		24,779	
	Special Interest Bearing Account	7160		2,419,893		9,193,224	
	Euro Currency Account	7163	€ 1,553,925	1,228,937	€ 1,395,581	1,154,034	
NatWest [Charitable Funds]	Business Current Account	7161		0		100	
	Special Interest Bearing Account	7161		2,794,821		2,611,375	
HSBC	Business Current Account	7100		6,561		6,559	
	Euro Currency Account	7111	€ 817,758	646,732	€ 803,605	664,517	
	Euro Liquidity Fund Class A	7115	€ 77	61	€ 77	64	
Lloyds TSB	Corporate Special Account			437		437	
	Treasury Deposit [3Mth F/Dep.]	7166	0.70%	5,010,890		5,000,000	
			0.70%	5,453,509		5,443,904	
Bank of Scotland	Corporate Deposit Account			529,843		528,980	
	Treasury Deposit [3Mth F/Dep.]	7165	0.70%	5,252,540		5,241,124	
	Corporate Instant Access	7164		197,587		197,314	
Prime Rate	Sterling Liquidity Cash Plus [T1 Inst Access]	7105		5,170,651		5,157,064	
	Sterling Liquidity Fund [Inst Access]			1,828		1,825	
Barclays	Business Account	7116		4,007		410,361	
	FIBCA / Platinum Account	7116		8,327,426		8,286,071	
Scottish Widows Bank Plc	Deposit Account No Notice	7104		5,074,761		5,066,730	
	Deposit Account 7 Day Notice	7114		5,224,256		5,215,521	
Total LSBU Funds at Bank				€ 2,371,759	47,344,742	€ 2,199,262	54,203,981
NatWest [Access Fund Account]	Business Current Account			0		0	
	Special Interest Bearing Account	7162		462,975		496,895	
NatWest [SBU Enterprises Ltd]	Business Current Account	7160[SBUEL]		0		0	
	Special Interest Bearing Account			1,116,221		656,271	
Total Access & Enterprises Funds				0	1,579,196	0	1,153,166
Total Funds at Bank				€ 2,371,759	48,923,938	€ 2,199,262	55,357,147
Difference Between Financial Periods				172,496.82	-6,433,209.81		

	PAPER NO: PR.40(14)
Paper title:	Terms of Reference
Board/Committee	Policy and Resources Committee
Date of meeting:	23 September 2014
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	Dame Sarah Mullally, Chair of the Committee
Purpose:	To review the committee's terms of reference

Executive Summary	
Context	It is best practice to review committee terms of reference each year
Question	Should the committee's terms of reference be amended?
Conclusion & Recommendation	The committee's terms of reference should be amended to remove oversight of health and safety. The committee is requested to recommend revised terms of reference to the Board for approval.

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

Policy and Resources Committee terms of reference

The purpose of the committee is to advise the Board of Governors on the University's performance, financial reporting and controls, proposed investments and constitutional and legal matters.

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It is proposed that the health and safety annual report is reviewed by the Board as a whole due to the collective responsibility of the Board to ensure, as far as is reasonably practicable, the health, safety and welfare at work of its staff and those affected by its activities.

Following review, no further changes to the terms of reference of the committee are suggested. The Governance Effectiveness Review is taking place during 2014/15 which will review the sub-committees of the Board as part of its scope.

The independent governor vacancy on the committee will be filled by Jerry Cope, who was appointed to the Board in July 2014.

The committee's terms of reference are attached for information. The committee is recommend the revised terms of reference to the Board for approval.

