

**ISC11D002**

**Title:** **ISD Budgets**  
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**Issue**

This paper provides information on the planned expenditure for ISD during academic year 2011/12.

**Recommendation**

ISSC is invited to consider the attached report.

**Resource Implications**

The paper summarises ISD planned expenditure for 2011/12.

**Risk Implications**

Just over 15% of ISD planned revenue expenditure is contingent on income generating activities and while much of this income is a direct recharge for provision of services, in a number of cases the overall expenditure is fixed (in particular staff costs) and it is not possible to reduce costs if income targets are not met. The impact may be an overspend, however the likelihood of this is deemed to be low, with the ISD contingency budget in part offering some mitigation.

**Equality and Diversity**

New services will be subject to Equality Impact Assessments as they are implemented.

**Timing of decisions**

Not applicable

### **Further Information**

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### **Background**

ISD is responsible for the provision of a number of key services on behalf of the University and as such oversee relatively high levels of revenue and capital expenditure, this paper provides an insight into how these services are funded.

### **Discussion**

## ISD Budgets

### ISD planned revenue expenditure 2011/12

The table below provides detail on the planned ISD revenue expenditure for 2011/12. The bulk of ISD revenue is allocated centrally as our baseline, in addition ISD recharges for a number of services and this is expected to generate a further £1.9M during 2011/12. The table below includes expenditure against both revenue streams.

As a result of the Administrative Integration Project there has been a need to re-evaluate the ISD baseline allocation and at the time of writing this has not been finalised, the figures are nonetheless indicative of high spend.

ISD expenditure has been split across the broad service categories identified in the ISD Service Catalogue, additional service categories have been added to reflect the new services being delivered as a result of the Administrative Integration Project changes.

ISD proposed revenue spend 2011/12	ISD proposed revenue spend 2011/12			
	Non Pay	Pay	Total Service Cost	
S1 - Library resource provision	2,832,845	912,087	3,744,932	30%
S2 - IT infrastructure in teaching spaces	180,295	51,897	232,192	2%
S3 - Staff and student enquiry services	54,000	10,179	64,179	1%
S3.1 - Library FoH/User Services	0	504,796	504,796	4%
S3.2 - IT Helpdesk	0	258,310	258,310	2%
S4 - IT infrastructure, email filestore, etc.	923,402	545,706	1,469,108	12%
S5 - Networking and telephony	647,836	304,519	952,355	8%
S6 - Research Computing	162,229	0	162,229	1%
S6.1 - Central Team	0	120,570	120,570	1%
S6.2 - Faculty Team	0	144,509	144,509	1%
S7 - Teaching systems	260,656	276,839	537,495	4%
S8 - Administrative systems	565,368	750,203	1,315,571	10%
S8.1 - Student Information System	128,500	454,688	583,188	5%
S9 - AV services	32,998	116,555	149,553	1%
S10 - Print Group services	249,021	185,434	434,455	3%
S11 - Security Policy and Compliance	0	178,166	178,166	1%
S12 - Faculty IT Support	0	776,700	776,700	6%
S13 - Faculty IT Learning Technologists	11,000	224,041	235,041	2%
Other operational	287,034	222,195	509,229	4%
Contingency	200,000	0	200,000	2%
Security Project A90038	0	0	0	0
	<b>6,535,184</b>	<b>6,037,394</b>	<b>12,572,578</b>	<b>100%</b>

## Commentary

Library resource provision continues to be the largest single area of expenditure accounting for 30% of overall revenue expenditure, the non-pay aspect of the budget is ring fenced to ensure that investment in the collections is maintained. Journals inflation continues to pose difficulties as it significantly exceeds regular inflation and an additional adjustment is made to the ISD baseline to allow for this. The ratio between journals and books expenditure is approximately 3:1.

Expenditure on corporate applications is the next largest category and in total accounts for 15% of expenditure, with SITS alone accounting for 5% of this. The vast majority of non-pay costs in this area are support and maintenance fees for the systems and these are fixed. Staff costs for corporate applications is high and this reflects both the size of the teams and also the nature of the work being undertaken.

Expenditure on IT infrastructure accounts for 12% of ISD expenditure and includes maintenance of the two data centres and infrastructure therein. Investment in storage growth and replacement continues to be the highest single item at £497k.

It should be noted Network and Telephony costs include expenditure for UEA call charges along with provision of telephony support services, these costs are recharged separately.

Print Services expenditure is expected to balance income and such this is cost neutral in the ISD budgets.

The ISD contingency budget is vital and allows us the flexibility to respond rapidly to significant IT failures and other service issues that might impact student experience.

### ISD planned capital expenditure 2011/12

ISD proposed capital spend 2011/12	Non Pay	Pay	Total service cost	
S1 - Library resource provision	0	37,344	37,344	3
S4 - IT infrastructure, email filestore, etc.	311,632	0	311,632	28
S5 - Networking and telephony	174,373	35,765	210,138	19
S6 - Research Computing	107,154	0	107,154	10
S8 - Administrative systems	95,693	0	95,693	9
S8.1 - Student Information System	45,000	39,655	84,655	8
S9 - AV services	210,000	0	210,000	19
Security Project A90038	38,683	0	38,683	4
<b>Total</b>	<b>982,535</b>	<b>112,764</b>	<b>1,095,299</b>	<b>100</b>

Planned capital expenditure on IT infrastructure includes further development of the virtual server infrastructure, email gateway/Exchange 2010 replacements and server replacements for CIS services, desktop/network support,

Planned capital expenditure on networking and telephony includes costs for the conclusion of the Voice over IP Project, rolling replacement of network switches on campus and within the residences and replacement of the network load balancers.

### Other ISD income

ISD proposed internal income 2011/12	Proposed	ISD proposed external income 2011/12	Proposed
Other income (ISD 10)	-80,775	Other Income (ISD.10) incl. Fines, photocopying, printing, etc.	-299,685
Aleph income (10AL)	-6,140	INTO Income (10)	-140,000
Partner college income from ACAD	-55,000	Other Income - Aleph (10AL)	-47,326
Telephony (ISD 11)	-319,058	UEA London (10UL)	-165,000
Software Licences (ISD.13)	-19,153	Telephones (11)	-39,092
Infrastructure (ISD.16)	-112,206	Infrastructure (16)	-8,697
Operating (ISD.20)	-1,096	NNUH (17/19)	-141,200
Acquisitions (ISD.48)	-14,441	Operating Costs (20)	-109
Printgroup (ISD.90)	-427,300	CD Music Library (80)	-2,700
		Print Group Income (90)	-31,941
<b>Total</b>	<b>-1,035,169</b>	<b>Total</b>	<b>-875,750</b>

As can be seen the bulk of generated revenue is internal recharging with print group and telephony costs accounting for 72%. The anticipated income of £112K on infrastructure is similarly in/out money and represents our estimation of expenditure on additional storage and servers that we will host on behalf of Schools.

UEA London and INTO are recharged for a contribution to the services that they access, this fee is based on their fte numbers.

Library fines are considered as a standing item at the Library Forum and there is common agreement that fines are necessary to ensure circulation of stock. We recently introduced underdue notices for staff and have plans to extend this to students this year, interestingly this had only a minimal impact on the fines income from staff.