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Paper title:	Research and Enterprise Annual Report
Board/Committee:	Board of Governors
Date of meeting:	20 May 2021
Author(s):	Professor Paul Ivey – Deputy Vice Chancellor and Chief Business Officer
Sponsor(s):	Professor Paul Ivey – Deputy Vice Chancellor and Chief Business Officer
Purpose:	For Discussion
Recommendation:	Governors are asked to discuss this annual report.

Executive Summary

With respect to the group's ability to generate third stream income, in year challenge and oversight of research and enterprise activity is delivered by the newly established Enterprise Advisory Board (EAB). Working within a broad definition of enterprise and a structural form for South Bank Enterprise as the fourth 'pillar' for the LSBU group, the EAB will monitor progress year by year including receiving an annual report.

This other annual report is directly to the main LSBU Board. It differs from that to the EAB in that it covers not so much progress in the year, but progress to achieving the intended 2025 'landing stage' for group third stream income. So, in this first reporting in the context of the 2025 Corporate Strategy, the report covers current (starting) capabilities, partnerships and structures, highlights work to resolve two important constraints, and sets a fundamental business transformation challenge for the group – rebalancing teaching and learning resources to generate third stream income.

Recommendation: Governors are asked to discuss this annual report.

The 2025 Corporate Strategy

This annual report addresses the challenge for Research and Enterprise activity in the 2020-2025 Corporate Strategy. Although significant progress has been made over the past few years in developing the environment for earning third stream income, and outcomes and impact have both grown, the ambition for 2025 is heightened significantly. The challenge is in the sense of where LSBU is currently and the change needed, but not in the context of outcomes a strong technically focused University should achieve – increased income, high impact studies, high student social mobility, and high graduate employability.

One easy-to-measure KPI from the 2025 document is increasing so-called third-stream income (third-stream income includes income from contract or sponsored research, entrepreneurial or commercialisation activities, philanthropic funding, provision of services, from investments and from borrowing.) from some £18M to £50M per year. Another key feature in this strategy, clearly setting it apart from the predecessor document, is the sheer weight of focus on industry, community, and employer engagement; this engagement is quite fundamental to success.

Current Capacity

Research Excellence Framework (REF)

The recent 2021 submission indicates the extent of development since 2014, when despite better than expected outcomes in terms of quality and impact, the research environment was not well developed at LSBU. Since that time much has been achieved through annual investments. Outcomes are a new educational pathway for Doctoral candidates, revised supervisory structures, establishing the London Doctoral Academy for candidate and supervisor development, sabbaticals for academics, an advisory Professoriate, and a suite of strong research centres.

