
4th EUA Funding Forum – Frameworks that empower, universities that deliver

Title: New Models to Support Campus Decisions

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Presentation Format

- The Association of University Directors of Estates (AUDE) remit, role
- A brief overview of Higher Education in the UK & current challenges
- The University Estate contributing to institutional strategy in terms of:
 - Lancaster University Strategic Objectives
 - Commercial income
 - Efficiency

Background to AUDE

- AUDE was founded 26 years ago
- AUDE represents University Estates Directors across the UK covering 150 institutions
- AUDE has strategic partners in North America, South Africa and Australasia
- AUDE is the group that advises Government and other agencies on emerging policy that may affect the University Estate
- AUDE has 8 regions which meet to discuss strategy and policy, there is an annual 3 day conference
- AUDE allows for colleagues to benchmark services and costs and is collegiate in sharing information and best practice

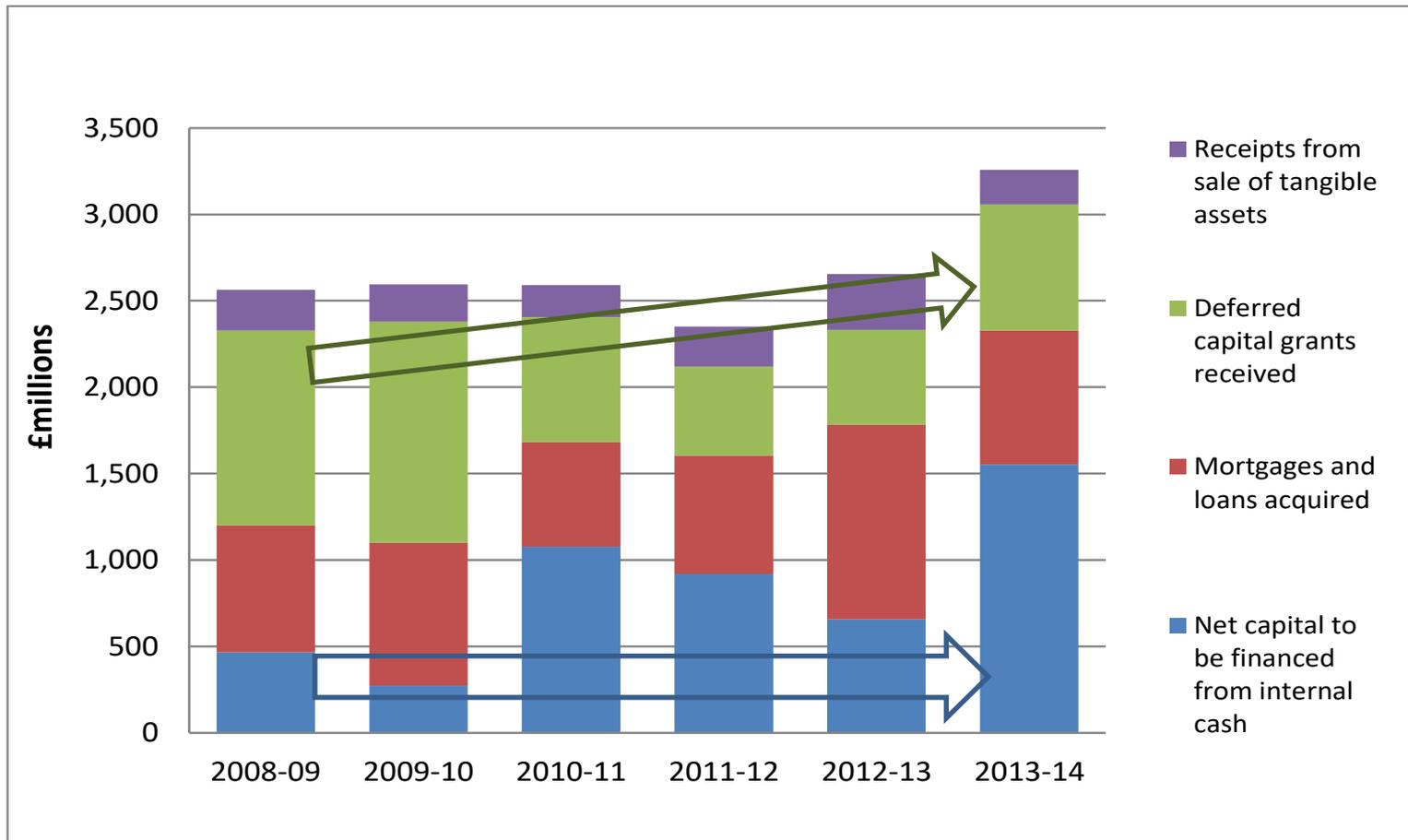
Key Higher Education University Data 17/18

