

SCHOOL OF ORIENTAL AND AFRICAN STUDIES

Resources & Planning Committee

AGENDA

**Tuesday 18 March 2014 at 2.30 pm
in Room 116**

- | | | |
|-------------|--|------------------------------------|
| I | Minutes
To approve: the minutes of the meeting held on Tuesday 12 November 2013 | [Previously circulated & attached] |
| II | Action Taken
To receive: updates on action taken | |
| III | Matters Arising / for Report | |
| IV | Director's Report
To receive: a report from the Director | [Appendix A] |
| V | Finance
To receive: the forecast financial out-turn 2013/14 | [Appendix B] |
| VI | Estates
To approve: the proposal for the refurbishment of the infill block for recommendation to Governing Body

To note: the project and costs to develop an Estates Strategy and proposed programme of works | [Appendix C]

[Appendix D] |
| VII | Accelerated Investment Fund
To note: the update from the Acting Secretary on the work of the Portfolio Board and expenditure against the Accelerated Investment Fund (AIF) | [Appendix E] |
| VIII | Research & Enterprise
To receive: a presentation from Pro-director (Research & Enterprise) regarding SOAS research: resource and planning challenges | |
| IX | Faculty of Arts & Humanities
To receive: a paper from the Dean of Arts & Humanities regarding the Alphawood donation | [Appendix F] |
| X | HEFCE
To consider: the test for reasonableness applied in the preparation of the School's TRAC return for 2013 | [Appendix G] |
| XI | Planning
To approve: the reasonableness of the assumptions made in the revised planning framework for 2015/16 | [Appendix H] |

- XII Loan Finance**
 To consider: the update on loan financing from the Acting Director of Finance & Planning [Appendix I]
- XIII Investment Advisory Panel**
 To receive: the minutes of the meeting of Investment Advisory Panel held on 12 November 2013 [Appendix J]*
- XIV Cash Position**
 To receive: reports on:
 (i) Cash flow [Appendix K (i & ii)]*
 (ii) Capital and Debt Statement [Appendix L]*
 (iii) Short Term Deposits [Appendix M (i & ii)]*
- XV Date of Next Meeting**
 To note: that the next meeting will be on Tuesday 10 June 2014 at 14:30 in room 116

*Items marked with an asterisk are formal business, not intended for discussion.

These minutes are for information only. Any corrections to the minutes will be recorded in the minutes of the subsequent meeting of the committee.

SCHOOL OF ORIENTAL AND AFRICAN STUDIES

RESOURCES AND PLANNING COMMITTEE

MINUTES OF MEETING

Tuesday 18 March 2014 at 2:30 pm
in Room 116, College Buildings

Mr G Dalal, Chair (Hon.Treasurer)
Mr G Appleby (Acting Registrar)
Professor Richard Black (Pro-Director, Research & Enterprise)
Dr C Ince (Acting Secretary)
Dr T Miller (Chair of Governing Body)
Professor N Rao (Pro-Director, Learning & Teaching)
Professor P Webley (Director)
Ms E Wright (Vice-Chair of Governing Body)
Ms S Alier (Chair, Estates & Infrastructure Committee)*
Sir Graham Fry*
Professor A Gerstle
Mr J Heskett
Mr David East
Professor Christine Oughton*
Mr D Skinner
Mr Nizam Uddin

In attendance: Mr B Douglas (Acting Director of Finance and Planning)
Professor M Craven (Dean of Faculty of Law & Social Sciences)
Professor G Singh (Dean of Faculty of Arts & Humanities)
Professor A Pauwels (Dean of Faculty of Languages and Cultures)
Ms A Hartrey (secretary)
Mr A Warburton (minute secretary)

* Those persons marked with an asterisk were unable to be present.

18. Minutes

The minutes of Resources & Planning Committee meeting held on Tuesday 12 November 2013 were accepted as a true record.

19. Action Taken

It was noted that all papers required to be presented to HEFCE and Governing Body had gone forward as appropriate.