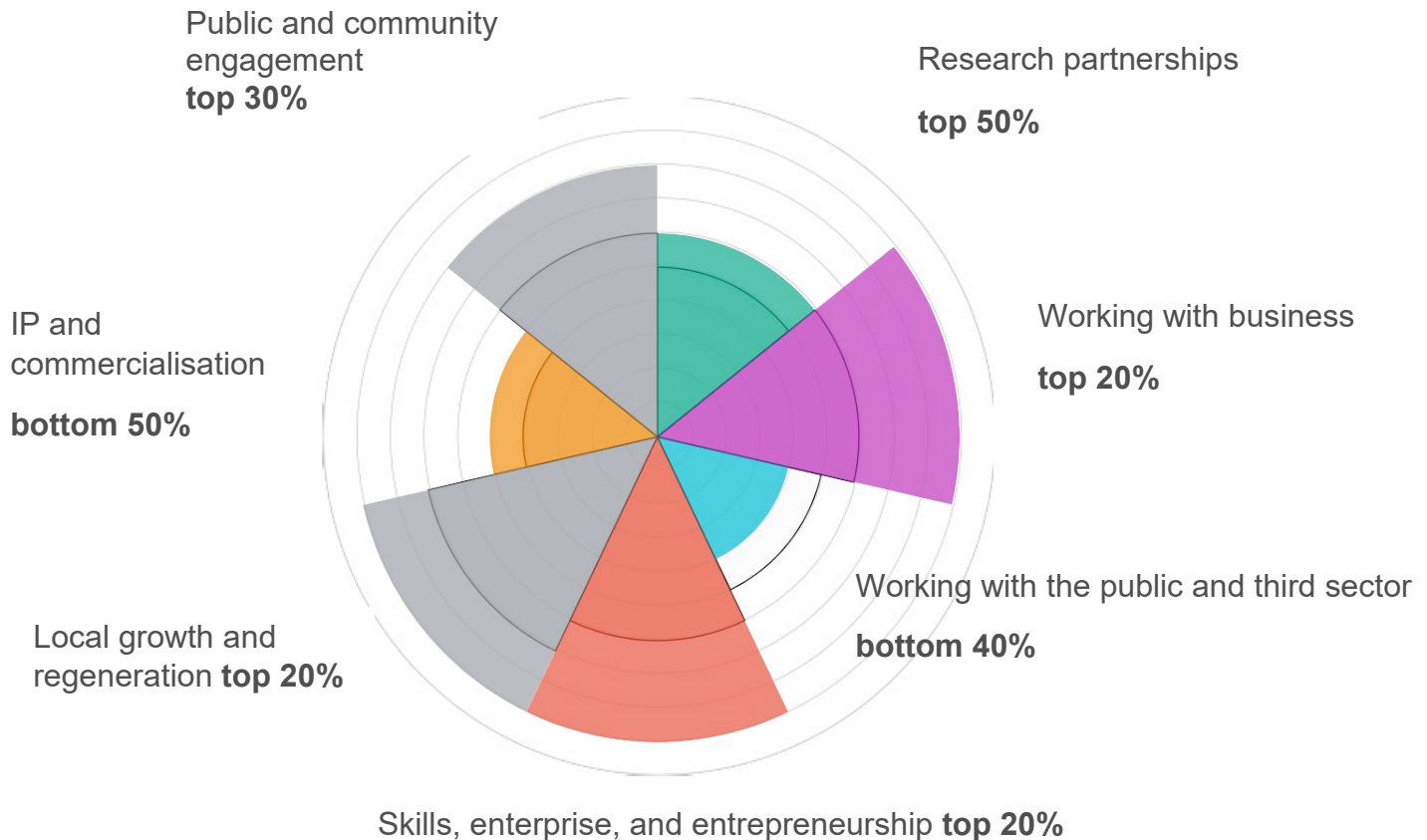
Centre for Research in Digital Story making	ACI
Centre for the Study of the Networked Image	ACI
Centre for Addictive Behaviours Research.	APS
Sport and Exercise Science Research Centre	APS
Centre for Civil and Buildings Services Engineering (CCIBSE)	BEA
Centre for the Integrated Delivery of the Built Environment (iDoBE)	BEA

London Centre for Business and Entrepreneurship Research	BUS
London Centre for Energy Engineering	ENG
Bioengineering	ENG
Cognitive Systems	ENG
Centre for Applied Research in Improvement and Innovation in Health and Social Care	HSC
Centre for Social Justice and Global Responsibility	LSS

It is expected that other modern universities will also have significantly improved since the last REF and this will impact on our relative performance when published in 2022. Development continues with a top-down focus on areas aligning group competence with national priorities and significant funding, STEM, Health, and Inclusive Growth.

Knowledge Exchange Framework (KEF)

A baseline KEF assessment for most UK HEI's has been constructed. LSBU's assessment is shown below.



HEI's have been 'clustered' to facilitate comparisons for institutions with similar resources, however given the assessment is on the same decile score for all, wider comparisons are possible. In 4 out of 7 assessment areas LSBU is in the top 30% of all UK HEIs, and whilst there are areas to improve (IP / commercialisation, research, and public / third sector), LSBU is a well 'balanced' KEF focussed University.

Structures

The corporate strategy identifies 4 primary structures: South Bank Academies, South Bank Colleges, London South Bank University and South Bank Enterprise (SBE). The group has an enormously wide engagement in securing third stream income, partnering with corporates and communities, and delivering employability skills.

To improve alignment, an Enterprise Advisory Board (EAB) was established to oversee and challenge enterprise activity. A working definition of enterprise is everything not student funded teaching and learning,

Partnerships.

