Present:
David Latchman (Chair), John Annette, Philip Dewe, Costas Douzinas, Stephen Frosh, Keith Harrison, Matthew Innes, Tricia King Sue Jackson, David McGhie, Naina Patel, Peter Westley.

By invitation:
Hilary Fraser, Nicholas Keep, Philip Powell, Miriam Zukas, Dean Pateman

In attendance:
Katharine Bock

30 MINUTES
Confirmed
30.1 The Minutes of the meeting held on 13 January 2010.

31 ACTION SHEET
Noted
31.1 Progress in implementing the actions agreed at the last meeting. (SP 2009 22)

32 MASTER’S REPORT
Noted
32.1 Requests for staff to work past normal the retirement age must be linked to a business case involving real student numbers. Packaged proposals involving part-time extensions of post and proleptic appointments should cost less than the original post.

33 HEFCE FUNDING
Noted
33.1 HEFCE’s announcement of funding cuts to be applied in 2010-11 and implications for the College’s income. (SP 2009 23)

33.2 HEFCE had announced funding reductions across the HE sector, including to the teaching grant. A conservative financial forecast had been made in terms of expected funding for the 2010-11 budget and the indications were that this would cover any cuts in recurrent funding. The notification of grant was expected in March. For Birkbeck the major impact would be reduction of funding for postgraduate taught programmes in price band D (arts and social sciences).

33.3 Schools would need to further consider their fee strategies for postgraduate taught programmes in price band D, especially where it would be possible to charge higher prices for high quality programmes, popular programmes and programmes with distinctive features such as links with cultural institutions or creative industries.

33.4 Further significant funding reductions were probable over the coming two to three years and College and School financial plans would need to take this into account.

ACTION (Pro Vice Master Strategy)
33.5 Convene a working group to make recommendations on pricing strategies for postgraduate taught programmes in the arts and social sciences.
34 PORTFOLIO REVIEW

Considered
34.1 Principles identified during the initial phase of portfolio review. (SP 2009 24)

Noted
34.2 A list of programmes approved by the Programmes Committee for “fast track” development and launch in 2010-11. (SP 2009 25)

34.3 As noted at the last meeting Schools had submitted their initial reports in January for consideration by a working group convened by the Pro-Vice-Masters for Strategy and Learning and Teaching. SPC had commended the reports, noting that they had built a good foundation for the significant amount of work still to be done. The Committee also noted that larger and more concrete projections for student number growth would be necessary in the next stage of planning, to enable the College to secure financial sustainability.

34.4 The programme list was presented for SPC’s information and would also be reported to ABExCo and Academic Board, having been endorsed by the Chair of the Teaching and Quality Enhancement Committee.

34.5 SPC endorsed the development of “generic” multi pathway degrees as proposed by Arts, SSHP and BEI. Additional growth areas were likely to be interdisciplinary and, in particular, a strategy for the development of STEM subjects was needed.

34.6 The feasibility of a pilot modular registration scheme for one of the new multiple pathway programmes should be explored. This would need to take account of:
- Appropriate academic regulation;
- Impact on cashflow;
- Implications for recording fundable completion;
- Modular registration.

34.7 Following discussion at the last meeting of SPC, the Pro-Vice Masters for Teaching and Learning and Lifelong Learning and Engagement would undertake a review of the provision and development of Foundation Degrees with the aim of increasing (ELQ exempt) student numbers to help the College in meeting its HEFCE targets.

34.8 The two parts of the review would take place concurrently and begin in the spring term. The first part of the review, chaired by the PVM L&T, would consider curriculum structure, teaching and learning and progression. The second part of the review, chaired by the PVM LLL & Engagement, would examine the provision of work-related learning, links with employers, marketing and links to outreach and widening participation activities; and access to Higher Education from FE Colleges and vocational learners. The project would report to the Strategic Planning Committee by the autumn term 2010-11.

35 UCAS

Noted
35.1 2010-11 would be the first year of admissions via the UCAS scheme. Initial evidence indicated a moderate number of applicants mainly aged between 22 and 30. The College was already working with FE Colleges to target these types of students independently of UCAS. The deadline for the College to enter programmes into UCAS for 2011-12 was Easter, but it would be necessary to monitor recruitment to establish whether further participation in UCAS would be favourable for the College. Birkbeck would also be participating in clearing in 2010.

ACTION (Academic Registrar for UCAS group)
35.2 Report back to SPC on full time applications and lessons to learn from UCAS programmes.

