

Royal College of Music

Sustainable Infrastructure Framework

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Introduction and Context

The College's strategy for sustainability is set within the context of its overall strategic objectives as established in the RCM Strategic Plan 2007 to 2017. Whilst the Strategic Plan sets out the College's ten-year vision, priorities and objectives, it also establishes a framework for the management, planning and development of key elements of the College's infrastructure. Individual strategic plans have been developed for financial sustainability, human resources, information and communications technology and estates to demonstrate how the College's infrastructure will support its strategic mission and ensure sustainability. Each resource strategy is fully costed and costs are updated annually to reflect planning decisions, assumptions and priorities. The Five-year Financial Forecasts incorporate costs of supporting each strategy.

This document sets out the relationship between the College's strategic objectives and its management of its infrastructure and demonstrates how the RCM is responding to changing demands and investing in its infrastructure at an appropriate rate to ensure that the needs of students, funders, sponsors and other customers are met.

The planning process

The College has integrated sustainable management within its planning process. The RCM Council is responsible for strategic planning, including approval of the Strategic Plan, which sets out the College's mission and key objectives for the planning period. Strategic plans for key academic and support activities are developed within the context of the RCM Strategic Plan 2007 to 2017.

Infrastructure planning at the RCM is integrated fully within the strategic and operational planning processes. Project management is undertaken in-line with the College's Project Management Strategy and option appraisals are undertaken in accordance with established good practice.

The RCM has up-to-date strategies in all key infrastructure areas including

- Financial Sustainability Strategy 2009/10 to 2012/13
- HR Strategy 2008 to 2010
- ICT Strategy 2007 to 2017
- Estates Strategy 2010 to 2017
- Principles for Allocation of Capital Funds

Each strategy has been approved by Council and is reviewed regularly and the strategies are linked directly into the RCM Strategic Plan 2007 to 2017. The Strategic Plan establishes the College's objectives and priorities and is supported by an annual Corporate Planning Statement. The Corporate Planning Statement reports progress against strategic objectives and sets targets for the following year. Each of the College's six Directors is responsible and accountable for the delivery of their Corporate Planning Statement targets and each Director provides progress reports through weekly Directorate meetings and termly awaydays. The Corporate Planning Statement is reviewed and approved annually by the RCM Council.

The College's Financial Regulations outline the protocols for infrastructure planning and include guidance on format for costings or investment appraisals, which must comply with appropriate HEFCE guidance.

The annual planning cycle culminates in the production of a formal Annual Monitoring Statement (AMS) and Corporate Planning Statement (CPS) at the end of each academic year. The Statements are produced by the Deputy Director in collaboration with the Directorate, and report progress against all of the targets agreed by the Council and set out further action to be taken during the following year. The statements are considered by the Council at its autumn term meeting alongside the College's Five-year Financial Forecasts, which reflect the resource implications of any planning decisions. Both statements and the financial forecasts are then submitted to the HEFCE.

Risk management

The College also has a comprehensive risk management process which provides a mechanism for identifying the impact of activities and where necessary, appropriate management action.

The purpose of risk management for the RCM is to help to ensure that the College's strategic aims are achieved. The system of internal control is intended to manage, rather than to eliminate, the risk of failure to achieve policies, aims and objectives.

The strategy is based on identification of the benefits that the College wishes to achieve, the main risks to this and assessment of the level of exposure that is regarded as appropriate to take in particular areas. In determining acceptable levels of exposure, the Finance and General Purposes Committee of the RCM Council plays a decisive role, acting as the College's Risk Management Committee. The Audit Committee and RCM Council are advised on the effectiveness of the establishment and implementation of risk management on a regular basis and formally in an annual report.

Demonstrating sustainability

Extracts and summaries from the strategic plans for the four key elements of the College's infrastructure – financial sustainability, human resources, information and communications technology and estates are set out below to demonstrate the College's approach to ensuring sustainability in these areas.

Financial Sustainability

The Financial Sustainability Strategy is concerned with the overall sustainability of the College, and the generation and management of the financial resources needed to achieve the objectives set out in the RCM Strategic Plan. Specifically, the College's Financial Sustainability Strategy enables it to:

- evaluate strategic opportunities and manage financial risks;
- direct financial resources in support of the Strategic Plan;
- plan future resource needs;
- manage its financial resources; and
- sustain the College's distinctive mission and positioning in the current financial environment.

