

# Departmental Funding Guidelines 2018-19

## The Departmental Funding Model

1. A revised model for funding of non-staffing expenditure in academic departments was approved by the Academic Planning & Resources Committee in the 2008/09 session.
2. The model consists of eight elements:
  - Core Departmental Funding
  - Student Hospitality
  - Special Factors
  - Premium Fee Allocation
  - Moodle Maintenance Funding
  - Staff Research Fund
  - Funding for Replacement of IT Equipment within Academic Departments
  - Add-ons for specific programmes
3. These funds continue to be administered and applied at the discretion of the Head of Department, albeit spend must be against agreed expense codes as set out below.
4. The model has the following benefits:
  - allows departments to fund non-staffing costs that arise throughout the year;
  - It is an equitable, predictable and transparent method of allocating departmental funds.

## Appendices

5. Appendix 1: departmental guidelines and parameters used in the funding model
6. Appendix 2: staff research fund guidelines

## 7. Appendix 3: funding for Replacement of IT Equipment within Academic Departments

### Contact Details

8. If you have any queries about the departmental funding model or the underlying data used in the calculations, please contact Gary Barclay in the Planning Division on extension 7948 or via email ([g.j.barclay@lse.ac.uk](mailto:g.j.barclay@lse.ac.uk))
9. All queries concerning financial transactions and departmental budgets should be addressed to Christopher McDermott, Financial Planning and Analysis Manager in the Finance Division on extension 7760 or via email ([C.McDermott1@lse.ac.uk](mailto:C.McDermott1@lse.ac.uk))
10. The model and the special factors will be revisited periodically.

# Departmental Guidelines and Parameters Used in the Funding Model

Annual Timetable:

- Late July – Allocations for Departmental Funding to all departments, including Staff Research Funding, transferred by Finance Division.
- Early November – Student hospitality, premium fee allocations, the research student element of the Replacement of IT equipment within Academic Departments and add-ons for specific programmes rebalanced to take into account the actual levels of student recruitment as at 31<sup>st</sup> October.

Descriptors below are split into: Core Departmental Funding; Student Hospitality; Special Factors; Premium Fee Allocation; Moodle Maintenance Funding; Add-ons for specific programmes and the School's policy with regard to contingency and carry forward of funds.

## 1. Core Departmental Funding

Core Departmental Funding (account code: 1-xxx-0070-xxxxx)

2017-18 allocation inflated by 1.5%

Allowable Expenditure: this allocation is intended to cover general service costs (associated with reprographics, stationery, telecommunications, postage and consumable office supplies) for departmental staff and administrative and research only staff in departments who are not part of an independent Research Centre and must be charged to the eligible expense codes set out below:

- 40013 Call Charges including mobile phones
- 44002 Stationery and consumables
- 44003 Postage and courier
- 44004 Duplication

Assuming that the costs of general services have been budgeted for, this allocation can also be committed to the following eligible expense codes:

- 43001 Equipment and refurbishment
- 43003 Furniture
- 43010 Event costs
- 43052 IT Equipment
- 45207 Teaching and Research material
- 46023 Computer Software
- 47001 Travel & Subsistence
- 49004 Hospitality
- 51001 Professional organisation memberships and subscriptions
- 52020 Advertisement

- 52082 Conference Attendance
- 52094 Training and Development
- 52306 Prizes

## 2. Student hospitality allocation per UG FTE, PGT and PGR FTE

Student FTE (UG including General Course, PGT and PGR) x Student allocation per student FTE)

### Student Hospitality (Account code: 1-Axx-0070-xxxxx)

This is for hospitality for each student registration.

The student FTE is initially based on total target FTE student numbers and is replaced with actual student recruitment figures as at 31<sup>st</sup> October for the November rebalancing process.

*The 2018-19 student hospitality allocation is calculated at a flat rate of £25 per FTE student.*

Allowable Expenditure: this allocation is intended to cover expenditure on student hospitality and must be charged to the eligible expense code set out below:

- 49004 Hospitality (note: student hospitality only)

## 3. Special factors

Special Factors (Account code: 1-Axx-0152-xxxxx except where stated)

The following special factor allocations are included for 2018-19:

