University of East Anglia

**ISC15D013**

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| **Title:** | **ISD funding requests** |
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**Issue**

The paper provides an overview of areas of ISD expenditure and identifies where there is predicted to be a shortfall in income. There are 4 key factors affecting the ISD budget position:

- Projected growth of the University,
- The increase in interest in the development of online learning and the online strategy,
- The impact of increased IT security requirements both for PCI compliance and also for provision of secure storage for confidential research datasets,
- Impact of the minimum wage on third party contracts.

ISD has undergone a significant period of budget review, delivering 3% savings across budgets in 20/16. If the budget shortfall identified in this paper is not addressed, then there will be a significant impact on the services that we would be able to offer moving forwards.

**Recommendation**

Recipients are invited to note the contents of the report and provide endorsement / support for the requests.

**Equality and Diversity**

ISD aims to make all our services and facilities accessible to all. Any changes to service provision or policy are subject to Equality Impact Assessments when they are implemented.

**Background**

The planned revenue expenditure for ISD next year is £13.2M, rising by 2.3% pa. In addition, ISD has an annual capital allocation of £1.1M.

Revenue requests

The University is projecting an ambitious growth in student numbers, increasing student fte by 14% over the next two years. A significant proportion of ISD expenditure is directly linked (in the form of licences) to staff and student numbers. Linked to growth in student numbers is the increase in the physical size of the University which impacts on networking and specifically the resources required to manage and support the increasingly complex network.

Spurred on by early success with MOOCs, the University is starting to grapple with online learning and is currently working on the development of an online learning strategy. Already we are seeing a number of online-only courses that require a greater toolset than is currently provided in our VLE.

ISD is part way through a project to create a secure network area in the first instance to achieve PCI DSS compliance, and in the later phases to provide secure space for researchers working with confidential datasets. As we have progressed with the project, it has become clear that there will be increased overheads for ISD in maintaining the secure network once created.

Staffing for the overnight opening of the Library is outsourced to a third party. The contract for which is due for renewal this summer and we anticipate that the costs will increase as a result of the introduction of the living wage.

The additional revenue requests represent a 5% increase in ISD revenue budget which reflects favourably when set against the 14% increase in student numbers.

Capital requests

In addition to the requested revenue ISD has identified four areas for additional capital investment, the details of which appear in the table below.

Revenue requests

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | Notes |
|---|---|---|---|---|---|
| **1. Costs resulting from increases in student numbers** | | | | | |
| **1.a. Impact on licences** | | | | | |
| Copyright and recording licences | 14,679.00 | 44,773.00 | 40,978.00 | 37,326.00 | This licence fee is directly linked to our overall staff / student fte. |
| Student printing licences | 7,123.00 | 7,286.83 | 7,454.43 | 7,625.88 | This licence fee is directly linked to our overall staff / student fte. |
| Microsoft Campus | 3,900.00 | 6,517.00 | 6,927.00 | 7,346.00 | This licence fee is directly linked to our overall staff / student fte. |
| CIS licences | 33,632.00 | 34,405.54 | 35,196.86 | 36,006.39 | This licence fee is directly linked to our overall staff / student fte. |
| SITS licences | 15,000.00 | 15,349.00 | 30,707.00 | 31,422.00 | This licence fee is directly linked to our overall staff / student fte. |
| Blackboard increased fte (includes removing requirement of a MED supplement) | 53,948.80 | 54,820.40 | 54,458.80 | 52,772.40 | The Blackboard licence is directly linked to our staff / student fte. In addition Health currently make a contribution of £46,341 to pay for the community module which was originally only used to support Health online. This module is now used more widely and the cost of the module should be centrally funded. |
| Increase in cost of Library Journals | 159,866.06 | 171,056.76 | 183,030.71 | 195,842.88 | Annual costs for ongoing access to licensed journals and databases can be affected by increases in student numbers. |
| Increase in cost of Library physical collection | 105,179.41 | 106,097.29 | 107,273.76 | 108,450.24 | Increases in student numbers lead to greater demands in terms of numbers of copies of books and demands for e-books to support their wider reading and assignments. Although FTEs have increased, the acquisitions budget was reduced by £80k in 2015/16 as part of the University's 3% savings process. |
| **1.b. Impact on infrastructure** | | | | | |
| Additional post to support growth in the network and wireless provision | 48,000.00 | 49,104.00 | 50,233.39 | 51,388.76 | Over recent years the size and complexity of the network has grown significantly. The continued expansion of the University and |

