

# **Finance & Planning Team Brief**

**30<sup>th</sup> January 2019**

- **PSOM Update - Helen Cooper/Simon**
- **Starters & Leavers - Deborah**
- **CFPO Update/External Environment - Deborah**
- **External Financing - Simon**
- **Strategic Insight & Data service - Tom**

## **Helen Cooper**

**Senior HR Business Partner**

**Human Resources & Organisational  
Development**



# Professional Services Operating Model

Update on the Corporate Services Project

January 2019

# Why are we doing PSOM?

- Not currently organised to support the strategy - we need to do more to align strategy and service delivery
- Not maximising our potential to deliver excellent and efficient services - we need to build on strengths and stay committed to continuous improvement
- Need to design our services around the needs of users and not organisational silos
- Need to be able to deliver a consistent, joined-up and efficient set of services, right across the University

# Operating model design principles

<b>Ambitious</b>	The University must be ambitious for its people, its services, and its service users, if it is to deliver the service excellence expected of the world's leading applied University.
<b>User-centric</b>	Solutions that support the academic mission of the University and meet the needs of tomorrow's students, staff and external partners.
<b>One University, one model</b>	The University will create a single model within which services connect together as parts of a coherent end-to-end design, creating a consistent and logical experience for students, staff and external partners.
<b>Proportionate and appropriate</b>	Each function will be designed to deliver the quality and impact that is appropriate and proportionate to the service area.
<b>Agile, trusting and performance focused</b>	An agile and responsive culture will be created through a combination of clear organisational design and enhanced professional development, careers paths and a culture of trust and empowerment.

# PSOM - progress to date

The first year of PSOM focused on defining and designing the services most closely aligned to the delivery of **teaching, learning and research**.

We now have two new groups:

- **Student and Academic Services**  
(Group Director - Nuala Devlin)
- **Business Engagement, Skills and Employability**  
(Group Director, Conor Moss)

Within the design and consultation phase, we also have:

- **Recruitment, Marketing and Communications**
- **Global Engagement**
- **Research and Innovation**



# Corporate Services Project

Since the start of 2018/19 academic year, we have been looking at the services which support the University as a large organisation.

We have described these services as our Corporate Services and they include:

- Finance and Planning
- Human Resources and Organisational Development
- Digital Technology Services
- Governance Services
- Facilities Directorate



# Corporate Services Project

So far, appointments have been made to leadership roles across three new areas within Corporate Services:

- **Governance and Sector Regulation** - Martin Conway, University Secretary
- **Strategy, Planning and Insight** - Linda Mason, Director of Strategy, Planning and Insight
- **Transformation** - Libby Wilson, Director of Transformation

Work is now underway to look at the **design** of these three services areas, including organisational structures. This will be undertaken alongside the high-level design work for the other areas of Corporate Services.

# Corporate Services - Project Approach

Key activities that we have undertaken so far include:

- identifying **key drivers and opportunities** for Corporate Services
- considering what our high level requirements are for Corporate Services - i.e. what capabilities do we need them to deliver and what are the ways of working that we want to develop or strengthen, both **now** and in the **future?**
- completing a **Service Catalogue** to capture all processes and activities
- holding **workshops** (where necessary) to look at the specific areas identified through the Service Catalogue as having potential opportunities that require further exploration.

# Service Catalogue Outputs

The Service Catalogue is a list of activities, normally ordered by functional area or team. It describes what and how activities are undertaken, including which teams are involved in delivery and what systems are used.

We have been looking at what this tells us about the types of work undertaken across the areas in scope of Corporate Services, including to what extent we are or could be offering self-service functionality and how we are managing enquiries.