COVID has impacted enterprise income across all HEI's. The National Centre for Universities and Business (NCUB) report 'Innovating during a Crisis', indicated that all HEI's income has been impacted by COVID uncertainties, but those having strategic partnerships with businesses are performing better than those without. This sets an important future group kpi, as well as continuing our strength in SME engagement.

BREXIT has also impacted, for example, by reducing the business effectiveness of our partnership with The Welding Institute (TWI) at Cambridge. Although two of the three Innovation centres at TWI (Robotics and Coatings) may have the potential to continue at LSBU 'in house' our relationship with TWI was ended as European funding streams ended. In contrast, a developing but similar partnership was secured in the past year, is the Net Zero Buildings Centre (NZBC) which is a collaboration between LSBU and the Building Services Research and Information Association (BSRIA). The mission is to 'create research, innovation, and impact in the built environment that link academic and industry expertise on building performance and quality. Helping to shape and implement low carbon policies now

and through to 2030'. Whilst based on learning from our engagement with TW this model is more industry focused with respect to funding.

Another new example of growth builds on LSBU's strong and extensive links with the NHS. LSBU has been invited to establish an evaluations unit with the specific purpose of evaluating technologies of interest. If shown to be safe, accurate, effective and value for money, then these technologies will be rolled out to all NHS Trusts. This initiative is part of the 'DrDoctor TSET - transforming how hospitals communicate with the patient project'. Building further on LSBU's reputation, the University has been invited to tender for NHSX evaluations unit, which is an initiative bringing together teams from the Department of Health and Social Care and NHS England and NHS Improvement to drive the digital transformation of care.

The Strategic Projects team are working on 120 new products through 185 research collaborations and linking with partners to identify new sources of regeneration funding. The ESIF (European Structural and Investment Funds) replacement funds are beginning to be rolled out with the imminent launch of the Community Renewal Fund (CRF). LSBU remains the largest university provider of ESIF funded projects in London with a £13.2M portfolio working in 6 industry sectors and hopes to target some of these new funding sources.

The BIG South London Partnership continues to be a focus for sub regional activity of five London boroughs; Croydon, Kingston upon Thames, Merton, Richmond upon Thames, and Sutton, and it draws on the resources of the six universities in that region – Kingston University, Roehampton University, Wimbledon College of Arts, St Marys University, London South Bank University and Sussex Innovation Centre.

Capacity Gaps

To realise the ambition of the Corporate Strategy, the strength of infrastructure for Research and Enterprise activity and the comprehensive nature of the ecosystem / environment for B2B activity present key capacity questions, and unfortunately both require development. These two overlapping capacity gaps are significant and hinder realising the ambition for R&E activity. First is operational in terms of contracting

capacity, data management, planning and alignment. The second is structural: a comprehensive B2B environment. Both capacities are in development.

Two cross LSBU group strategic projects have been identified examining in turn Research Infrastructure and Employer Relationships. The Research Infrastructure strategic project looks at systems and process, optimum people, optimum organisational structures, estates facilities and equipment, and understanding and driving performance as key components of the transformational change required. The Employer Relationships project is engaged in scoping, mapping, and a systems approach to existing relationships, with a view to then aligning exiting and developing new external partnerships in the three sectors of focus for group third stream income, STEM, Health, and Inclusive Growth.

Reassuringly, there is a considerable amount of B2B activity across the group. There are obvious points of focus, apprenticeships, consulting, contracting, internships, and sponsorships for example, but there is also a myriad of more informal less structured interactions. What is missing clearly is any institutional approach to curating and commercially exploiting data. The focus in the last year has been on improved data capture and extraction of value. The development of a new systems infrastructure is part of the process of digital empowerment and cultural change to support a better understanding of our data and to inform decision-making and actionable insights.

Summary

The University has made a submission to the 2021 REF assessment, showing clear development from the 2014 position. At the same time, the baseline KEF assessment indicates a nationally strong profile in most areas, with room for improvement as well. In terms of Research and Enterprise activity, LSBU has a well-balanced and proportionate profile.