(i) Fractional Staff (Min 4)

It was noted that all the information regarding the use of fractional staff within the Faculties had not been available in time to present a paper at this meeting of the Committee. It was **agreed** that the paper be circulated to the Chair within four weeks and then be presented to Resources & Planning Committee at its next meeting on 10 June 2014.

Action: Paper on fractional staff to be circulated to the Chair of RPC by 15 April 2014

(ii) Professional Services Plan – Centenary Celebrations (Min 12)

The Acting Registrar reported that a planning group for the centenary celebrations had been established. This group reports directly to the Executive Board and the budget for the celebrations was to be discussed at a future meeting of Executive Board.

20. Matters arising/for report

(i) School's Banking Mandate

It was **noted** that Chair's action was taken on 18 March 2014 to amend the banking mandate to include the signature of the Pro-Director (Research & Enterprise).

21. Director's Report

A report was **received** from the Director [Appendix A]. The following sections were highlighted to the Committee:

(i) Pay and industrial action

The Director provided an update on the on-going industrial action and informed the Committee that the next possible action would be a marking boycott due to start on 28 April if the dispute was not resolved. It was noted that UCEA would be meeting on 26 March, but that negotiations were proving difficult. It was confirmed that since this is a national dispute SOAS is unable to negotiate separately. It was also noted that SOAS was in the minority of institutions where the industrial action was causing major disruption and that this was potentially affecting student recruitment in the current admissions cycle.

(ii) The Chancellor's autumn statement and the BIS grant letter

It was reported that the BIS letter sent to HEFCE earlier in March stated that there would be no in-year cuts for 2013/14. All institutions would receive their full grant letter on Monday 24 March and the Committee would be informed of the outcome for the School.

(iii) League tables

It was noted that SOAS featured in the world's elite (top 200) institutions in six out of the 30 subjects included in this year's QS World University Rankings by Subject.

22. 2013-14 Mid-Year Financial Forecast

The Acting Director of Finance & Planning reported that a review of the School's income and expenditure had recently been completed and the forecast outturn for 2013-14 prepared; the forecast deficit was £516k, compared to a budget deficit of £2,416k. The paper presented at Appendix B gave details of how this anticipated £1,900k improvement in the School's financial position had occurred.

In addition to the lower than anticipated spend on some projects funded from the Accelerated Investment Fund, anticipated non-pay budget underspends and the improved position on the payment of on-campus tuition fees, it was reported that there had been significant technical adjustments to the School's accounting methods which had contributed to the improved position; however, projected reductions in tuition fee income from Distance Learning, the Language Centre and IFCELS partially offset the positive variations.

23. Refurbishment of the Infill Block

The Acting Registrar presented a report at Appendix C which paper set out the case for the refurbishment of the Infill areas between the Philips Building and College building as well as a series of other refurbishments to accommodate growth in the Directorate of External Relations and Development and to ensure the estate remaining in good condition.

It was reported that the aims in proposing the project were to:

- To improve the effectiveness of professional services departments through the co-location of teams in open plan environments
- Improve the efficiency of the existing estate by reducing the square meter per person ratio for professional service staff office space
- To ensure that 90% or above of the estate remains within condition category A or B

It was noted that no refurbishment of the infill areas had taken place within the last 12 years and consequentially these areas were in reduced condition. It was further noted that if a refurbishment project to update these areas were not carried out within the next two years the areas would be likely to fall into category C at the next condition survey planned for 2013-14.

The alternative options of taking no action, or the external leasing of space had been considered, but an options appraisal had indicated that the refurbishment of the infill areas was the best course of action. It was noted that the initial financing of the project would be achieved through the utilisation of £1.38M internal financing. It was noted that this project would not have an adverse impact on the School's cash balance in the current year due to the fact that the project to improve circulation areas had been delayed.

The Committee **approved for recommendation to Governing Body:**

- the business case for the Infill Refurbishment Project;
- the overall budget of £1.38m for the project.