**Together, we  
enable and enhance performance...**



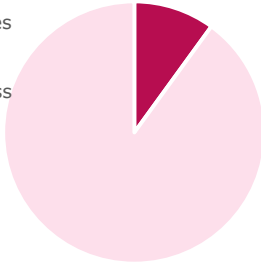
**...supporting the University to  
Transform Lives**

# Service Catalogue Output: Example

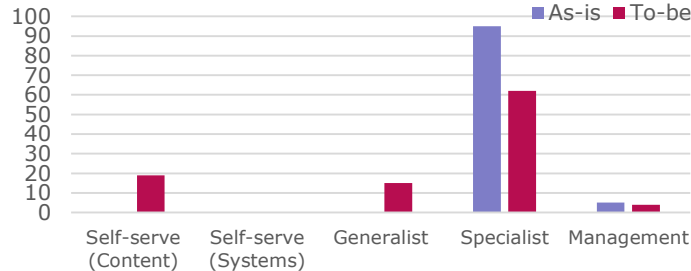
## Finance – Procurement

### OPPORTUNITIES TO IMPROVE ENQUIRY MANAGEMENT

- Time on enquiries
- Time on business processes



**10%** team time is spent on enquiry management



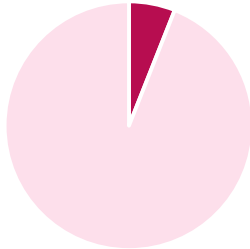
**19%** of time on enquiry mgmt could be freed up by improving self-service (content)

#### Most time-consuming processes in terms of enquiry mgmt.

- Dealing with queries received in STP and travel inboxes
- Providing strategic-level legal and commercial advice, generally high-value project-related, influencing the commercial / procurement strategy of the university
- Contracts register and acquisition routing (don't go to a new supplier, go to this department, they do it for you) ~~as an internal resource to reduce administration~~

### OPPORTUNITIES TO STREAMLINE OPERATIONAL DELIVERY

- Team effort on operational delivery
- Team effort on mgmt/strategic activities



**6%** of time spent on operational delivery requires Administrator/Coordinator (G5 and below) skill level to complete

**58 hours** per month require Administrator/Coordinator skill level

#### Most time-consuming activities

- Facilitating development of tender questions (functional and non-functional requirements for software) and their relative weighting (69 hours pm)
- Setting the level of contract management of (Kraljic) strategic and bottleneck suppliers, managing performance, indicators and targets, ensuring that the contract evolves with the university's needs (62 hours pm)
- Supporting adjusting and finalising specification development with stakeholders (55 hours pm)

#### 22% of processes

(taking up 412 hours) are reported as having some level of duplication with other functions/directorates. Will need further investigation on how to streamline

#### SYSTEMS USED

E5, Freedom, In-tend, Travel provider system

#### DEPENDENCIES

- DTS
- SPBC
- Legal
- Comms

# What do we need from a future Corporate Services?

1. We need our Corporate Services to be able to **lead** and **advise** the University on their specialist areas of expertise. This means being able to:
  - Provide **specialist** knowledge and skills to be able to lead and advise the University on matters of **policy and strategy** - both current and future
  - Use **data and insights** to **inform decision making** at all levels
  - Provide high-level **trusted, professional and expert advice** to the rest of the University through a business partner model

# What do we need from a future Corporate Services?

2. We need our Corporate Services to be able to **design** and **deliver** the processes, operations and services needed to keep the University running. This means being able to:
  - Deliver **processes, operations and services** (incl. query/incident management) in **user-friendly** way whilst also achieving **quality standards** and ensuring **compliance** with relevant regulations.
  - Make best use of **technology** for workflows , digital sharing of information and user self-service
  - Be responsive and able to adapt services as the user **needs change** and strategy evolves, including being able to **develop staff** and offer different career pathways to improve our overall capability



# Corporate Operations

Analysis of Service Catalogue demonstrates that we have significant amounts of activity that is process, operations or service delivery based.

Such activities tend to relate to one of the Corporate Service (HROD, Finance, Facilities etc.), but also share some similar requirements or objectives. For example, across Corporate Services there are:



CUSTOMER OR USER FOCUSED ENQUIRIES OR ADMINISTRATION



QUALITY OR COMPLIANCE FOCUSED ADMINISTRATION OR OPERATIONAL DELIVERY



INCOME GENERATING SERVICE DELIVERY



INFRASTRUCTURE FOCUSED OPERATIONAL ACTIVITY

# Corporate Operations

We have been using the name '**Corporate Operations**' to describe this type of activity that relates both to a specialism as well as to a type of work (operations, administration, customer services etc.).