In order to ensure our long-term financial sustainability the College has agreed that we must achieve a target surplus of £500Kpa by 2012/13, together with minimum cash holdings of 30 days cover.

We must generate further income/savings in order to achieve our target surplus and each Director has undertaken a detailed review of their areas of responsibility and identified additional income targets and/or potential savings of £1.2Mpa, to be achieved by 2012/13.

Teaching

- Overseas student recruitment: The College has agreed a target for additional overseas recruitment of 10 FTE students by 2012/13.
- New teaching programmes: Two new postgraduate programmes will commence in 2011/12 – the DMA and MSc in Performance Science.

Junior Department

- A mixture of tuition fee increases, restructuring the teaching year and changes to provision

Research

- Funded Research: The updated Research Strategy includes a target of £225Kpa as a contribution to existing costs and indirect costs.

Performance

- Concert & Opera: There will be closer incorporation of marketing perspectives included in the artistic planning process and new controls on complementary tickets from 1 April 2010.

Staff

- Staff: Various vacancies and retirements over the planning period will allow us to make savings.
- VfM review of payment system for professors: The Review reported to Directorate in February and identified potential savings of £20Kpa, an implementation and consultation plan is currently being drafted.
- Senior staff reorganisation: the Artistic Director post has been created to replace the current posts of Director of Artistic Policy and Head of Performance Management, to add to the new post of Director of Programmes & Research which replaces the posts of Dean and Head of Graduate School, savings two senior salaries

Other

- Development: Targets will be met by expanding the Opera Circle, Corporate Patrons and other individual giving. Significant progress has been made and targets for 2010/11 have already been achieved.
- Lettings: The College has commenced regular collection of space usage data and this will be used to help increase space utilisation, including use for lettings.
- Catering: A new catering contractor was appointed in January 2010 and the new team, working with the College, will be implementing changes in order to improve the quality of catering and achieve financial targets.
- Review of maintenance and FM contracts: A review was undertaken and £77Kpa of savings identified.

- Other operating expenditure: Savings will be achieved through budget reductions and improved procurement practice.

Human Resources

The aims of the Human Resources Strategy are as follows:

- to set out a vision for the future operation of the College in HR terms, based on current and likely future needs
- to provide a plan to guide the development of staff, the operations of the College as employer, and the management of HR issues, in ways that will help to achieve this vision
- to provide an overall framework to support current and future HR initiatives
- to assist in the identification of issues and problems that may need to be addressed

The main thrust of the College's original HR Strategy 2002, was the six priority areas identified by HEFCE:

- i. Recruitment and retention
- ii. Staff development and training
- iii. Equal opportunities
- iv. Reviews of staffing needs
- v. Annual performance reviews of staff
- vi. Action to tackle poor performance

The HR Strategy was revised and updated in 2008 to take account of the greatly expanded range of services that the HR Department provides for the College and its staff and in addition to the above priorities also incorporates the following new and additional priority areas.

The College will:

- Introduce a new HR database in 2008 (Midland) to maximize HR processes and streamline the work of the HR Department
- Introduce a Self Assessment Tool to enable regular annual analysis of the College' HR performance
- Finalise and implement a Reward Strategy for the College (to include contribution points and market supplements)
- Hold an Equal pay review in partnership with staff representatives within 12 months of finalizing the College's Reward Strategy
- Provide HR support for the creation of the College's research strategy post-RAE
- Prepare for and then implement a single Equality scheme
- Transfer and embed Junior Department HR procedures within the HR Department
- Review sickness procedures and absence monitoring
- Revise the appraisal system for hourly paid professors

- Review the College’s disciplinary and grievance procedures (in line with the revision of the charter and statutes)
- Provide staff training opportunities to support staff in the introduction of e-learning in all its forms
- Introduce procedures to ensure compliance with the Independent Safeguarding Authority Scheme
- Introduce necessary procedures to ensure compliance with the new points-based immigration system.

Information and Communications Technology (ICT)

ICT Mission Statement

To enable the Royal College of Music to provide an inspirational learning experience for students and to provide staff with access to a managed technology enterprise, allowing the effective teaching and administrative operation of the College.