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | Notes |
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| | | | | | the planned work on the Lasdun Wall will all increase demands on this team which now need additional resources. |
| PC provision in teaching spaces | 18,723.00 | 19,010.00 | 19,309.00 | 19,759.00 | The number of centrally bookable teaching spaces and meeting rooms that require a PC is planned to increase by 70% from 137 to 244. Additional funds are required to provide additional PCs. |
| Additional storage (support costs) | | 14,466.00 | 1,096.00 | 1,117.92 | These are the support costs associated with the increased file store that will be required as a result of growth in student numbers. The procurement of the storage is included as a capital cost below. |
| Server infrastructure | 54,011.00 | 44,460.00 | 44,859.00 | 45,890.76 | £12kpa is for additional licence fees directly linked to our overall staff / student fte. The remainder provides additional resilience and visibility to the virtual server infrastructure to support the significant increase in key services being hosted by this service. |
| **2.  Online Strategy** | | | | | |
| Additional Blackboard modules (Content, Community*, BB Drive, Mobile Learn, Grader App, xplor, Collaborate) | 45,603.60 | 46,971.60 | 47,911.20 | 48,390.00 | These additional modules will widen the variety of online tools available through Blackboard and can be used to support both traditional teaching and online only teaching. In particular this will be supportive of a diversity of assessment methods (including portfolios) and synchronous online AV delivery. Access to these tools may be required in order for us to compete with other providers for paid online students. |
| **3.  IT Security** | | | | | |
| Additional costs following formal procurement | 7,434.00 | 7,072.00 | 23,199.00 | 24,578.00 | To cover the shortfall between the original request for funding for IT security, and the actual cost of procured systems. |
| Oversight from original allocation | | | | 172,824.00 | In June 2015 ISD was awarded additional funding for the security project, the request for funding should have been for an indefinite increase in budget but this is not reflected in the plan for 2019/20. |

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | Notes |
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| Additional post to oversee and managing patching and upgrades | 48,000.00 | 49,104.00 | 50,233.39 | 51,388.76 | With the introduction of the need to comply with PCI DSS, and the extension of these enhanced security standards to cover critical data such as personal and research data, mechanisms are needed to stay up to date with patching on servers and systems. Standards require patches need to be applied within 30 days of release. This is additional work requires additional technical resource to manage solutions being put in place. |
| **4. Other** | | | | | |
| Library 24/7 contract renewal and impact of living wage, plus extended opening of service desk over the summer period | 24,387.00 | 24,815.00 | 25,254.00 | 25,702.00 | The Library is obliged to retender for its 24/7,365 security for the 2016/17 academic year, having extended the existing contract for the maximum period permitted (to the end of 2015/16). We have benefitted from a contract which, when benchmarked against other HEIs, shows that our previous agreement secured fees below market rate. We have to assume the new contract will be awarded closer to the market rate and any companies tendering will additionally have to take into account the costs of implementing the new National Living Wage. We have modelled these likely cost increases through to 2020 which are reflected in the figures shown. |
| **Total revenue requested** | 639,486.87 | 695,308.42 | 728,121.54 | 917,830.98 | |
| **Current revenue expenditure** | 13,770,152.00 | 14,040,191.00 | 14,434,636.00 | 14,628,336.00 | |
| **Increase as a percentage of current spend** | **4.64%** | **4.95%** | **5.04%** | **6.27%** | Note increase in 19/20 is skewed by the omission of the June 2015 CUBS award from budgets. |

Capital requests

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | Notes |
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| **Capital costs** | | | | | |
| Additional storage (procurement of equipment) | 75,000.00 | 75,000.00 | | | These are the procurement costs associated with the increased file store that will be required as a result of growth in student numbers. |
| Library Systems replacement | | | 75,000.00 | 50,000.00 | At over 15 years old, the Library's current library system - Aleph - is increasingly becoming a legacy system, running on out of date architecture. It is one of the oldest corporate systems being run at UEA. In particular, Aleph is not suited to e-resource management. With up to 75% of Library expenditure now on the online library, and in light of our new 'digital first' Collection Development Policy, it would be sensible to move to a system that has been designed around digital, as well as print, workflows. |
| Library building infrastructure and space | 250,000.00 | 250,000.00 | 250,000.00 | 250,000.00 | The driver for more study space is to meet UEA's actual and aspirational increases in student numbers, and to meet student expectations for resources, facilities and services in a context of increasing fees. The driver for more collections space is to ensure that UEA Library continues to provide research materials appropriate to its aspirations as a research-intensive university. Whilst the Teaching Wall needs to take priority, this funding request is for further incremental reconfiguration and refurbishment of the Library building to create up to 262 additional spaces over 5 years in line with UEA's plans for growth. This would be achieved through a combination of additional rolling stacks on Floor 02 (enabling 4,000 linear metres of existing stock to be stored at twice its current density), additional study spaces on the space that would then have been freed up on Floor 01, additional toilet provision, a social learning café on Floor 01 also serving the Lecture Theatre block, and reconfigured group work and staff offices on Floor 1. |

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | Notes |
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| Increased demand on research computing | 250,000.00 | 250,000.00 | 250,000.00 | 250,000.00 | The demand for high performance computing (HPC) continues to grow significantly faster than the provision that the current funding supports. Many of UEA's peers now have greater resources available to researchers than available at UEA. The HPC is a primary working tool for many researchers and the scale of the resources available directly relates to the number of quality research papers produced. An increase in funding is requested to provide some support for the increase in demand. |
| **Total capital** | **575,000.00** | **575,000.00** | **575,000.00** | **550,000.00** | |