- Anthropology: £21,740 (£5,009 Special language training for students; £16,731 Fieldwork)
- European Institute: £4,385 (£1,000 Double Degree travel & hospitality; £3,385 Special language training for students)
- Geography & Environment: £56,100 (£55,100 Map room & field work; £1,000 Double Degree travel & hospitality)
- Government: £2,100 (Double Degree Travel & hospitality)
- International Development: £414 (General services costs for redeployed staff)
- International History: £27,292 (£3,600 Double Degree travel & hospitality; £10,000 Double Degree expenses; £13,692 associated with providing language training for students on the double degree programme with Columbia)
- International Relations: £1,000 (Double Degree travel & hospitality)
- Media and Communications: £9,925 (£4,425 Special language training for students; £5,500 Double Degree travel & hospitality)
- Methodology: £7,800 (Reprographics)
- Psychological and Behavioural Science: £18,430 (Laboratory expenses)
- School of Public Policy: £7,600 (£2,000 IT Allocation; £5,600 Double Degree travel &

hospitality)

- Total special factors: £157,237

Note: Double Degree travel and hospitality special factors were agreed on the basis of £1,000 for European destinations, £1,500 for Columbia, £1,700 for Annenberg & African destinations and £2,100 for Asia.

Allowable Expenditure: The special factor allocations must be used for the purposes for which they have been specifically allocated and must be charged to the eligible expense codes set out below:

- i) Funds provided for special language training for students:
  - 52094 Training and development
- ii) Departments in receipt of funds for double degree programmes:
  - 40013 Call Charges including mobile phones
  - 47001 Travel and Subsistence
  - 49004 Hospitality
- iii) The Methodology Department:
  - 44004 Duplication
- iv) MPA programme's IT allocation for administrative staff and students:
  - 43052 IT Equipment
  - 46023 Computer Software
- v) The Geography and Environment Department's map room & field work allocation:
  - 30052 – Hourly paid Support Staff (note: used for Map room only)
  - 52076 – Fieldwork expenses (fieldwork only)
- vi) Psychological and Behavioural Science's Laboratory:
  - 43001 – Equipment and refurbishment
  - 46001 – Computer hardware
  - 46003 – Application Software
  - 46008 – Laser Printed Cartridges
  - 46011 – Oth Consumables and Small Computer Items
  - 49050 – Film Hire
  - 52103 – Laboratory Supplies

## 4. Premium Fee Allocation (account code 1-axx-0195-xxxxx)

Amount per FTE student x student FTEs

A proportion of the fee from Masters programmes charging at the Premium fee level is recycled to the home department(s) to help to provide an improved student experience.

Departments charging premium fees receive £416 per student in 2018-19.

The Department of Finance receives, as agreed by the APRC, the difference between the Premium

and Super Premium fee levels for their programmes charging those higher fees.

The Department of Management receives, as agreed by the APRC, the difference between the premium fee and the fee for the MSc in Management (12 month programme) in addition to the £416 per student.

Provisional amounts are reflected in the model and are adjusted according to actual levels of recruitment at 31<sup>st</sup> October in the November rebalancing process.

**Allowable Expenditure:** The premium fee allocations can be used for any activities which benefit the students on premium fee programmes. This can include field trips, residential courses, course packs, furnishing student space, student hospitality and staff costs (where the staff are specifically involved with improving the offering to premium fee students), eligible expense codes:

- 30033 Graduate Teaching Asst
- 30052 Hourly Paid Support Staff
- 30180 Honoraria
- 30500 Self employed suppliers and consultants
- 43001 Equipment and refurbishment
- 43003 Furniture
- 43010 Event costs
- 43052 IT Equipment
- 44002 Stationery and consumables
- 44003 Postage and courier
- 44004 Duplication
- 45207 Teaching and Research material
- 46023 Computer Software
- 47001 Travel and Subsistence
- 49004 Hospitality
- 51001 Professional organisation memberships and subscriptions
- 52082 Conference Attendance
- 52306 Prizes

## 5. Moodle Maintenance Funding

Pro-rata share of £67.1k budget based on number of Moodle courses running per Department in 2017-18

Moodle funding is allocated to Departments who can then decide how to spend it on Moodle Maintenance.

## 6. Add-ons for specific programmes

Student FTE for the specific programme x Add-on rate

The student FTE is initially based on the target FTE student numbers for the specific programme and is replaced with actual student recruitment figures as at 31<sup>st</sup> October for the November rebalancing process.

The following add-ons are included for 2018-19:

- Health Policy: £118,126 (£55,000 for MSc in Global Health: £2,000 per student FTE to employ a senior research/public engagement manager to support the programme and to fund other activities such as seminars, conferences and publications; £63,126 for MSc in International Health Policy: £1,002 per student FTE for project placements)
- Management: £68,544 for MSc in HR and Organisation (HRM specialism): £1,008 per student FTE for project placements
- Social Policy: £22,500 for MSc in International Social and Public Policy: £200 per student FTE for off-campus workshops - Cumberland Lodge

## 7. Contingency and carry forward

A contingency will not be held back from individual departmental allocations and the current position is that departments will be permitted to carry forward unspent balances. This situation is reviewed annually in line with financial regulations.

