

SCHOOL OF ORIENTAL AND AFRICAN STUDIES

RESOURCES AND PLANNING COMMITTEE

DRAFT MINUTES OF MEETING

Tuesday 14 March 2017 at 2:30 pm
in Room 116, College Buildings

Mr G Dalal, Chair (Hon.Treasurer)
Baroness Valerie Amos (Director)
Professor R Black (Pro-Director, Research & Enterprise)
Dr D Johnston (Pro-Director, Learning & Teaching)*
Ms P Sanderson (Registrar)
Ms M Staunton (Chair, Board of Trustees)
Sir Martin Harris (Vice-Chair, Board of Trustees)
Professor M Charney
Professor C Tan
Mr J Feeney*
Mr D Skinner
Mr N Uddin
Ms A Darko*

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.

26. Minutes

The minutes of Resources & Planning Committee meeting held on Tuesday 15 November 2015 were approved with the following corrections.

Minute 5, final sentence should read:

The committee noted that to turn the bronze rating to a silver one within a year would be difficult as much of the data lags more than a year, and a three to four year window is more likely to deliver changes in the results.

Minute 8, first sentence should read:

The School's budget has shown an improvement from an anticipated deficit position (pre restructuring and pre-FRS102) of (£1.57m) to a deficit of (£0.28m).

27. Action Taken

Minute item 5 is covered in the Director's Report, under item 29.

Minute item 11 was deferred until a decision on the matter has been made.

28. Matters arising/for report

(i) Updated Budget for Board of Trustees (29/11/16)

The Committee was asked to note that following the last RPC meeting, the Approved Budget 2016-17 had a further adjustment to other operating income which was

presented to the Board of Trustees meeting of November 29, 2017. Consequently the Surplus/(deficit) before exceptional items - old SORP has been adjusted to (£0.719m), with the surplus/(deficit) after exceptional items - old SORP now being (£1.344m). These figures match the budget as presented in items 30 and 31 for this meeting.

(ii) Accommodation Void

It was suggested that the Executive Board paper analysing the accommodation void be circulated to members of the Committee by way of covering the financial questions raised around accommodation matters.

29. Director's Report

A report was received from the Director at Appendix A.

The Committee noted that recent amendments to the Higher Education and Research Bill had impacted on the prior link between TEF outcomes and the ability of a Higher Education Institute to set its student fees. However, as the bill has not yet reached its final outcome, this amendment is likely to be overturned in the Commons. A question was raised about the relationship between the TEF and student visas, and it was noted that the UUK assessment on this suggests a difficulty in establishing a direct link between the two, although what form the relationship may eventually take is still unclear.

The Director commented on the recent allegations made about anti-Semitism on campus, and the committee noted that discussions had been undertaken with the Student Union to work on changing the culture and supporting all students to feel welcome on campus.

With regard to information on student attainment, the committee noted that while the school currently has this information at a School level, further work is being conducted to provide this at a module level using both quantitative and qualitative data and with recommendations to follow.

30. Finance

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

The Committee noted that the 2016-17 forecast out-turn shows an improvement of £417k in the Institution's financial projected deficit for the year (now £927k), but that budget holders will need to manage income and expenditure carefully to ensure financial sustainability going forward.

It was noted that normally at this time of year a larger improvement would be anticipated, but additional costs were incurred which were not included in the original budgets, such as costs around catering operations and of providing guarantees of accommodation to students (accommodation voids).

The Committee considered the changes to the forecast income from catering, which relied on an increase in income from the new facilities opened in the Paul Webley Wing. However, income has not matched expectations (-£193k) and the Estates team are working to improve options with the caterers, particularly as catering operating expenses had also increased above the forecast (+£88k).

These reductions have been offset by an increase in the University of London profit share (+£80k), savings in Estates costs (-£186k), and the release of £172k from contingency funding to reduce identified pressures.

The Committee considered the strategy that entails commission costs around overseas student recruitment, and ways of minimising student entry via this route in favour of incentivising agents, particularly in new markets, with a percentage share instead.

It was noted that the current cash rates returned on investments provided minimal (and decreasing) returns, but that SOAS adheres to policies on ethical investment at both a strategic and operational level.

31. Financial Projections

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

It was noted that the plan to deliver a 5% surplus could not be achieved in the nominated period with the projections showing that an additional savings/income growth of £4.3m would still be needed to reach this target by 2018/19 or £3.3m by 2019/20.

This has been underpinned by a revision of student targets to be more realistic, based on past performance averaged over the last three years. Over the period, this results in surplus deficits improving (after cross-subsidy) from (-£1.34m) to £1.386m. These projections allow for planned academic staff changes and assume no changes in central costs going forward.