We want to **raise the profile of this activity** and create a culture that **recognises and invests in operational excellence.**

# Corporate Operations

Important questions to consider relate to:

- how to best deliver this type of activity so as to ensure an excellent user experience and processes that meet the required quality standards
- consideration of the benefits that could be gained from greater proximity to or co-ordination between these types of activity, for example, we are looking at drawing some activities together to create a **cross-cutting group** that could **deliver operational activity** on behalf of one or more areas of Corporate Services.

# Next Steps - Functional Model

During February we intend to share a functional model that all staff will have the opportunity to provide feedback on.

A functional model describes how activities will be organised. For example, the functional model that has recently been consulted on within the Recruitment, Reputation and Outreach project looks like this:



\* out of scope

## Next Steps

Activity	Timescales
Consultation begins with all staff in CS on functional model	Early February
Consultation begins with all staff in scope of the Transformation Service, Strategic Planning & Insight and Governance and Sector Regulation.	Mid February
Consultation begins with leaders on high-level structures and roles	End February

Once we have done this, we will look at team structures. We expect the process of consulting on, confirming and implementing new structures to take the remainder of the 2018/9 academic year.

We will continue to provide fortnightly email updates via the Change Programmes Update. In the meantime, you can contact !PSOM with any questions.

## Starters

- Dr Giles Banning-Lover - Assistant Financial Accountant
- Abbi Willis - Senior Administrator / PA to Simon Taylor
- Callum Clarke – Insight Analyst (SID)
- Christine Daley – Head of Insight and Intelligence (SID)
- Sarah Jolley – Assistant Insight Analyst (SID)
- Juliette Mortimer – Insight Manager (SID)
- Simon Reade – Insight Manager (SID)
- Fiona Titterton – Senior Insight Analyst (SID)
- Stephanie Vincent – Insight Analyst (SID)
- Sean Ward – Insight Analyst (SID)
- Richard Whitehead – Insight Manager (SID)

## Leavers

- Becki Baker - SPABC to University of Nottingham, Department Manager
- Andrew Heeley - SPABC to SBS, Planning and Initiatives Manager
- Emma Robinson - SPABC to Provost Group, Operations and Initiatives Manager
- Lindsey Holroyd - SPI to York University, Project Manager
- Meriel Murray - SPI to University of Sheffield, Curriculum and Performance Manager
- Jean Heron - SPI, has left the University
- Rob Mahan - SPI to Aviva
- Antonia Barton - Service Improvement to Development and Alumni Relations, Senior Alumni Relations and Giving Officer
- Ros Wastnidge - has left the University
- Emma Scoffield - leaving the University on 15<sup>th</sup> February

## **Navigating an uncertain external environment**



A graphic featuring a glowing blue globe with several bright blue lightning bolts striking it. The text "UNIVERSITY CHALLENGE" is overlaid on the globe in a bold, black, sans-serif font. The background is a light blue gradient with some faint circular patterns.

**UNIVERSITY  
CHALLENGE**



**How many HE Ministers have we had since  
January 2018 and who were they?**





**Jo Johnson**  
Left office 9 Jan  
2018



**Sam Gyimah**  
Resigned 30  
November 2018



**Chris Skidmore**  
Appointed 5  
December 2018

**What or who is LEO and why is it important?**



## Longitudinal Education Outcomes Data

- Employment and earnings outcomes of higher education graduates 1, 3, and 5 years after graduation
- Brings together information from the Department for Education with employment, benefits and earnings information from the Department for Work and Pensions and Her Majesty's Revenue and Customs.
- Contextual data in TEF4 and liked by Government as a potential way of measuring the 'value' of a University education