## Departmental Funding – Appendix 2

### Staff Research Fund Guidelines (Account code: 1-Axx-1886-xxxxx)

1. The purpose of the Staff Research Fund (SRF) is to encourage and support research activity by academic staff.
2. Departments are to inform relevant staff of the amount available.

### Calculation

3. This figure is based on total monies available for SRF divided by total number of eligible staff for the current year (Departments should note that there can be no guarantee that this figure will be available for future allocations).

The eligible staff numbers for the SRF are based on data extracted from the HR staff database. Data is adjusted to include new appointments and known leavers (i.e. those known to be leaving by the start of the 2018-19 academic session) at the start of the academic year. It is then circulated to departmental managers for approval and signoff.

A list of eligible staff for each department is available from the Planning Division. Any queries relating to staff included on these lists can be addressed to Gary Barclay in the Planning Division.

*The SRF allocation for eligible members of staff in 2018-19 is £1,365 per FTE for Assistant Professors/Lecturers/Assistant Professorial Lecturers and £935 per FTE for Professors/Professorial Lecturers and Associate Professors/Readers/Senior Lecturers/Associate Professorial Lecturers.*

## Eligibility

4. The following staff based in an academic department are eligible:

- Professorial staff (including Professorial Lecturers and excluding centennial and visiting professors), Associate Professors/Associate Professorial Lecturers, Readers, Senior Lecturers, Assistant Professors/ Assistant Professorial Lecturers and Lecturers including 'In Practice' roles.

## Further Notes to Eligibility

5. Subject to staff satisfying the eligibility criteria set out in point 4 above, the following additional notes are supplied to help determine eligibility.
- 5.1 Both full-time and part-time staff are eligible; allocations for part time staff are adjusted in line with their FTE.
- 5.2 Where staff share their time between two or more departments the SRF allocation is split proportionately between departments or as agreed between the Planning Division and Departmental Managers.
- 5.3 The rule is one SRF per POST.
- i. If two staff share a post they must share the SRF.
  - ii. Replacements or temporary cover do not get a SRF allocation i.e. those covering eligible staff who leave during the year, or are on maternity leave; sabbatical leave or special buyout leave or are covering for academic role holders, i.e. the Pro Directors and the Deans of Graduate and Undergraduate Studies. In such cases it is expected that departmental managers will adjust individual allocations for the post being covered accordingly.
  - iii. Staff who are on unpaid leave for the whole year, i.e. covering the period 1 August 2018 to 31 July 2019, are ineligible for a SRF allocation. However, if their replacement is SBA1 or above then a SRF can be claimed for the replacement.
- 5.4 Emeritus staff (including those remaining at the School on teaching only contracts) are ineligible for SRF.
- 5.5 New appointments whose start date is after 1 February 2019 will not be eligible for a SRF allocation in 2018-19.
- 5.6 RQIF appointments in receipt of a research allowance as part of their contract are ineligible for SRF.
- 5.7 Centennial Professors, Professorial Research Fellows, Research Fellows and Visiting Professors are ineligible for SRF.

## Expenditure

### 6.1 Allowable Expenditure:

Any of the following costs incurred while undertaking research or to aid research through the hiring of hourly paid occasional research assistants are permissible, eligible expense codes are:



- 30190 Research Assistants (note: hourly paid only)
- 30500 Self employed suppliers and consultants
- 40013 Call Charges including mobile phones
- 43001 Equipment and refurbishment
- 43003 Furniture
- 43052 IT Equipment
- 44002 Stationery and consumables
- 44003 Postage and courier
- 44004 Duplication
- 45207 Teaching and Research material
- 46001 Computer hardware
- 46003 Application Software
- 46023 Computer Software
- 47001 Travel & Subsistence
- 49004 Hospitality
- 51001 Professional organisation memberships and subscriptions
- 52020 Advertisement
- 52082 Conference Attendance
- 52094 Training and development

## 6.2 Non-Allowable Expenditure

Purchase and maintenance of equipment for individual benefit or ownership. All, equipment purchased from school or research funds must be retained and administered through the department and 'etched' and insured through the School.

## Departmental Funding – Appendix 3

### Funding for Replacement of IT Equipment within Academic Departments (Account code: 1-Axx-0070-xxxxx)

For Academic Department staff a share of £157.2k on a pro-rata basis based on 2017-18 % split and for research students a share of £111.1k based on target 2018-19 research student numbers.

The research student FTE is initially based on total target FTE student numbers and is replaced with actual research student recruitment figures as at 31<sup>st</sup> October for the November rebalancing process.