Membership 2014/15

- Sarah Mullally Chair – Independent Governor
- David Longbottom Independent Governor & Chairman of the Board
- David Phoenix Vice Chancellor and Chief Executive
- Ilham Abdishakur Student Governor
- Jerry Cope Independent Governor
- Ken Dytor Independent Governor & Chair, Property Committee
- Hilary McCallion Independent Governor
- Anne Montgomery Independent Governor & Chair, HR Committee
- Diana Parker Independent Governor
- Jon Warwick Staff Governor

Policy and Resources Committee

Terms of Reference

1. Constitution

1.1 The Board of Governors has established a committee of the Board known as the Policy and Resources Committee.

2. Membership

2.1 The Policy and Resources Committee and its chair shall be appointed by the Board, from among its own members.

2.2 Membership shall consist of:

- the Chairman of the Board;
- the Vice Chancellor;
- the Chair of the Human Resources Committee;
- the Chair of the Property Committee;
- up to four additional independent governors;
- one student governor; and
- two staff governors.

2.3 A quorum shall consist of at least three independent governors.

2.4 The chair shall be an independent governor and shall normally be Vice Chair.

2.5 Members of the committee shall not be members of the Audit Committee.

2.6 The committee may, if it considers it necessary or desirable, co-opt members with particular expertise.

3. Frequency of meetings

3.1 Meetings shall normally be held prior to a Board meeting.

4. Authority

- 4.1 The Committee advises the Board of Governors on the University's performance, financial reporting and controls, proposed investments and constitutional and legal matters.
- 4.2 For investment in the estate the Committee is advised by the Property Committee. The Policy and Resources Committee will have the authority to recommend approval of business cases to the Board.

6. Secretary

- 6.1 The secretary to the Policy and Resources Committee will be the Clerk to the Board or other appropriate person nominated by the Clerk.

7. Duties

Performance

- 7.1 The committee shall review the performance of the University in the light of its strategy, objectives, business plans and budgets and ensure that any necessary corrective action is taken by the executive.
- 7.2 At each meeting, to monitor progress against the KPIs as approved by the Board from time to time and to hold the Executive to account.
- 7.3 To recommend to the Board of Governors any change in KPIs that the Committee considers to be required to reflect changes in strategy or objectives.
- 7.4 To review any proposals of a strategic nature to extend LSBU's undertaking into new activities or geographic areas and report to the Board.
- 7.5 To review any proposals of a strategic nature to cease to operate all or any material part of LSBU's undertaking.

Financial Reporting and Controls

- 7.6 To review and pass to the Board of Governors for approval true annual accounts, duly audited in accordance with the Companies Acts.
- 7.7 To receive, consider and present to the Board of Governors annual estimates of the current year's budget and the allocation of resources.

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- 7.8 To monitor regular reports on University income and expenditure showing a comparison of these against the annual budgets.
- 7.9 To consider the financial plans for future years; to advise the Officers of the University on strategies: and to recommend to the Board of Governors the financial plans to be submitted to HEFCE.
- 7.10 To advise on the provision of resources and services for the University.
- 7.11 To review and recommend to the Board pay awards
- 7.12 To consider amendments to the University's financial regulations and their effect on current practice and recommend to the Board for approval.
- 7.13 To approve investment and treasury policies.
- 7.14 To approve investment policies for charitable funds and to receive an annual report on expenditure.
- 7.15 To receive an annual report of all donations above £25,000 and to monitor adherence to the Gift Acceptance Policy
- 7.16 To approve the posts authorised as signatories in relation to banking facilities; and to report to the Board as and when there is a change of postholder.
- 7.17 To recommend to the Board the opening or closing of University bank accounts.
- 7.18 To review and recommend to the Board approval of capital finance.
- 7.19 To review and recommend to the Board approval of borrowing raised on the security of the University's assets.
- 7.20 To review and recommend to the Board approval of lease finance arrangements with a capital value greater than £250,000.

Transactions and Contracts

- 7.21 To review proposed investment in capital projects above £1m and recommend to the Board.
- 7.22 To review budgeted contract expenditure above £2m and recommend to the Board.

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7.23 To review unbudgeted contract expenditure above £0.5m and recommend to the Board.