35.3 Work with school admissions teams to plan strategy for clearing, including criteria for making offers and staff availability during the clearing period in August.

35.4 Invite schools interested in developing UCAS programmes to send representatives to the UCAS group.

**ACTION (Director of External Relations)**

35.5 Circulate information on the most popular subjects in clearing last year.

### 36 FUNDABLE STUDENT RECRUITMENT

**Considered**

36.1 A report on fundable student numbers for 2009-10 and beyond. (SP 2009 26)

**Noted**

36.2 The College had submitted its 2009-10 HESES return in December 2009, predicting 4,263 fundable FTEs at the year end: 333 fundable FTE short of the target of 4,596. The target was based on the 2008-09 target of 3,863 plus 677 additional funded student numbers (ASNs); the first tranche of the 1,245 ASNs allocated as part of the SDF award.

36.3 This indicated that the College would take three rather than two years to recruit the full complement of 1,245 ASNs. Continuing the current drive to increase both recruitment and retention would be crucial.

36.4 A broader understanding was needed of the causes of the differences between initial recruitment numbers and numbers classified as fundable by HEFCE. Factors included conversion of application to enrolment; ELQ; conversion from part-time headcounts to FTE counts; estimated and actual enrolments for shorter courses during the academic year; and how students’ completion of their intended programme of study at year-end was recorded.

36.5 The College-level student number forecast and recruitment targets for 2010-11 would be built up from the School plans and reported to SPC at its next meeting.

36.6 Student retention and completion were critical factors in maintaining fundable student numbers. There was a need to develop support for existing students to give them the best chance of completing their courses and programmes. Two projects had been initiated to take forward these issues: a review of learning support making recommendations on what learning and study skills support should be made available and how this should be delivered; and a student retention project aiming to identify what retention measures were most effective, to analyse data on completion and retention and to identify effective mechanisms for administrative support for and communication with students. SPC asked to receive a report on this work at its next meeting.

### 37 INCOME DISTRIBUTION MODEL

**Considered**

37.1 The in-year reiteration of the 2009-10 Income Distribution Model, (SP 2009 27)

**Noted**

37.2 There would in future be three iterations of the IDM during the year:

- Setting of budget estimates against strategic plans for the following year, during the summer term;
• In-year iteration in the spring term following the HESES student number return and also taking into account actual income and expenditure during the first half of the financial year and providing the opportunity to revise budget allocations if necessary;
• Reconciliation at the end of the financial year in preparation for the production of financial statements.

37.3 This was the second, in-year iteration. The baseline position of all the Schools had improved as a result of increased income compared with earlier projections. A number of variances from the previous iteration were noted:
• Strategic Development funding released as income;
• Higher tuition fee income than forecast in October;
• Higher premises expenditure than recorded in October.

37.4 The IDM had also been adjusted so that research staff as well as academic, professional and support staff were included in the calculation of each School's share of central (indirect) costs. This had increased the indirect costs and reduced the surplus for Science, which employed a large number of research staff.

**ACTION (Director of Finance and Director of Planning)**

37.5 Produce a breakdown of the variation in premises expenditure, to be referred to the Estates Strategy Group.

38 SPECIAL FUNDS

**Considered**

38.1 A note on the transfer of special fund accounts to the new financial structure. *(SP 2009 28)*

**Noted**

38.2 At the last meeting SPC noted the need for policy on special fund balances in the new financial structure which would reward Schools with enhanced surpluses and not disincentivise Schools in deficit. Special funds were reserves held at School level, often accrued through premium fee and other income generating activity.

**Endorsed**

38.3 Principles for management of special funds in the new financial structure

• All special funds must always operate in surplus. Schools must identify sources to rectify deficits or close deficit accounts and offset negative balances against School reserves.
• Activity on special fund accounts would be monitored on a monthly basis at School level and centrally.
• For academic support accounts with balances under £10K, expenditure in excess of £2K in a financial year must be approved through an agreed School process over and above the sign-off of the individual account holder.
• For academic support accounts with balances over £10K, there should be an annual review and budgeting process within the School involving the relevant account holder(s). The proposed income and expenditure in these accounts should be set out as part of the School's annual strategic plan.
• Accounts held at School level in the previous structure would be held at School level in the new structure forming School reserves. The relationship between the reserves and the income and expenditure budget would operate as follows:
  o For Schools operating in deficit, an agreed level of deficit would be approved annually as part of the planning and budgeting process, on the basis of an overall five year plan bringing the School back into surplus. If the level of deficit at the end of the year was greater than the agreed level, the difference would be offset at the end of the financial year against the School's reserves, reducing them.
For Schools operating in surplus, an agreed level of surplus would be approved annually as part of the planning and budgeting process on the basis of the School’s overall five year plan. Any surplus generated over and above this level would be credited at the end of the financial year to the School’s reserves, increasing them.