**Which one of these people is Philip Augar and why is he relevant to us?**



**A**



**B**



**C**



**Post-18  
Funding  
Review**



**How many students entered the university with below DDD and why is that now of interest?**

**17%**

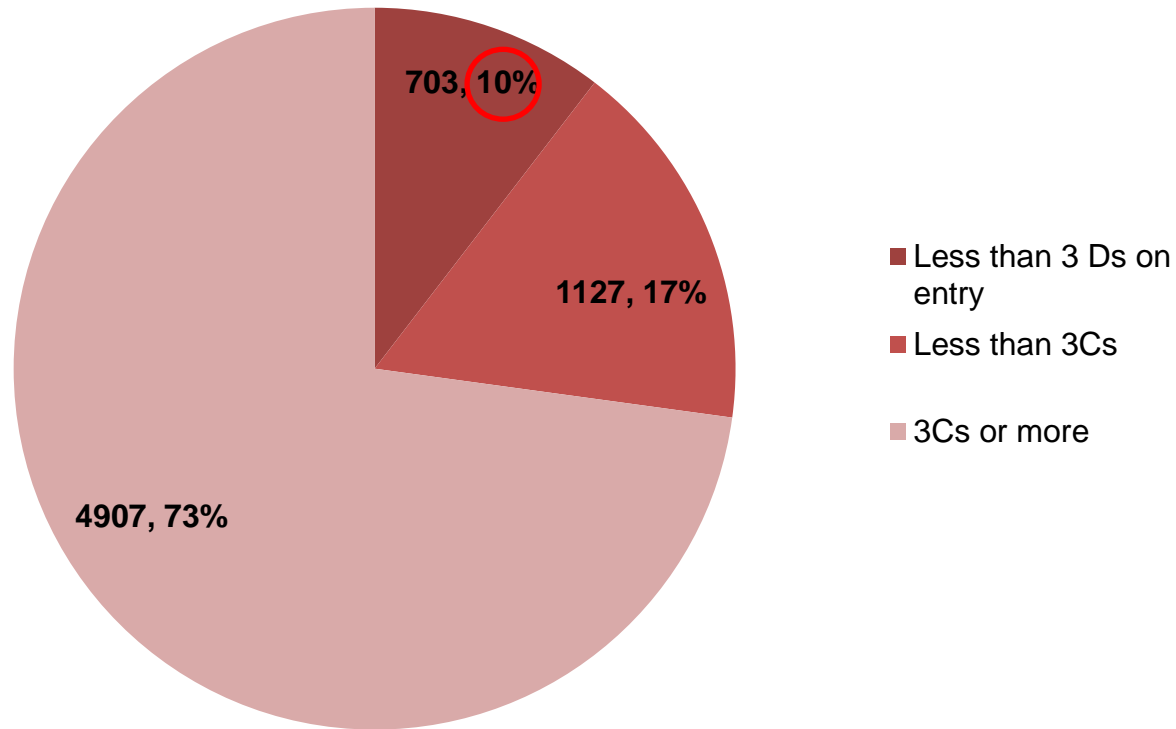
**A**

**10%**

**B**

**6%**

**C**



- Only Home fundable UG (i.e. OfS fundable) HESES countable records are included (all years of study)
- % splits based on FTEs
- Qualification on entry / grade banding is for new entrants to 2017/8 only, where the highest qualification on entry is categorised as A-Level or A-Level equivalent.
- This population is different to that used in the average tariff calculations. The main difference being the inclusion of all ages (not just young), and all modes of study (not just FT).

## Behind the headlines

- **Cuts to student fees: from £9,250 to £6,500 - £7,500**
  - without top-up grant, likely to result in cuts to services, staff, student experience
- **Restricting access to loans: e.g. for students with DDDs or less**
  - effectively meaning a return to SNC
  - most stark impact on more disadvantaged students
  - affects key regional sectors already facing skills shortages - including engineering, social work, IT & management
- **Rebalancing funds between FE/HE?**
  - cautioning against this trade-off which will hamper collaboration
- **Calls for change on maintenance, P/T, adult education**
  - all involve additional spending

- **'Rethinking the British University'** - House of Lords dinner, hosted by Bob Kerslake with sector leaders, including David Willetts
- **Strategic meetings:** with HE Minister Chris Skidmore, discussions with OfS, UUK, Special Advisers, media representatives
- **Behind the scenes:** working to gather intelligence, and influence Augar panel deliberations with comprehensive briefing, using Hallam as litmus test
- **Internal preparedness:** Working Group established, reinforces need for institutional agility, strategic choices about our portfolio and models of delivery