In addition the Committee **noted**

- the fee expenditure of up to £100,000
- that the Director of Estates and Facilities has been authorised to progress this project to RIBA Work Stage 4

It was reported that once the project reached RIBA Work Stage 4 it would be placed out to tender and the decision as to whether the works would proceed would depend on the tendered costs coming within the current cost estimate. It was noted that it was expected that the project would complete in advance of the start of the 2014-15 academic session.

Action: Forward recommendation to Governing Body

24. Estates Strategy

The Acting Registrar presented a paper on the development of the Estates Strategy at Appendix D.

It was reported that the previous estates strategy had concentrated on long term maintenance projects, but that these had now been largely completed enabling the School to move to a more pro-active approach.

It was reported that the Estates Strategy would be underpinned by four sub-strategies which would ensure that the estate was operated and maintained effectively and developed and improved in line with the School's needs and strategic priorities.

The four sub-strategies were:

- Sub Strategy 1: Maintenance Strategy
- Sub Strategy 2: Space Strategy
- Sub Strategy 3: Facilities Management Strategy
- Sub Strategy 4: Energy and Environment Strategy

It was noted that under the Campus Development Plan the current proposals for the Vernon Square site would be reviewed and re-assessed for their alignment with the emerging long term view of current and future space types and needs.

The Committee congratulated the Estates & Infrastructure Directorate on its efforts in reducing the backlog of long term maintenance and on the work which had been undertaken to produce this document to underpin the final Estates Strategy.

25. Accelerated Investment Fund

A report from the Portfolio Board including expenditure against the Accelerated Investment Fund [Appendix E] was presented by the Acting Secretary. The report provided information on the portfolio of projects being undertaken by the School and details of the expenditure against the Accelerated Investment Fund as agreed by Governing Body.

It was reported that although a number of projects had already been successfully delivered, the challenge for the School was in developing the capacity to continue to move projects forward to successful conclusions, since a balance between the acquisition of temporary expertise and the development of permanent adaptive capability needed to be maintained.

It was noted that the projects were grouped into four programmes designed to improve service and systems delivery, viz.:

- Enhancing Student Services
- Enhancing Staff Services
- Platform Improvements and Standardisation
- Library Transformation Programme

The Committee requested that further details be provided to their next meeting in order to assist members in understanding the relative priorities between the programmes and the projects and the time and resources that were required to deliver each project. In particular the members wished to have further details regarding the Enhancing Student Services programme regarding which aspects could be delivered in time for the commencement of the 2014-15 academic session.

Action: Provide further details on the portfolio of programmes, including resource requirements

26. Research and Enterprise

The Pro-Director (Research & Enterprise) made a presentation to the Committee regarding the principal challenges faced by the School in its Research and Enterprise activities. The presentation outlined the main aims of the Research & Enterprise Strategy and the School's performance against key performance indicators.

In addition the Pro-Director outlined a new approach to the setting of research income targets for Departments and the approach the School would take to enable staff to achieve the targets, including the development of more nuanced benchmark groups by subject and a further developed understanding of the different research and funding environments in which departments operate.

27. Alphawood Donation

The Dean of the Faculty of Arts and Humanities presented a paper on the Alphawood donation [Annex F].

The paper detailed the current governance which the School had established to oversee the academic programme and the progress made since the agreement with the Alphawood Foundation had been signed.

The Dean reported that the Scholarship programme had been set up and that the School had received over 80 applications for the 13 awards available. In addition good progress had been made regarding the academic appointments which meant that the programme was on track to meet its key milestones. It was further noted that there was positive feedback from the donor and the Head of the Foundation and that the relationship with the School was being successfully managed by the Director of External Relations and Development. It was also reported that a pre-launch event was being planned for 27 May 2014.