Of the overall 'IT allocation' available 80% is allocated to Academic Departments and 20% is retained by IMT. The sum retained by IMT will still be spent on Departmental IT provision, but at the discretion of IMT – principally to purchase expensive items of software which cannot be accommodated within the allocation of an individual Department, where spend needs to be co-ordinated across Departments (e.g. when aggregating demand for specific items) or as a contingency for unplanned expenditure (e.g. if the latest version of a specific required item of software cannot be accommodated on the then 'standard' recommended or installed hardware base).

The following set of rules / principles will apply to this funding:

- IMT will monitor IT assets in use by Departments and their need for replacement or upgrade, in liaison with Departmental Managers and IT Representatives, to make sure all staff have a device that is 'fit for purpose' and fully functional. Departments will be strongly encouraged to replace such devices (principally PCs, laptops, and tablets) when they are no longer 'fit for purpose' e.g. they are not powerful enough to run the latest version of a piece of installed software or they are proving expensive or problematic to maintain or support.
- IMT reserves the right to insist that a device is upgraded or replaced if it is no longer 'fit for purpose' - they cannot 'support the unsupportable'. Any device must be replaced if it is 'end of life' as defined by IMT and evidenced by the agreement of the supplier of the device.
- Departments may purchase an item that is higher than the required or recommended specification (e.g. to 'future proof' it against the requirements of later software releases), or more expensive (e.g. because they want to buy an 'Apple' device rather than a 'Windows' device), but they will not receive any additional money to do so. They must be able to demonstrate that such a purchase represents value for money for the LSE.
- Departments will only procure IT equipment via IMT and any hardware or software purchased will be acquired, managed, and disposed of in line with Financial Regulations.
- Once devolved, the 'IT Allocation' will form part of a Department's 'supplies' budget and their ability to carry any 'unused' element forwards to a subsequent financial year, or otherwise manage it locally, will be undertaken in line with Financial Regulations.

- During the Summer Term, IMT will meet Departments to discuss the use of any remaining budget to purchase IT equipment for new starters from August 1<sup>st</sup>, or additional IT items to benefit their Department.
- The IT procurement process will be tracked and recorded in the IT Service Management tool, also using the new 'Aptos front end' when this becomes available. This will encompass any discussions of initial requirements, financial approval, equipment order, delivery, asset management and, eventually, asset disposal (i.e. the whole 'end to end' process). This will be made visible to staff through the IMT portal.
- IMT expect Departmental Managers and IT Representatives to be the key points of contact for managing and discussing use of the devolved budgets within their Department, the points of escalation for resolving any issues and for communications. They will meet their respective IMT Support Manager at least termly.
- If Departments are not maintaining the minimum expected level of spend on refreshing or upgrading their IT assets (which will be tracked via the use of specific APTOS sub codes), this will be brought to the attention of the Director of IMT for discussion with the relevant Departmental Manager and Head of Department.
- Departments will not be allowed to procure or manage servers without liaison with IMT as the implementation of a secure, zoned network requires decisions about their management (and both logical and physical locations) based on knowledge of the services to be provided by these servers and the proposed users of such services.
- IMT will continue to be responsible for the support, patching, maintenance and administrative accounts of IT assets.
- Two schemes have recently been introduced - (i) personal financial rewards (PFRs) (including teaching buy-out) for academic staff and (ii) research infrastructure and investment funding (RIIF) for departments and centres. There is a clear expectation that these schemes will be used to support those IT needs of Research Centres or Departmental Research Units that are not directly funded via Grants, but maximum use should be made of Grants for such purposes. The devolved 'IT allocation'; budgets are not intended to fund the IT needs of Research Centres.
- These arrangements will be reviewed after 18 months and will also be implemented across Professional Service Divisions once they have 'bedded down' within Academic Departments.

Allowable Expenditure: The Funding for Replacement of IT Equipment within Academic Departments must be charged to the eligible expense codes set out below:

- 43052 IT Equipment
- 46023 Computer Software

## Review schedule

Review interval	Next review due by	Next review start
Twice yearly (late July and early November)	20 July 2019	1 July 2019

## Version history

Version	Date	Approved by	Notes
1.0	31/7/18	PDPR / Director of Planning	Finance Division also contribute to the approval process via the fortnightly planning meetings at which this funding is discussed.
1.1	13/11/18	N/A	Amended to reflect rebalancing.
1.2	19/11/18	N/A	Formatting and text corrections

## Contacts

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## Communications and Training

Will this document be publicised through Internal Communications?	<b>No</b>
Will training needs arise from this policy	<b>No</b>
If Yes, please give details	