- Total income £33.4Bn
- Home undergraduate students 1.9 M in total to include International
- The total Estate is 22,000,000 M2 Gross Internal Area
- Capital investment remains high at £3Bn for the third consecutive year as Universities compete for students by improving their Estates – this though is at the expense of backlog maintenance at c£3Bn

Big Challenges for UK Higher Education – a storm brewing.....

- The unknown impacts of BREXIT
- A highly regulated policy from the Government to VISAs making the UK look unwelcome to International students
- The deficit in the pension fund
- Demographic drop in students for next two years resulting in a drop in recruitment for some institutions.
- Market economy resulting in institutions competing for students
- Private providers entering market
- Office for Students as regulator
- Increasing Financial challenge.....

Financial Challenge: Reduction in Government investment....



Lancaster University , North West England



Lancaster University -League tables

UK triple top ten

6th

The Times and Sunday Times
Good University Guide 2019

9th

The Guardian University
Guide 2019

8th

The Complete University
Guide 2019



QS World University 2019

Out of 1,011 universities, Lancaster up four places to

131

Lancaster University: Strategic Objectives

- Student Number Growth
- Research that changes practice and thinking
- Teaching that transforms peoples lives and society
- Collaborations, partnerships & Engagement
- Best Staff, Best Place, digitally innovative
- Campus an inspiring place to be
- Sustainability in everything we do
- **Goal: To be the best Campus University in the UK**

How the Estate can assist in delivering Lancaster University Strategy

- Establishing an estate strategy that can deliver against the strategic plan in terms of academic growth, contraction, affordability, addressing building condition, sustainability
- Attraction and retention of Students and staff in a market economy
- Delivering and maintaining **an inspiring physical infrastructure** for teaching, research and living environments that will allow for an **ecosystem to be created for a great student and staff experience**

When it all changed 20011/12 – Government reform: Students at the Heart of the System

- The introduction of the £9k Fee has resulted in students becoming “**consumers**” for **commercial services** and “**partners**” to gain their academic qualification
- With a largely deregulated market Universities are competing to attract students, the Estate and Facilities play an important role and need to be **commercially run** and **flexible** to respond to change.

UK Higher Education Income and Expenditure – importance of Commercial income

Year	2013/14	2014/15
Total Income	£30.7Bn	£33.2Bn
Total Expenditure	£29.4Bn	£31.2Bn
Surplus/Deficit of Sector	£1.3Bn	£2.0Bn
Contribution of “Other” Commercial Income	£5.6Bn	£6.1Bn
Impact on surplus/ deficit without other income	-£4.3Bn	-£4.1Bn

Making your Estate work hard

- **Good quality** and **flexible** academic buildings able to be adapted quickly
- Residential Accommodation, Catering Services, Hotel and Conference income
- Sport and fitness
- Energy management
- Commercially leased space to spin out companies or companies connected with academic and research strategy, Intellectual Property
- Philanthropy and endowments
- Collaborate and partner with “others”

How the Estate can assist in delivering efficiency

- The cost of the Estate is usually second after staff costs
- The AUDE Estate Management Record (EMR) is published annually and has been in existence for over 10 years
- This is a national data set that influences Estate Strategy and allows for sector benchmarking
- Benchmarking can be undertaken for peer groups
- EMR is used to drive up standards and contribute to Institution Key Performance Indicators

Key Estates Data from EMR

There are many ratios in the data set but some key ones include:

- Total property costs/m² Gross Internal Area
- Total Area/student & Staff full time equivalent
- Total Income/m²
- Capital & Maintenance investment as % of income
- Building physical condition
- Total Residential and Catering income
- Energy consumption and sustainability targets