- While the College overall was operating in deficit, the first call on surpluses generated at School level would necessarily be to minimise the College deficit. In future once the College’s financial position was sufficiently strong and stable; and where Schools were operating in surplus; discussions about agreed discretionary spend in relation to School reserves would form part of the annual planning and budgeting process.

38.4 Schools could, with SPC’s agreement, adjust the authorisation limits for academic support accounts.

38.5 The policy did not aim to limit resources for departments. These would be provided through standard annual non-pay budget proposals agreed within the School and then presented as part of the School plan.

38.6 The next step in the development of special fund policy would be to define a framework for incentivisation spending. SPC would consider this at its next meeting.

39 PRINCIPLES OF INCOME DISTRIBUTION
Considered
39.1 A statement on the principles of income distribution and the regulatory context being developed to support it. (SP 2009 29)

39.2 There was a need for clear financial regulation to provide the context for financial planning and development. The statement presented to SPC was work in progress defining principles for income distribution, budgetary responsibilities and planning. The principles would be incorporated into new financial regulations being drafted to govern the new financial structure.

Endorsed for consideration by F&GPC
39.3 The principles of income distribution set out in SP 2009 29.

40 TUITION FEES
Considered
40.1 Updated proposals for fee levels for 2010-11. (SP 2009 30)

40.2 The proposals took into account the Committee’s previous discussion of ELQ fee strategy as well as feedback on the fee tiers circulated during the autumn term.

40.3 In 2009-10 there had been a modest ELQ premium for undergraduates (c.15% above the standard fee for programmes except in Science, which had levied a higher undergraduate ELQ premium (40-42%)) and no ELQ premium for postgraduates. While ELQ numbers overall had reduced in the College, issues had been raised of whether ELQ students were contributing to capacity problems, especially in large undergraduate programmes. A higher undergraduate ELQ premium was proposed, to apply to all subjects.

40.4 At postgraduate level the issue was not of capacity, but recouping forfeited HEFCE income. The case had been made to introduce a modest ELQ premium for postgraduate taught programmes in science, computer science, geography, archaeology and mathematics (HEFCE
price bands B and C) which attracted more funding. However, in line with HEFCE’s stated intention to further reduce funding for arts and social sciences programmes (price band D), it was proposed that these subjects should not have a postgraduate ELQ premium because the lost income from ELQ enrolments was minimal.

40.5 There would be further consideration of fee strategy, including fees for Strategically Important and Vulnerable Subjects (SIVS) receiving additional HEFCE funding and concessionary fees, during fee setting for 2011-12.

**Endorsed**

40.6 Revised ELQ premium fees for 2010-11:
- A 25% ELQ premium for all undergraduate programmes
- A 10% ELQ premium for postgraduate taught programmes in science, computer science, geography, archaeology and mathematics.

**Noted**

40.7 The terms of reference of the Independent Review of Higher Education Funding and Student Finance.

40.8 The College’s submission, made jointly with the Open University, in response to the Review’s initial call for evidence. *(SP 2009 31)*

**41 SCHOOL AND PROFESSIONAL SERVICE PLANS**

**Considered**

41.1 The templates through which Schools and professional service sections would create their strategic plans; and the processes for creating and agreeing the plans and associated student number targets and budgets. *(SP 2009 32)*

**Noted**

41.2 Plans would be constructed using a narrative template and a financial planning model and would identify target student numbers, fee and other income and staff and other costs as well as summaries of School strategies for learning and teaching, research, student recruitment and further portfolio review.

41.3 SPC would consider the plans at its next meeting. Once endorsed, the plans would form the basis for the budget estimates and income distribution model for 2010.

**ACTION (Deputy Clerk)**

41.4 Set up individual meetings to discuss the first draft of the plans with Executive Deans, School Managers, PVM Strategy, College Secretary, Director of Finance and Director of Planning, before the next meeting of SPC.

**42 WORKING GROUPS**

**Noted**

42.1 Terms of Reference of
- The International Group *(SP 2009 33)*
- The Student Recruitment Monitoring Group *(SP 2009 34)*

**43 DATES OF FUTURE MEETINGS**

- Tuesday 27 April 2010 10.30am
- Thursday 27 May 2010 2.00pm