- ONS review of student loans released on Dec 17th 2018
- Highly technical with huge ramifications
- Move to 'partitioned loan-transfer' (hybrid approach where there is a split between treatment as a loan and a grant)
- More accurately reflects fact not all loans are repaid
  - 86% of full-time first degree students never repay full loan, 24% never repay anything
- Serious impact on government deficit
  - an accounting change, but puts public cost of HE in spotlight
  - Add approximately £12bn by end of this financial year
- Implications for Augar recommendations as they are required to be revenue neutral



### Risks identified including:

- Residency/work rights of EU nationals unclear
- EU nationals entering UK could be subject to non-EEA rules
- Horizon 2020 and Erasmus+ access could cease (no legal requirement for UK to pay)
- Still no news on ESIF replacement - UK Shared Prosperity Fund
- Damage to ability to attract/retain EU talent (staff and students)
- Damage to UK PLC as research partner of choice (and €100bn Horizon Europe doubtful)

### Internal preparedness:

- Working Group established
- Exploring mitigating actions and contingency plans for a range of Brexit scenarios







### Hundreds of jobs at risk from fresh UK pensions cost hike

Increase in contributions to Teachers' Pension Scheme will cost post-92 universities about £140 million annually, Ucea says

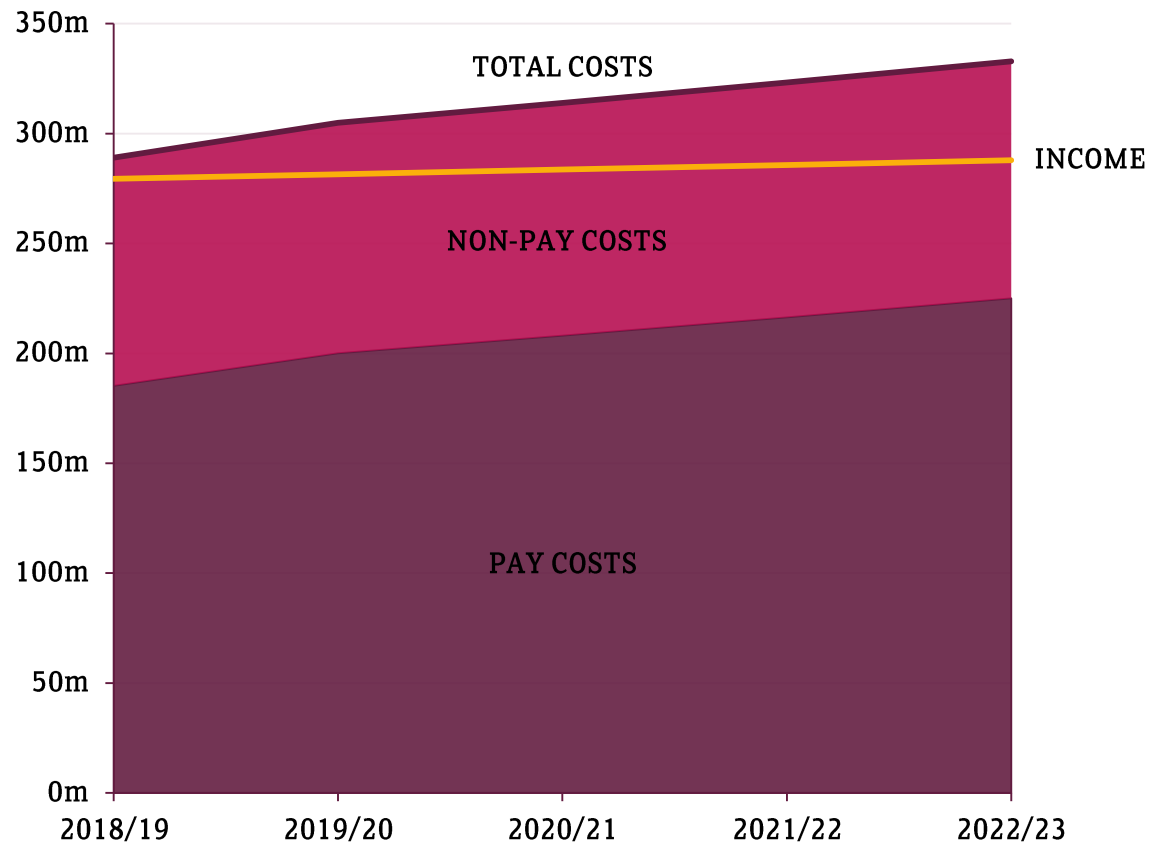
October 22, 2018



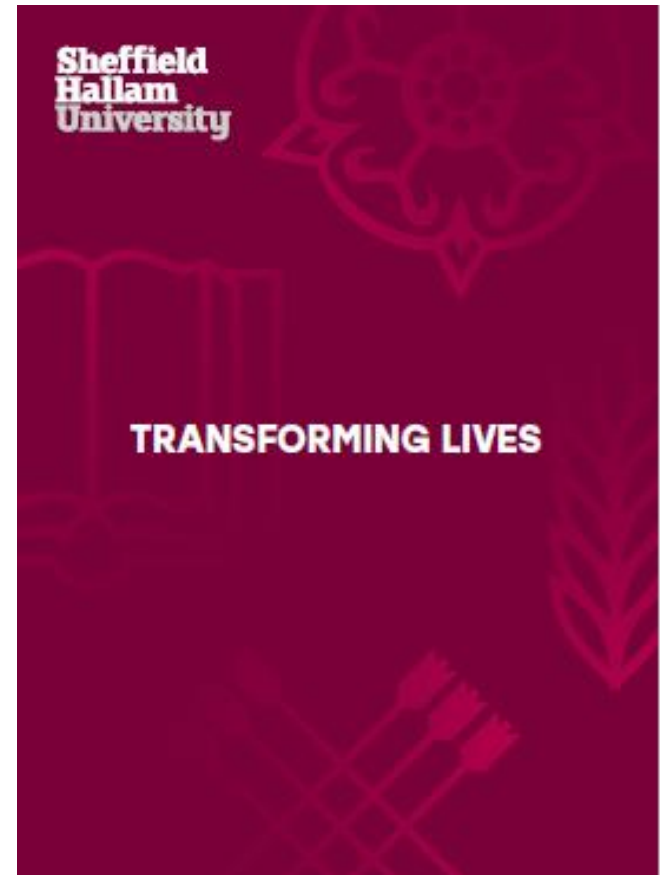
### Impact for SHU:

- over 2000 staff in TPS
- increase equates to £4.6m annual shortfall in 2019
- equivalent to fee income of 450 undergraduates

**Income vs Costs - 5 years, inflation only**



- **Delivery of Transforming Lives strategy**
  - fit for purpose to deliver vision
- **Focus on critical areas where step change is required:**
  - embedding employability offer for all
  - consistently outstanding teaching outcomes
  - delivery of research improvements
- **Sustainability:**
  - Cost inflation, flat fees and pension costs
  - Contingency planning for Augar & Brexit



- Additional finance required to fund Campus Masterplan
- £50m Term loan from Santander
- £37m existing loan renegotiated terms with Barclays
- £20m Revolving Cash Facility (overdraft) from Santander
- QMPF Providing external financial support
- Irwin Mitchell providing legal advice
- Board T&F Group provide scrutiny and recommend action to BoG
- Facility Agreements review
- BoG approval end of Jan19
- Complete transaction Feb19

## **Our Vision**

We will help make Sheffield Hallam the world's leading applied University through a cutting edge approach to data and insight.