However, outputs are not increasing as before (irrespective of the pandemic effect) and to meet the challenge of the Corporate Strategy, a transformation is required. This transformation necessitates a whole group response and is not without risk. Work is in place to prepare systems, data management and to start building a comprehensive B2B environment. Two fundamental resource requirements are

capital and human. Both have prior commitments meeting the business-critical deliverable of effective teaching and learning, this constraint will need relaxing.

**Minutes of the meeting of the South Bank Academies Board
held at 4.00 pm on Thursday, 18 March 2021
MS Teams**

Present

Hitesh Tailor (Chair)
Tony Giddings (from minute 5)
Hilary McCallion (from minute 5)
Chris Mallaband
Fiona Morey
Lesley Morrison
David Phoenix
Nicole Louis
James Blastland

Apologies

Richard Flatman (Vice-Chair)

In attendance

Michael Broadway
Ciara Carroll
Dan Cundy
Helena Abrahams

1. **Welcome and apologies**

The Chair welcomed trustees to the meeting and noted that apologies had been received from Richard Flatman. A warm welcome was given to the new trustee, James Blastland, who was attending his first Board meeting.

2. **Declarations of interest**

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

3. **Minutes of last meeting**

The Board approved the minutes of the previous meeting held on 15 December 2020, subject to a minor correction.

4. **Matters arising**

Action log

3 Year staff investment plan

This item is to be integrated into the SBA strategy.

Equality Impact Assessment

This item is deferred until July 2021.

Safeguarding policy report

This item was replaced by the new Safeguarding policy at Trust level, on this agenda.

Capital and revenue spending programme

This item is on the agenda for this meeting.

OFSTED preparedness

This item is on the agenda for this meeting and will remain a standing item.

KPI report

This is to be shared at the next meeting as further work needs to be done.

Change of school names

This item has been integrated into strategy work.

AFH update

This item is on the agenda for this meeting.

Risk management update

This item is on the agenda for this meeting.

5. CEO's Report, including strategy

Hilary McCallion and Tony Giddings joined the meeting.

The Board received a presentation by the Executive Principal on the draft SBA strategy.

The focus of the strategy is to highlight what makes South Bank Academies unique in the local area. The Board agreed that SBA should highlight its focus on careers and on professional skills and suggested integrating elements on the EntreComp framework, a competence framework to support the development of entrepreneurial citizens.

It was suggested that this idea would be key to the success of the UTC as recruitment to Year 10 is a difficult task which would be improved by the school being able to demonstrate a clear benefit to students' careers by joining the five-year HNC programme.

The Board stressed that stakeholder engagement with this proposal was key to ensure that it is successfully integrated across the trust. Further to this it was suggested that the strategy should be tailored for the different groups who would receive it to make it relevant to those groups.

Real-life examples and case studies should be included in the presentation for students to make it relevant and relatable, and their opinions should be sought to ensure they will engage with the ideas presented.

The Board discussed how this strategy will be implemented by the schools, with a recommendation that the headings in the strategy be reflected in the school development plans to allow measurement of the impact across the schools.

The Board also noted the emphasis on curriculum in OFSTED inspections and the need to decide whether the schools should have a differentiated curriculum versus a general curriculum. It was acknowledged that most children would apply to the best school in their local area, and that differentiation could put off applications if the student does not wish to study subjects such as engineering. UAE's standard curriculum offer is augmented by their Day 10 curriculum which provides students with different and exciting experiences.

The Board noted the request to consider the proposal to change the name of both schools to better reflect their student offer. The Board requested that the proposed name be referred to the student students and other stakeholders to seek their opinions regarding the change and a recommendation is made to the Board regarding the outcome. The favoured name for UAE is South Bank University Academy and for the UTC is South Bank UTC

6. Education update

The Board noted the education update, hearing that both children and staff are happy to be back at school. The Trust is promoting the use of positive language and acknowledging that the schools' development journeys have been accelerated by the pandemic.

The Board noted that the government has now released details of the end of year assessments that will replace the usual exams for GCSEs and A-levels and the schools are working on reviewing the curriculum and the units yet to be taught.

Middle leadership was commended for the step up that they have taken to support development work in both schools. The schools are working with LSBU, which is supporting Year 11 students with tutoring in maths and science.