Consequently, it was recommended that the target date for achievement of 5% surplus be set back to 2019/20. In addition, Departments have been tasked with further developing plans to address their shortfall against financial targets.

The chair invited each Dean to comment on their Faculty's significant points of strategy as currently addressed in the paper. These included:

Faculty of Arts and Humanities

- Anthropology and Music are key contributors to the Faculty deficit;
- Anthropology has been impacted by REF 2014, and is working to improve future REF outcomes;
- Curriculum reform is planned to improve the attractiveness of Anthropology programmes, in particular focusing on the growing field in South East Asia and China;
- Music had hoped that its new BA Global Popular Music would provide a mass enrolment driver into UG Music, but this hasn't materialised. The Department is considering incorporating these options into the BA Global Arts instead.

Faculty of Languages and Cultures

- For many departments, they either perform poorly in research income or in teaching income, and it is anticipated that although the academic restructure will highly impact FLC departments, the new combinations will play to the different strengths and help build success for these new area studies departments;
- Departments need to be realistic about creating markets in the UK, with Area Studies a more active postgraduate market, and current demand for in-country teaching worth investigating;
- The Catalyst Fund is a key element in raising money to support the teaching of those languages that are significantly important to SOAS;
- There is now a better business case for the Language Centre, following two recent reviews. It is acknowledged that the centre needs to be demand-driven, and attention paid to the impact that the Language Centre's different offerings

have on the School's HESA returns (it was only recently realised that their enrolments contribute to non-continuation rates, etc.);

- The review has raised conceptual questions around how centres of this type support the strategic direction of the School and contribute to notions of the guardianship of languages.

Faculty of Law and Social Sciences

- The deterioration in balances from 17/18 and 18/19 is offset by an increase in income by 19/20;
- Finance and Management are investigating the introduction of a BSc in Finance and looking to strengthen links with Chinese Universities for postgraduate taught students;
- There is a longer term strategy to develop a Business School focused on teaching in the Chinese and Middle Eastern markets;
- Politics has had a good track record, and their current financial position shows the impact of taking on more students through clearing/confirmation in the past and the decision to reduce this number so as not to affect league table position and reputation.

The committee noted the IFCELS projected financial performance, and that following a recent positive review, it was suggested that the relationship between the Centre and SOAS could be better structured to incentivise performance, particularly around conversions.

It was noted that professional services have undertaken a first attempt to align SOAS more closely with the sector benchmarks. This has generated a change plan and discussions have commenced with Unions, with the launch planned in the next month. It is expected that the restructure will occur over the next 12 months, and it will be founded on zero-based budgeting and right sizing principles. There is a strong focus on business process review, strengthening procedures, and management of data ownership and its integration.

The Committee **approved** the report.

32. 2017-18 UG Admissions Progress

A report was received from the Registrar and Head of Planning at Appendix D.

It was noted that based on the application patterns and application to enrolment ratios from last year's cycle, the current forecasts suggest a shortfall before Clearing of approximately 122 students against the minimum targets in the financial forecasts. This forecast shortfall of students would result in a financial shortfall of £1.25m against target unless additional students (105 Home/EU, and 17 Overseas) are recruited through the Clearing process.

The Committee considered the impact that taking students through Clearing could have on the quality of entrants. It was noted that the School is currently investigating the significant gains that improved data quality could deliver to our HESA return, which would in turn improve the School's League Table positions. There has been incremental improvement in the recruitment process over the last three years, and with improved data and a strong engine in the background, it is anticipated that Heads of Departments will eventually have more real-time data to help understand the impact of taking students at lower tariffs during the clearing process.

33. HEFCE TRAC

The Committee considered the test for reasonableness applied in the preparation for the School's TRAC return for 2015/2016 at Appendix E.

It was noted that due to the changes in accounting principles, a comparison between this year and past years' returns is not possible. The committee noted that with the planned implementation of a workload allocation model, many of the manual requirements in completing the return could be automated, contributing to a more robust return that is able to be completed in a more timely fashion.

The Committee **approved** the report.

34. Investment Advisory Panel

The Committee noted the minutes of the meeting of the Investment Advisory Panel held on 15 November 2015 at Appendix F.

35. Cash Position

The Committee noted the report on Cash Flow, and the Capital and Debt Statement at Appendix G.

36. Date of next meeting

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

Tuesday 13 June 2017

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 14 March 2017

Minute	Item	Action	Deadline	By
28	Accommodation Void analysis	Distribute EB report to RPC to note	June 13 Meeting	Director, Finance & Planning
32	Review of IFCELS	Distribute Report to RPC	June 13 Meeting	Pro-Director (Learning & Teaching)