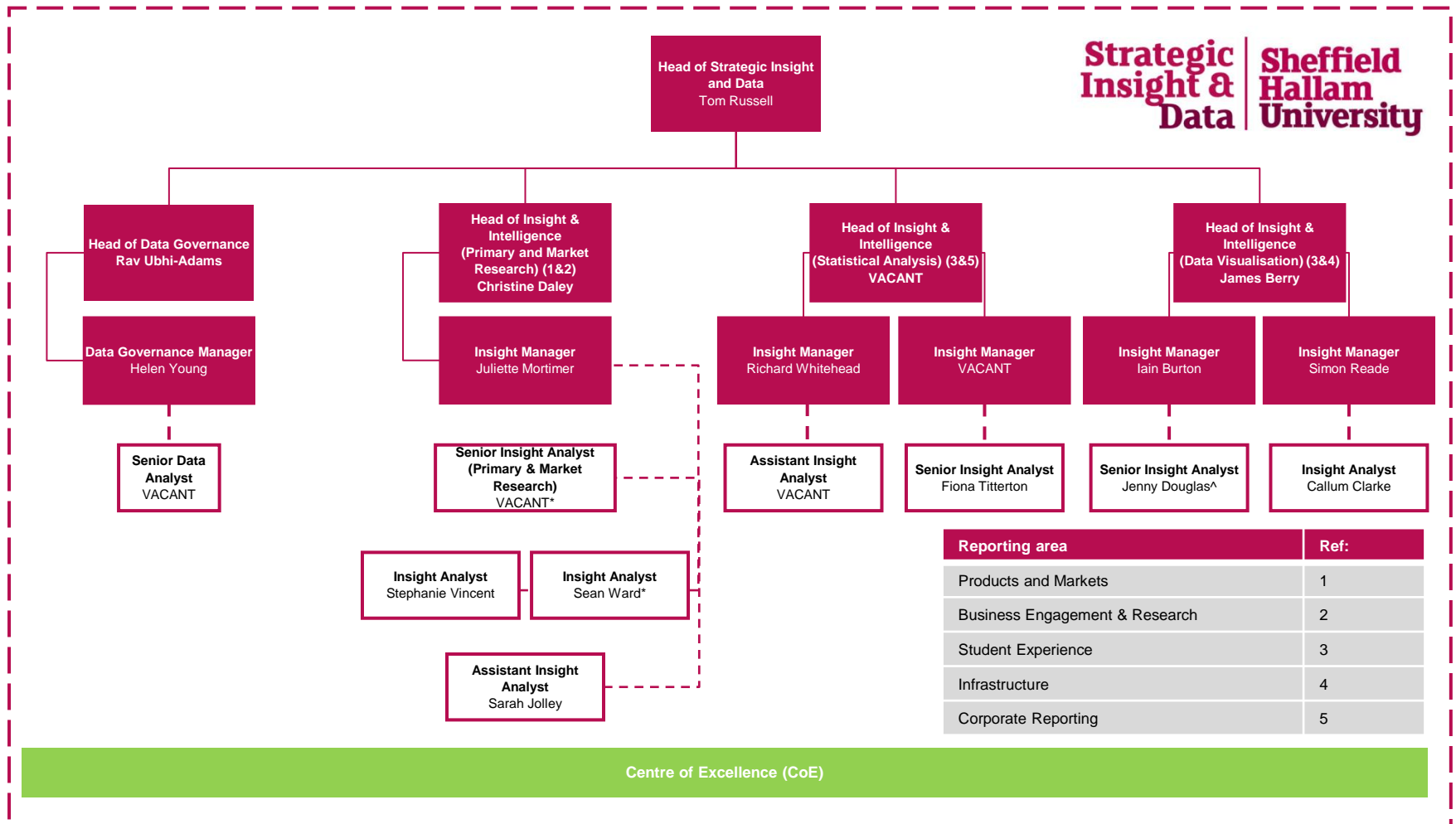
By providing insight and ensuring high quality data across all aspects of University life, we will inform key decisions which improve performance, efficiency and quality.

To do this, we will need to be:

- Connected across the University, and involved in key groups
- Confident to give clear advice and opinion

The SID stamp will be a guarantee of high quality data and insight products





\* Sean Ward to continue secondment in G6 Senior Insight Analyst (Primary & Market Research) role to August 2019, Sarah Darlow to continue in G5 Insight Analyst role for same term)

<sup>^</sup>Jenny Douglas to continue secondment in joint WP/BI role - Dominic Nelson to cover initially

## 1. Preparation

December 2018

Confirm existing roles

Space plan for January

Service catalogue review

Agree ways of working

Finalise structure & line management

Agree aims & priorities

Shared drive/inbox/DL set up

Creation of logo/brand

## 2. Transition

7 - 28 January 2019

Initial informal team meet

Handover activity

Interim co-location

Team meetings & 1-2-1s

Full day team event

Recruitment close

Requirement gathering

Stakeholder comms

## 3. Implementation

February 2019

Fill all vacancies

Re-organisation of Source

Develop KANBAN

Intranet review

Requirement gathering

Handover activity

Stakeholder comms

## 3. Full go live

March 2019 -

In final location

Launch events



**Any Questions?**