



To: Academic Staff in The Bartlett, Engineering, and Mathematical & Physical Sciences (BEAMS)

22 June 2016

Dear Colleagues

Revised arrangements for Discretionary Accounts

Following discussions at the Special Meeting of Academic Board on 9 June, I want to reassure you that the Senior Management Team and I have listened carefully to your concerns and, as requested, I am undertaking urgent action to address them.

The proposals outlined here should be regarded as an interim set of measures, pending the advice of the working group of Academic Board. I will be most grateful for the support of the working group in helping to find long term solutions to these issues.

We wish to make it clear that we recognise that academic discretionary accounts fulfil an important function at UCL and that we envisage them continuing so to do in perpetuity. There is not, and has never been, any intention to commandeer the monies in these accounts, nor to use them for any other purpose. Since Academic Board, we (UCL's Senior Management Team) have been working on resolving this issue in a way that works for all of us at UCL. Our principal focus has been to ensure that these interim measures deliver greater freedom to use academic discretionary accounts, whilst maintaining overall institutional financial sustainability. We believe that it is both desirable and possible to do both.

The proposals below distinguish between academic discretionary accounts - those held in the name of an individual academic - and departmental level accounts.

Individual academic discretionary accounts

The following principles and guidelines will apply with immediate effect to ensure greater freedom in using academic discretionary accounts, whilst maintaining sensible levels of overall financial control:

- Expenditure in academic discretionary accounts will not require notification as part of the annual planning cycle, where net expenditure is expected to be less than £50k;
- Non-pay expenditure below £5,000 on academic discretionary accounts will be approved, where it is in line with UCL's financial regulations, including the expenses policy;
- Staff bridging (e.g. postdoctoral staff) of up to 6 months on discretionary accounts will be approved whilst decisions on new grant applications are pending;
- Staff posts funded by academic discretionary accounts, excluding bridging, will remain subject to normal recruitment procedures;
- Full PhD studentships funded from academic discretionary accounts will remain subject to other postgraduate student policy considerations. This is to ensure that all PGR students are subject to the same entry requirements, oversight and recruitment processes;
- Partial studentships, for example extension to funding during CRS year, will be covered by the limit applied to non-pay expenditure and thus any extension of 3 months or less is automatically approved.

Academic discretionary balances and activity will be considered separately from overall discretionary balances. This will ensure that the financial position of the Faculty will not negatively impact on the ability of those holding academic discretionary accounts to use these funds appropriately to support academic continuity and excellence. Specifically:

- A separate Faculty budget for expenditure from academic discretionary accounts will be agreed within the overall budget for other activity or overall discretionary spend. This budget can be devolved to departmental level as appropriate;
- The budget will be monitored at Faculty level on a monthly basis to consider whether further provision is required.
- Where further provision is considered necessary this will be discussed between the Dean and School Finance Director to identify how this can be accommodated within the overall agreed budget/forecast.

Departmental discretionary accounts

We are aware that a number of proposals and strategic initiatives have had to be delayed because of the need to set budgets that meet challenging contribution targets for the Faculty. I have asked the School Finance Director and Faculty Managers to assemble the information on these initiatives to determine whether, as an interim measure, an alternative source of funding can be identified to support those that have the Dean's support.

I am confident that that these proposals will provide colleagues with the necessary flexibility to support the on-going academic activity which is vital to the continuing success of UCL, whilst ensuring that we also adhere to the principals of both academic and financial sustainability for our long term future.

With best wishes

A handwritten signature in black ink, appearing to be 'M. Arthur', written in a cursive style.