Estates

7.24 To review proposals to dispose of land or buildings.

Students

7.25 To consider and recommend tuition fees to the Board of Governors.

7.26 To receive regular reports on student recruitment.

Students' Union

7.27 To consider and recommend to the Board of Governors proposed amendments to the Students' Union constitution.

7.28 To review true annual accounts, duly audited in accordance with the Companies Acts.

7.29 To receive a six monthly report on the Students' Union's income and expenditure.

7.30 To approve in principle the appropriate budget for the Students' Union, including the grant from the University to the Students' Union and to include these in the draft University Budget recommended to the Board.

7.31 To consider and determine all matters relating to the University's relationship with the Students' Union. If any matter has significant implications then the Committee to inform the Board on a 'reporting by exception' basis.

Articles of Association

7.32 To review proposed changes to the Articles of Association and recommend to the Board for approval.

Subsidiary Companies

7.33 To review regulations for the appointment of directors and the composition of boards of subsidiaries of LSBU.

7.34 To review the Schedule of Matters Reserved to subsidiary company boards.

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7.35 To receive an annual report on enterprise activity.

Policies

7.36 To approve high level corporate policies which require consideration by governors (and are not of an operational nature).

7.37 To review annually the Matters Reserved to the Board and the Statement of Primary Responsibilities.

Legal Compliance and Litigation

7.38 To receive reports from the Executive on any material non-compliance with legislation.

7.39 To review litigation involving over £0.5 million or otherwise material to the interests of LSBU and recommend to the Board for decision.

Insurance

7.40 To consider and approve the level of insurance provision at regular intervals and report material changes to the Board of Governors.

~~*Health and Safety*~~

~~7.41 To consider the annual health and safety report.~~

8. Reporting Procedures

7.1 The minutes (or a report) of meetings of the Policy and Resources Committee will be circulated to all members of the Board.

*Approved by the Policy and Resources Committee on * 2014*

*Approved by the Board of Governors on * 2014*

	PAPER NO: PR.41(14)
Paper title:	Committee business plan
Board/Committee	Policy and Resources Committee
Date of meeting:	23 September 2014
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	Dame Sarah Mullally, Chair of the Committee
Purpose:	To note the committee's annual business plan

Executive Summary	
Context	The committee's business plan is reviewed annually
Question	Should the committee's business plan be amended?
Conclusion & Recommendation	The following amendments are proposed: <ul style="list-style-type: none"> The annual health and safety report is considered by the Board as a whole, rather than by the committee

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

Policy and Resources Committee Business Plan

The Policy and Resources Committee business plan is based on the committee's terms of reference – paper **PR.41(14)**.

It is proposed in the review of the committee's terms of reference that the health and safety annual report is reviewed by the Board as a whole. It is, therefore, proposed to remove this from the committee's business plan.

London South Bank University

The plan focuses on regular items for discussion and approval by the Committee.
Ad hoc items will be discussed as required.

The Policy and Resources Committee is requested to note its annual business plan.

Policy and Resources Committee					
Topic	Sep	Nov	Feb	May	June
16-20 update		X	X	X	X
Annual Report and Accounts		X			
Budget					X
Business plan for each committee	X				
Charitable Funds expenditure, Annual Report on	X				
Enterprise half-yearly Report		X		X	
Financial Regulations					X
Fundraising, Annual Report on	X				
Governance Statement	X				
HEFCE annual accountability return		X			
HEFCE annual accountability return - mid year return - 5 year forecasts					X
HEFCE Grant Settlement				X	
Insurance claims		X			
Insurance renewals - approve					X
Key Performance Indicators - monitor	X	X	X	X	X
Key Performance Indicators - review targets					X
Management Accounts	X	X	X	X	X
Matters reserved for the Board	X				
Membership and Terms of Reference - approve	X				
Primary Responsibilities of the Board	X				
Public Benefit Statement	X				
Strategy, Annual review of delivery of					X
Student recruitment	X	X	X	X	X
SU accounts		X			

Policy and Resources Committee					
Topic	Sep	Nov	Feb	May	June
Treasury Management Report	X	X	X	X	
Tuition Fees for next academic year + 1				X	
Ad hoc					
Business Cases (expenditure)					
High level corporate policies					
Standing Items					
Declaration of interests	X	X	X	X	X