

**University of Sussex Financial Review**  
**Guidelines for Budget Holders**  
**March 2020**

**Introduction**

In light of the financial challenges facing the University from COVID-19, decisive action needs to be taken to restrict and control on-going expenditure in order to conserve cash and protect the longer-term financial health of the institution. In broad terms, if it is not contractual, mandatory or essential to the operational continuity of the institution, we would ask that you avoid incurring any costs. This document provides guidelines on the approach that needs to be taken by the University Leadership Team and all budget holders across the institution. For the avoidance of any doubt, these guidelines apply to the whole institution (Schools, Professional Service, Research, BSMS and all subsidiaries therein). These guidelines will apply until further notice.

The guidelines have been broken down into the following key categories of spend in order to provide as much clarity as possible:

1. Staff cost
2. Discretionary expenditure
3. Estates and Facilities Management (EFM)
4. IT, Asset replacement
5. Contracts and commitments
6. Miscellaneous

These guidelines are not meant to be exhaustive but aim to capture the principal areas of focus. Where you have queries or require further clarification, please refer to the category points of reference below and contact the relevant team.

It is worth noting the University recognises the need to support some initial incremental set-up costs to transition to online teaching and remote working, particularly with respect to IT. In addition to this, there will be costs borne on account of COVID-19 disruption such as travel costs for overseas students. These costs require prior approval in line with normal guidelines.

All essential spend should continue to be conducted in line with the existing Purchasing Policy. If there are circumstances where it appears that essential spend cannot be conducted within authorised processes, please contact the Finance Service Desk (FSD) who will provide further advice.

**Staff Cost**

The review and control of staff cost will be co-ordinated through the HR team under the management of the HR Director, Deputy HR Director and supported by HR Business Partners (HRBP). You should consult with your relevant HR Business Partner in the first instance, who will be able to support you with this process. There will be a requirement to review the following activities and associated areas of spend as follows:

Ref	Category	Guidelines	Who
SC1	Temporary staff	Non business critical posts currently held by temporary or agency staff will need to be reviewed and terminated as soon as possible. Where possible, the tasks should be reassigned to other members of your team or non-critical tasks may need to be temporarily suspended in order to focus on core business activity.	HoS DoPS

SC2	Associate Tutors, School Tutors, Doctoral Tutors, casual staff	Posts currently held by Tutors/work carried out by other casual staff, will need to be reviewed in light of forthcoming scheduled teaching and where possible, terminated as soon as possible (please note that where Tutors are employed on an open-ended rather than a fixed-term basis, you should discuss with your HRBP the process which should be followed). Where possible, the tasks should be reassigned to other members of your team or non-critical tasks may need to be temporarily suspended in order to focus on core business activity.	HoS DoPS
SC3	Fixed Term Contracts (FTC)	Where posts are currently filled by FTC and subject to renewal in the next 6 months, these need to be identified with your HRBP and reviewed in order to determine whether they are business critical or not. Non business critical roles should not be renewed. Where possible, the tasks should be reassigned to other members of your team or non-critical tasks may need to be temporarily suspended in order to focus on core business activity.	HoS DoPS
SC4	Recruitment	New roles where contracts have not yet been issued and formally accepted and a Right to Work (RTW) carried out, will need to be frozen indefinitely where they are not deemed to be business critical. This includes new roles that have previously been approved in the Post Panel or where recruitment processes have already started but have not progressed as far as a formal acceptance/RTW. The Post Panel will consequently be temporarily suspended until further notice.  The following circumstances will also need to be considered with a view to being cancelled and serviced through existing resource: <ul style="list-style-type: none"> <li>• Backfill for maternity/paternity leave</li> <li>• Backfill for illness</li> <li>• Backfill for research leave</li> </ul>	HoS DoPS

Where appropriate, other areas of discretionary staff related cost should be reviewed where cash savings can be made or deferred. These should be discussed with your relevant HRBP.

