

SCHOOL OF ORIENTAL AND AFRICAN STUDIES

**RESOURCES AND PLANNING COMMITTEE**

DRAFT MINUTES OF MEETING

Tuesday 8 March 2016 at 2:30 pm  
in Room 116, College Buildings

Mr G Dalal, Chair (Hon.Treasurer)  
Ms S Alier (Chair, Estates & Infrastructure Committee)\*  
Baroness Valerie Amos (Director)  
Professor R Black (Pro-Director, Research & Enterprise)  
Ms L Gibbs (Registrar)  
Sir Martin Harris (Acting Chair, Board of Trustees)  
Dr D Johnston (Interim Pro-Director, Learning & Teaching)  
Mr S Tinton (Acting Vice-Chair, Board of Trustees)  
Mr J Feeney  
Dr L Hammond  
Mr T King  
Professor C Oughton  
Mr D Skinner  
Mr N Uddin

**In attendance:** Mr G Appleby (Director of Finance and Planning)  
Professor C Bramall (Dean of Faculty of Law & Social Sciences)  
Professor L Marten (Dean of Faculty of Languages & Cultures)  
Professor G Singh (Dean of Faculty of Arts & Humanities)  
Dr C Ince (Head of Secretariat)  
Ms S Clucas (secretary)  
Ms A Perez de Vera (minute secretary)

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

**14. Minutes**

The minutes of Resources & Planning Committee meeting held on Tuesday 10 November 2015 were approved.

**15. Action Taken**

It was noted that minuted item 42 (2014/15) would be addressed at this meeting of the RPC.

Minuted item 7 was addressed by the Director of Marketing, Student Recruitment and Communications at Board of Trustees February meeting, and an analysis of undergraduate recruitment for 2015/16 academic cycle would be addressed at this meeting of the RPC.

**16. Matters arising/for report**

The chair welcomed Dr Johnston to the Committee in her role as interim Pro-Director (Learning & Teaching), along with other recent new members, Mr John Feeney and Mr Steve Tinton (Acting Vice-Chair, Board of Trustees). The Committee expressed its thanks to Dr Tim Miller for his service to the Resources and Planning Committee in his former role as Chair of the Board of Trustees, and previously Governing Body.

It was also with great sadness that the members of the Committee acknowledged the passing of former Director, Professor Paul Webley. Members were advised that details of a memorial service for him at SOAS would be available shortly.

## **17. Director's Report**

A report was received from the Director at Appendix A.

The Committee noted the recent inaccurate press coverage which implied that the School was failing to meet its duties under the Prevent legislation. The Director outlined the collaborative approach that was being taken by many of the universities, but that there was not a sector-wide consensus. This continued to be further hindered by the assessors' limited understanding of the complexity of the issues. The Committee acknowledged the School's advantage in having in-house expertise in this matter to advise the Director and Registrar.

## **18. Finance**

A report was received from the Director of Finance and Planning at Appendix B.

The Committee noted that the 2015-16 forecast out-turn showed an improvement of £0.9m over the budgeted financial performance. While this improvement is welcomed the revised projected deficit of £0.4m falls somewhat below the target surplus of 5% of income (£4.1m) the School is seeking to achieve by 2017-18.

The improvement in the projected financial position for 2015-16 is largely attributable to lower than anticipated non-pay expenditure, largely as a result of budget holders not utilising their allocated budgets, and higher expected staff cost savings as a consequence of delays in appointing to (largely) academic positions. A proportion of the general contingency budget has also been released, as deemed appropriate for this stage of the academic cycle. These positive variances are partially offset by lower income projections within IFCEs and CeFiMS distance learning, as well as a decrease in projected other operating income as a result of the occupation of the Brunei Gallery at the start of the year.

The impact of the student occupation of the Brunei Gallery was further considered, in particular the total cost to SOAS. The Director of Finance and Planning reported that while costs of £170k can be directly attributable to the action, future conference earnings are likely to be adversely affected by these actions. The Committee noted that catering income has been in decline and that steps have been taken to better manage the relationship and improve financial performance.

The Committee noted that salary savings had arisen as a result of resignations of academic staff over the summer and part way through the academic year which have not yet been replaced on a like-for-like basis

It was further noted that this is the second year that non-salary savings have occurred. This under-spend has resulted from an aggregated amount across Departments, particularly in the Faculty of Law and Social Sciences. Consequently as part of the sustainability review, this behaviour is being more closely analysed by Finance directorate with the Faculties.

The Committee also noted that the budget includes an exceptional item of £1.45m for Voluntary Severance scheme costs, based on the assumption that twenty-five staff severances are accepted and agreed under the soon to be launched scheme, all with five or more years of service.

A power-point presentation on Financial Sustainability was delivered by the Director of Finance and Planning, the Deans, and the Registrar, a copy of which was Tabled and is attached as Appendix B(ii).

The key factors contributing to the current financial position were presented, in particular the under-recruitment of PGT students compared to targets, changes to the fee mix, the constraint of not being able to raise regulated income to match inflation, reduced government funding, and the increased costs associated with salaries and investment in our Estate. There were some new additional government charges, such as the apprenticeship levy from April 2017. The Committee noted that the School was required to pay the levy and would consider its options in using apprentices if suitable areas could be found.

The Committee considered the projected shortfall for the School, noting the greatest level of shortfall was within the Faculty of Languages & Cultures.

The Deans each provided a summary of their Faculty's plans towards financial sustainability.