ICT Charter:

- *enable technological development and change at the Royal College of Music;*
- *provide an excellent and inclusive service to every user, responding to, meeting and exceeding agreed service levels;*
- *understand that ICT is not a lingua-franca understood by everybody, but to offer an informative service to users in a language they readily understand.*
- *provide services that are needed in a way that captures and demonstrates the best in industry standard practices and methodologies*

The ICT Strategy is designed to enable the delivery of effective ICT Services to the Royal College of Music. The overriding aim of this strategy is to support the provision of an inspirational learning experience for students and to allow the College’s ICT function to support effectively the teaching and administrative functions of the College. This strategy takes into account: the current ICT operation and capabilities, 2007 audit findings/recommendations and future strategic plans for the College.

This strategy focuses on 3 phases of transition, taking into account the nebulous state of Technology further than 5-10 years ahead. These 3 phases enable ICT to state clearly the environment and mode of operation within these specific timeframes:

- Year 1 – Stabilisation
- Years 2 - 4 – Transformation
- Years 5 - 10 – Optimisation

The strategy will form the basis of all ICT activity, and will fall under an annual review/refresh cycle in order to remain current and suitably aligned to the College’s own strategy and direction as this develops.

Year 1 – Stabilisation

ICT becomes a service led delivery unit which understands the business environment it operates within and aligns its activity with the needs of the staff and student bodies. Targeted ‘smart’ investment in Technology, People and Process mitigates all areas of high risk. Strategic collaborative partnerships have been built leveraging specialist knowledge and provision to the benefit of the College.

Years 2 to 4 – Transformation

ICT becomes a centralised and fully managed provider of services which are aligned to identify business needs. ICT is focussed on core College business areas of activity and leveraging partnerships in the delivery of non-core areas.

A complementary range of new ICT services and solutions are being implemented to streamline the academic processes of the College. The e-learning environment becomes a lively, stimulating and engaging platform for learning and teaching. ICT services offer the possibility of further widening the College’s participation with distance learning programmes. Initiatives such as RCM ‘Listen Again’ are increasing the College’s global reach. The integration of e-learning systems with the College’s administrative systems is in progress.

ICT is now a leading enabler of business change within the College, with a keen understanding of how current and upcoming technology can be embedded and utilised in the business of Music education.

A committee with responsibility for projects (including ICT projects) provides organisational governance and institutional “buy-in” before projects are approved, ensuring all approved projects have the support of relevant parties within the College and can be clearly seen to meet the College’s business needs. Conversely, this mechanism allows for the consideration of a project’s technological needs, when projects from other academic disciplines in the College are implemented.

Years 5 to 10 – Optimisation

RCM ICT becomes a highly optimised unit delivering services and solutions in a rapid and adaptive way which satisfies the changing demands and needs of the College. The technology enterprise remains robust and stable and always remaining ‘current’ and abreast of the latest developments. ICT now has a proven track record and accepted project management method for taking research findings and incorporating them into new services for the College’s academic business.

Estates

The College’s estate is one of its most valuable assets. The look and feel of the estate has a major bearing on perceptions of the College as a whole by staff, students and other stakeholders. The College takes pride in its open and accessible musical environment and the Estates Strategy seeks to reflect this, by providing a welcoming, open, yet secure estate for national and international students, visitors and staff. By 2017, the Royal College of Music will offer up-to-date physical access and circulation, with performance, concert and practice facilities that replicate professional conditions and reflect contemporary standards of sound insulation and lighting across its whole estate.

The Estates Strategy sets out the plan to deliver:

- concert, opera and other performance spaces that reflect contemporary standards of sound insulation and lighting;
- well resourced and comfortable teaching and practice rooms, appropriate to the needs of students;
- space for specialist areas: e.g. musical instrument workshops, the Museum of Musical Instruments, halls of residence, library, recording studios, percussion rehearsal space, electronic keyboard skills lab and dedicated computer rooms for score writing and general IT;
- flexible office space for academic and administrative staff;
- good quality accommodation for the Students' Association, student social space, the senior common room, catering, cloakrooms and other central facilities;
- attractive public areas designed to provide a welcoming environment to visitors;
- events space that is maintained at a level which attracts clients from the music, educational, professional and commercial world.

In delivering its estate the College will develop a single vision for its estate support services, incorporating:

- a friendly, welcoming, well informed, front-of-house reception service;
- co-ordinated backroom services to support fully delivery of teaching, performance and events;
- a clean, well decorated, tidy and comfortable environment;
- a holistic approach to managing its buildings to provide integrated delivery of events management, facilities services, planned and responsive maintenance, security and cleaning.