### Discretionary expenditure

The review and control of discretionary cost will be the responsibility of each Head of School (HoS) and Director of Professional Service (DoPS) supported by the relevant Finance Business Partner (FBP). Discretionary expenditure should be stopped where possible in order to conserve cash. The listing below serves to provide key areas of spend to review. Where appropriate, other areas of discretionary cost should be reviewed where cash savings can be made or deferred. These should be discussed with your relevant FBP.

Ref	Category	Guidelines	Who
DE1	Travel	Travel should be avoided as much as possible with alternative arrangements made unless it is business critical. In the event that travel is externally funded (including research funding) then this is fine to proceed.	HoS DoPS
DE2	Accommodation	Accommodation should be avoided where possible, with alternative arrangements made unless it is business critical.	HoS DoPS

DE3	Training & Conferences	Where training or conferences have not been contractually committed to and where there is not a statutory or compliance requirement, this should be stopped. Where there is a contractual commitment please do not make alternative arrangements without first consulting with Procurement via the FSD.	HoS DoPS
DE4	Licences	Where licences have not been contractually committed to and where there is not a statutory or compliance requirement, this should be stopped. Where there is a contractual commitment please do not make alternative arrangements without first consulting with Procurement via the FSD.	HoS DoPS
DE5	Subscriptions	Where subscriptions have not been contractually committed to and where there is not a statutory or compliance requirement, this should be stopped. Where there is a contractual commitment please do not make alternative arrangements without first consulting with Procurement via the FSD..	HoS DoPS
DE6	Printing, stationery and books	Printing, stationery and purchase of books should be kept to an absolute minimum.	HoS DoPS
DE7	Photocopy costs - MFD	All photocopy costs and the use of photocopiers needs to be reviewed with a view to reducing usage, the number of leased units and associated spend. Any leases for equipment that are not covered by the central agreement should not be renewed. Please ensure you contact procurement via FSD for any support required.	HoS DoPS
DE8	Catering for meetings	Teas, coffees and other catering for scheduled meetings to stop with immediate effect.	HoS DoPS
DE9	Entertainment and events	The funding of leaving parties and staff events will no longer be authorised. In addition, entertainment costs with external third parties will stop with immediate effect except in such cases where it is critical to income generation or other approved activity. These should be approved prior to commitment.	HoS DoPS
DE10	Miscellaneous	All other discretionary costs need to be reviewed to see where they can either be cancelled or deferred. Consult with your FBP to identify other areas of discretionary spend.	HoS DoPS

### Estates and Facilities Management cost

The review and control of Estates and Facilities Management (EFM) cost will be managed and coordinated by the Chief Operating Officer (COO) and Director of Estates, Facilities and Commercial Services (DoE) with the support of the EFM management team. A full assessment and review of discretionary spend on EFM will be undertaken in conjunction with SEF. The focus will be on undertaking essential works only. Should you have any queries in relation to discretionary works for Schools or Professional Service, please contact a member of the EFM management team.

Ref	Category	Guidelines	Who
EF1	General Repairs and Maintenance	EFM will only undertake essential maintenance and defer or cancel expenditure where possible.	DoE
EF2	School & PS Discretionary Works	Conduct a review with relevant HoS and DoPS for planned discretionary works to be undertaken with the focus being on essential works only.	DoE

EF3	SEF Service Levels	Conduct a radical review of existing and proposed service levels of SEF contract with a view to identifying areas of service that can be significantly scaled back or reduced.	DoE
EF4	Project works	Only essential projects to be undertaken and deferred or cancelled where possible. Conduct a review of summer works for pre and post 31 <sup>st</sup> July.	DoE
EF5	GTS and AV	Review summer programme for summer teaching and General Teaching Space (GTS) and Audio Visual (AV).	DoE
EF6	Long Term Maintenance (LTM)	Review the LTM plan with a view to reducing to only essential spend.	DoE COO
EF7	Roadmap	Review and decide upon the revised revenue budget for the Roadmap for next financial year, focusing on essential spend only.	DoE COO

### IT and asset replacement cost

With the exception of the specific circumstances detailed in IT1 below, all requests for IT equipment, IT Projects and related expenditure will be reviewed and controlled by the Director of IT and COO with the support of the ITS management team. As outlined in the introduction, there is a recognition for the requirement to support initial transition costs to accommodate the move online teaching and remote working.