28. HEFCE Transparent Approach to Costing (TRAC) Return 2012-13

The Acting Director of Finance & Planning introduced a report on the School's TRAC return [Appendix G] which had been submitted to HEFCE on 31 January 2014. As in previous years, the Committee were being asked to approve this return post-submission and in particular review and, if appropriate, comment on the tests for the reasonableness of the return.

The Committee **agreed** that they were satisfied that the TRAC 2013-14 return was reasonable and the submission was **approved**.

29. Planning Framework

The Acting Director of Finance & Planning introduced a report on the revised planning framework to be used in the current planning round [Annex H].

The revised framework had been developed to improve the transparency of the planning process and provide a set of overall assumptions for the planning period which had been agreed with the Executive Board. In addition, the framework provided additional guidance to the Faculties on how their short- and medium-term strategies should relate to the strategic priorities as laid out in the School's Vision & Strategy document.

It was noted that particular assumptions had been made regarding pay inflation and pension costs. It was further noted that the process of grouping academic departments into three broad growth categories should result in the development and adoption of more realistic student growth targets going forward. The framework also included financial targets at departmental level with the requirement that information be included within the plans as to how departmental financial performance could be improved this had fallen below an agreed minimum

The Committee **agreed** that they were satisfied that they were satisfied with the reasonableness of the assumptions made in the revised planning framework.

30. Loan Finance

The Acting Director of Finance & Planning presented an update report on the School's progress in seeking short-term finance, together with a proposed timetable [Appendix I].

It was reported that the School intends to raise £15m of short-term finance for up to three years from April/May 2014 and that a prospectus had been sent to interested banks in the week beginning 10 March 2014. It was noted that the School was seeking to achieve as much flexibility as possible in the terms agreed.

The Committee **approved** the principle of agreeing the preferred provider and terms via Chair's action to allow more flexibility in the proposed timetable for the approval of short-term finance.

31. Investment Advisory Panel

i. Minutes

The minutes from the Investment Advisory Panel meeting of 12 November 2013 [Appendix J] were noted.

ii. IAP Meeting of 18 March 2014

The Chair reported that at its meeting of 18 March 2014 the panel had agreed a change in the custodian arrangements of the SOAS investment portfolio from Newtons to the Bank of New York Mellon.

The Chair also reported that the Panel had considered a paper from the student-led Fossil Free Campaign. The Panel had requested that Newtons assess the likely impact on the School's investments if SOAS were to adopt the proposals and make a recommendation to the School based on this analysis and other appropriate considerations.

32. Cash Position

i. Cash flow [Appendix K (i & ii)]

The summary of cash flow projections to July 2015 was **noted**.

ii. Capital and Debt Statement [Appendix L]

The Capital and Debt Statement as at 31 January 2014 was **noted**.

iii. Short Term Deposits [Appendix M (i & ii)]

The summary of short-term deposits as at 31 January 2014 was **noted**.

33. Date of next meeting

The next meeting of the Resources & Planning Committee meetings is scheduled for:

Tuesday 10 June 2014

The meeting is scheduled for 2.30 p.m. and will be held in room 116 in the College Buildings, Russell Square.

Action Points
Resources and Planning Committee
 2.30pm Tuesday 18 March 2014

Minute	Item	Action	Deadline	By
C/F 9	Budget Validation 2013-14	Provide analysis of marketing expenditure at competitor institutions at an informal Governing Body in the current session	TBC	Acting Director of Finance & Planning
C/F10 (i)	Faculty Plans – Arts & Humanities	Report summary from periodic review for Study of Religions	23 May 2014	Dean Faculty Arts & Humanities
19 (C/F from min 40 & min 24 2012/13 & min 4 2013/14)	Fractional Staff	Report on Fractional teaching staff to Chair of RPC	15 Apr 2014	Deans
23	Refurbishment of the Infill Block	Forward recommendation to Governing Body	4 April 2014	AH
25	Accelerated Investment Fund/Portfolio Board	Provide further details on the portfolio of programmes, including resource requirements	23 May 2014	CI