The Estates Strategy is designed to take a broad overview of the estate and ensure that there is consistency between the strategic direction of the College and the efficient management of the estate. The Strategy takes account of planned changes in student and staff numbers, research activity, changes in teaching and learning methods and of increased use of the facilities by external customers. It is also set within the constraints of the College's financial position, local planning considerations and the age and structural deficits of the buildings.

It is also fundamental to the Estates Strategy that implementation of the Strategy is undertaken in a manner, which will achieve best practice in DDA compliance and will be integrated fully with the College's Disability Statement. The Strategy will be reviewed regularly, and measured against the RCM Strategic Plan, to ensure that changes to the estate and investment plans are in line with the College's long-term and short-term objectives.

Financing the Estates Strategy

The College has identified the infrastructure investment required and is confident that current and planned expenditure is sufficient to meet future needs. A 10 year action plan (2010 to 2020) has been developed to implement the recommendations in the Estates Condition Survey and to support the Estates Strategy. Excluding development of the East Courtyard, reconfiguring the

South Building and developing College Hall, the Estates Strategy is estimated to cost £3.3 million up to 2017 and £4.3 million to 2020.

Indicative costs for the East Courtyard development are £10 million and costs of reconfiguring the South Building are likely to be in the region of £3 million, with estimated fit-out costs of £2 million. It is planned to establish a fundraising appeal to meet the costs of the East Courtyard and South Building and this will also include related costs in the Amaryllis Fleming Concert Hall building and Britten Theatre, with a target of £15 million, with a further £5 million as an endowment to meet running costs. A supplementary Development Strategy is being produced to outline how this will be achieved.

College Hall will be developed in partnership with a commercial partner and a feasibility study will be undertaken in 2010. It is likely that there will still be substantial project costs for the College, in the region of £750,000 and the College will seek to incorporate these costs in the partner's budget, failing this funds will be drawn from reserves, through sale of long-term investments.

The costs of the Estates Strategy (excluding the East Courtyard, College Hall and the South Building) together with sources of funding are incorporated into a detailed 10-year plan. For the 10 years of the plan there is excess funding of £850,000, which provides a contingency funding of 20%.

Estates Running Costs

In 2008/09 the Colleges running costs were £2.4 million. A Planned Preventative Maintenance Programme (PPM) was established in 2009. Currently it focuses on M&E, H&S, general maintenance and upkeep of the Amaryllis Fleming Concert Hall. The PPM is undertaken mainly by staff in the RCM Maintenance Department, with the remainder by approved M&E service contracts. The PPM has enhanced the RCM maintenance team's understanding of maintenance of the College and enabled them to take greater ownership of this area.

As we continue to develop the PPM, it will assist in timely identification and planning for necessary capital works. Another aspect to the PPM is that it renders the College less reliant on contractors and this has led to significant cuts in contract costs - in part due to an 80% reduction in reactive maintenance.

The PPM forms an integral part of the College's Estates Strategy and the next step is to expand the PPM to capital works, with works split between the in-house team and external contractors. In-house works will be programmed, where practicable, for vacation periods and contractor works will be tendered in-line with RCM financial regulations.

The College will benchmark itself regularly against sector comparative data and will also undertake regular self-assessments of the institution's estate management capability. In June 2010 the Estates Committee will consider the College's AUDESAT self-assessment and action plan.

Principles for Allocation of Capital Funds

In order to support fully its Strategic Plan the College has adopted the following principles for the allocation of capital funds

Overriding Principle:

- expenditure will support clearly the RCM strategic plan.

Subsidiary principles:

- expenditure supports clearly, RCM support strategies;
- expenditure leads to an increase in future income or reduction of expenditure;
- expenditure meets specific legislative and health and safety requirements;
- expenditure supports RCM-wide activities and facilities similar to those sought are not already available in the College. Preference will be given to collaborative proposals from more than one department.

Conclusion

The College has established dynamic processes to ensure its infrastructure is managed in a sustainable way and decision making is fully integrated between academic and support areas. By developing and implementing comprehensive strategic plans for the key elements of its infrastructure – finance, human resources, information and communications technology and estates – the College is able to demonstrate that investment in these areas is both at an appropriate level and in activities which support strategic objectives and the needs of key user groups. However, it is recognised that the demands upon the College will change and the College remains committed to regular review, monitoring and updating of plans to ensure continuing sustainability.