No	Category	Response	Owner
	<b>IT, Asset replacement:</b>		
IT1	IT assets and equip	All new equipment, replacements or upgrades to be frozen unless the requirement is business critical. This position should be agreed with ITS and Director of IT (DoIT) except in the situation already agreed with DoIT where staff are urgently required to work remotely but do not currently have access to a computer at that location. In this case HoS/DoPS or nominated substitute can authorise.	DoIT/COO
IT2	IT Roadmap	Review and decide upon the revised revenue budget for the Roadmap for next financial year, focusing on essential spend only.	DoIT/COO
AR1	Furniture, Fixtures and Fittings	All new equipment, replacements or upgrades to be frozen unless the requirement is business critical. This position should be agreed with DoE.	DoE
AR2	Other assets	As above.	

### Contracts and commitments

We need to review all current and future contracts. These should be reviewed in the context of determining whether the goods or services continue to be essential to secure the operational continuity in your area and whether the commercial terms can be improved, or the scope of goods or services required can be reduced. Procurement should be contacted to support in the first instance. Please ensure that all non-essential Tender activity is ceased with immediate effect.

Ref	Category	Guidelines	Who
C1	Contracts and commitments	All existing contracts need to be reviewed with a view to identifying renewal milestones and break clauses. Discretionary contracts that are not core business requirements need to be reviewed with an aim of not renewing. Where applicable, please contact Procurement to assist via the FSD.	HoS DoPS

C2	Consultancy	Existing and future consultancy arrangements need to be reviewed in order to determine business criticality and to identify whether the arrangement can be frozen or deferred until a later date to save cash. Any new forms of consultancy being considered need to be frozen indefinitely where this is not deemed to be business critical. Please do not make any alternative arrangements with suppliers, including cancellation fees without consulting Procurement via the FSD.	HoS DoPS
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### Miscellaneous

Detailed below are a number of miscellaneous areas of expenditure that will be subject to review.

Ref	Category	Guidelines	Who
M1	Purchasing Cards	Finance systems and processes are operating as normal. Purchasing cards should continue to be used in accordance with the Purchasing Policy. Exceptions to this can only be agreed by the Director of Finance in advance.	HoS DoPS
M2	Consumables and equipment	Review consumable spend on materials, testing and laboratory equipment and actively look to reduce spend and restrict to absolutely essential items.	HoS DoPS
M3	Residue Accounts	Freeze spend for the financial year.	HoS
M4	Devolved Codes	Freeze spend for the financial year.	HoS
M5	Strategic Development Fund (SDF)	SDF spend is to be reviewed given the constraints on cash. A residual investment pot is to be established.	Provost
M6	Post Graduate Research (PGR) recruitment	We are pausing PGR student recruitment with immediate effect (this includes PGR places for 20/21 start even if an offer has already been made). A review process is currently being formulated and will be communicated in due course.	PVC Planning and Resources Provost
M7	Scholarships, Bursaries	All other scholarships, fee waivers, Researcher Training Support Grant (RTSG) and bursaries should be reviewed, and committed spend identified with associated levers that can be applied to reduce spend for the next financial year. A review process is currently being formulated and will be communicated in due course.	COO Provost PVC Planning and Resources
M8	Marketing costs	All major marketing and publicity costs of £10,000 and above to be sanctioned by the COO prior to committing expenditure.	Director External Relations /COO

Allan Spencer  
Director of Finance  
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