The Board queried whether the Year 14 HNC offer will continue next year and how many of the current students will apply to do the examination. The HNC will be offered next year, to both internal and external applications in engineering and health. The school anticipates that all current participants will complete the course successfully this year and estimates between 12 to 15 students will apply for the course next year. The Board was keen that the marketing materials be agreed for the course, with a particular emphasis on the five-year prospectus as it is a good marketing tool for the UTC for next year.

The Board requested an update on the wellbeing of staff at the trust and were informed that staff are happy to be back but are very tired. The wellbeing of all staff is being monitored and the trust is looking to organise a big celebration in the summer.

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The Board noted the decision to close the Sir Simon Milton Westminster UTC.

7. Financial reports

January 2021 Management Accounts

The Board noted the receipt of the January 2021 management accounts and noted that the projected 2020-21 year-end balance before depreciation was £200K surplus. This balance includes £200K of additional top-up funding.

The Trust Business Manager confirmed that the monthly management accounts, including balance sheet and cashflow would be shared with trustees going forward.

It was confirmed that finance KPIs will be included with the management accounts to link the reports to the SBA strategy.

Capital programme

The Board noted that an update on the capital spending plan. A review of the existing fixed assets inventory plus future plans is required to ensure that enough money is allocated to the plans.

It was noted that a significant portion of the IT equipment is coming up for renewal due to its age; moving to the cloud is helping reduce hardware requirements and the university is donating equipment but an outlay will still be required.

It was agreed that the capital programme will be presented to the board again when the requirements have been clarified.

The reserves policy will to be reviewed in the light of the capital spending requirement.

The Board noted that the budget setting process for 2021-22 will start shortly and requested that a variety of scenarios be developed based on pupil number fluctuations. These scenarios will be presented to the board for consideration.

8. Safeguarding

The Board approved the role of link trustee for safeguarding. Hilary McCallion agreed to be the link trustee for safeguarding.

The Board discussed the proposed trust-wide safeguarding policy.

The Board emphasised the importance of having a robust system in place at each school for checking the Single Central Register (SCR). The Board noted that each school's DSL is now responsible for their school's SCR and they conduct a termly audit. The trust's HR manager also audits the SCR and it is reviewed by the Executive Principal. The final check is carried out by the local link safeguarding governor who discusses the SCR with the DSL and confirms that the required checks are carried out.

The Board would receive the annual report on safeguarding at its July 2021 meeting.

The Board approved the trust-wide Safeguarding Policy, subject to minor amendments as agreed between the link trustee for safeguarding and the CEO.

The Board noted the safeguarding reports from each school.

9. OFSTED preparedness

The Board noted the report on OFSTED preparedness and heard that both schools were confident in their preparations for an inspection. Inspections will not restart before September 2021 and there may be delays to the expected inspection timeline for both schools.

10. Risk management

The Board discussed the proposed risk appetite for the Trust which had been discussed in detail by the Audit Committee meeting. The Board approved the risk appetites:

Financial – cautious
Legal and compliance – minimal
Academic delivery – open
Reputational – cautious

11. Update on recruitment for SBA Board and School Advisory Boards

The Board noted the recruitment update. Five positions have been filled this year.

The Board agreed that Lesley Morrison's term of office as a trustee is extended until 7 March 2022 to match the end of her term of office as a local governor.

The Board ratified the appointment of the three co-opted governors to the local School Advisory Boards. Two co-opted governors were appointed to UAE South Bank and one was appointed to South Bank UTC.

12. School resource management checklist

The Board noted that the checklist had been reviewed in detail at the Audit Committee meeting and further noted that requested changes had been made to the checklist.

The Board agreed the checklist for submission to the ESFA.

13. Anti-fraud policy

The Board agreed to ratify the Anti-fraud policy.

14. Academies Financial Handbook compliance report

The Board noted the AFH compliance report.

15. Reports from committees and School Advisory Boards

The Board noted the committee and SAB report.

16. Bi-annual update of pecuniary interests register

The register was noted; no changes were notified.

**Date of next meeting
4.00 pm, on Thursday, 8 July 2021**

Confirmed as a true record

..... (Chair)