The Faculty of Arts & Humanities is seeking to strategically grow its suite of new programmes leveraging off its relationships with key partners (for example the new MA in Museums Heritage & Material Cultural Studies). While it is also interested in growing markets such as Media Studies and English, it acknowledged that delivering economies of scale through larger recruitment programmes, such as in History and Anthropology, could better help to address shortfalls. The Faculty would also focus on growing enterprise income with the support of alumni and marketing areas of the School. However, it was not considered possible to grow income enough to address the total deficit, and that current staff cost savings via attrition/non-replacement (4.4 FTE) would need to be supplemented with an additional 12.5 FTE reduction in staff should no further growth opportunities be identified.

The Faculty of Languages and Cultures faces particularly difficult decisions given its large deficit and the core role that area studies represent for SOAS. The Committee noted that the Faculty is not well set up structurally with Departments of uneven sizes and teaching programmes occurring in centres sitting outside the department structure. The Faculty is seeking to make savings in salary costs through attrition (7 FTE) and streamlining of teaching. The Committee considered the issue of the range of languages offered, particularly the large number of small enrolments in areas that have traditionally defined SOAS, versus the "big four" where language enrolments are more robust (Japanese, Korean, Chinese and Arabic). An additional summary explaining the languages offered has been attached as tabled item Appendix B(iii). It was suggested that other opportunities such as Executive Training and translation be explored, along with the importance of continuing to compete in the market for the "big four" languages against new competitors entering this space. Without growth, the Faculty is looking at staff reductions of between 8-18 FTE.

The Faculty of Law and Social Sciences is seeking to grow existing successful programmes, such as in Law and Development Studies, by offering extensions or variations of these offerings. It is also proposing new MSc programmes to be delivered via distance learning. The Faculty anticipates a minimal loss of staff, mostly from attrition or Voluntary Severance.

The Registrar outlined the Professional Services strategic direction which would focus on increased investment in Student Recruitment, Student Experience, and Academic Support in the next three years. To achieve this without added expense, current resources (primarily from Estates and LIS) would be re-purposed. The Committee noted that while academic costs for the School were the third highest out of 160 HEIs, professional costs sat mid-way (84<sup>th</sup> out of 160), and that competitors had been investing heavily in specific areas, such as Marketing. Professional Services are seeking to save £0.3m via staff and non-staff costs.

In summary, while Faculty and Professional Services plans will save in the range of £3.5m to £4.3m, the total shortfall remaining for the School is between £2.2m to £3m. The Committee noted the School's plan to address this through a Voluntary Severance Scheme which will run via formal recommendations from a Voluntary Severance Panel (meeting on five occasions between mid-March and mid-December) to the Director, whose decision is final.

#### **19. 2016-17 UG Admissions Progress**

A report was received from the Head of Planning at Appendix C.

It was noted that, as of the previous Friday (4 March 2016), undergraduate applications were up 13% compared to the same time last year, and offers made by the School were up 93% (3,889 offers compared to 2,012 at the same time last year). The number of firm acceptances was also up 58% although these numbers were low (285) given the early stage of the admissions cycle.

An analysis of possible enrolments for this year based on applications to date suggested that if past enrolment patterns continued then SOAS would likely need to go into clearing to meet targets. However, the School has made more offers earlier this year and plans to increase its conversion activities, which could change conversion patterns and thus improve forecasts. The Committee noted that further updates would be provided as the cycle neared the more critical stages.

#### **20. HEFCE**

The Committee considered the test for reasonableness applied in the preparation for the School's TRAC return for 2015 at Appendix D.

The Committee **agreed** with the analysis presented.

#### **21. Accelerated Investment Fund**

A report was received from the Secretary of SOAS on the current portfolio of programmes in the Accelerated Investment Fund at Appendix E. The paper summarised projects within each programme area of Student, Staff, and IT and included a summary of approved funding and expenditure as at December 2015.

The Committee noted that there are fewer open projects remaining as many are now transitioning to business as usual.

#### **22. Students' Union Sabbatical Officer**

The Committee received a report from the student representative at Appendix F expanding on an earlier paper from the Students' Union on funding a fourth Sabbatical Officer.

The Committee noted that the benchmarking of student numbers and sabbatical officers against other HEIs was complicated by a variety of methods (some use campuses, others faculties) but that the current ratio with three officers for SOAS appeared favourable against other universities. The ability to support volunteer staff and to widen participation were considered worthwhile benefits, and the Committee acknowledged that the Students' Union received favourable feedback in the National Student Survey (NSS).

The Committee considered that in the current financial climate the position could not be supported until SOAS had returned to a sustainable state, and that it would consider the matter again at a future date.

### **23. Investment Advisory Panel**

The Committee noted the minutes of the meeting of the Investment Advisory Panel held on 10 November 2015 at Appendix H.

The Chair provided a brief update on the School's current position, noting that, given the volatility in the market, SOAS had managed not to be any worse off, which could be considered a good result.

The Committee was asked to recommend for IAP the following signatories with Newton's:

- Director (Baroness Valerie Amos)
- Pro-Director, Research & Enterprise (Professor Richard Black)
- Registrar (Ms Laura Gibbs)
- Director, Finance & Planning (Mr Graeme Appleby)

The Committee **approved** the signatories.

### **24. Cash Position**

The Committee noted the reports on Capital, Debt, and Cash Flow at Appendices I and J.

It was noted that the cash position in July 2017 is estimated to fall to around £1m. Given the capital investments planned for the future, further scrutiny of investments and further development of endowments will be important strategic sources to safely enable these future plans.

### **25. Date of next meeting**

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

Tuesday 7 June 2016

All meetings are scheduled for 2.30 p.m. and will be held in room 116 in the College Buildings, Russell Square.

### **RESERVED ITEMS**

There was no reserved business conducted at this meeting.

**Action Points**  
**Resources and Planning Committee**  
2.30pm Tuesday 10 March 2015

<b>Minute</b>	<b>Item</b>	<b>Action</b>	<b>Deadline</b>	<b>By</b>

There were no action points raised in this meeting.