



Professional HE Services

# Annual Report 2019

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# About this report

This annual report is the second produced by PHES as a group. While last year's report was more of a 'highlights reel' for each of the Special Interest Organisations (SIOs) under PHES, this report is our first step towards adopting some of the principles of the Integrated Reporting (IR) framework (see [www.integratedreporting.org](http://www.integratedreporting.org)).

Integrated Reports don't just talk about the numbers, or list achievements. They look at how all the different resources in an organisation (what the IR framework calls 'Capitals') impact on each other. It's about how an organisation works, as well as what it does and the value it creates.

An Integrated Report reflects the strategic decision making and integrated thinking that happens throughout the year, as well as the cumulative effect that thinking has on how the organisation is run over many years. We hope this report gives you an insight into how PHES thinks and works, and demonstrates that the organisation is not just a good idea, but one that is realized – that delivers value to its university members in the short-term, and is a sustainable and worthwhile long-term investment.

The differences in the timings in business cycles between each of the member organisations of PHES is a challenge for comparative reporting. Readers will get the general picture if they think of this as the '18/19' PHES annual report. However, more precisely;

The **narrative** for this report covers the period between each of the SIO's two most recent annual conferences, which for BUFDG and AUDE are in April each year (so April 18 – April 19), for HESPA it's February, and for UHR it's May.

The **statistics** for this report cover the whole of PHES, and for the period 1st April 2018 to 31st March 2019.

The **financial information** for this report covers the most recent complete PHES financial year, which is from the 1st August 2017 to 31st July 2018.

# PHES

## About PHES

PHES is a not-for-profit company limited by guarantee, and is owned entirely by its member HE institutions. It is a shared service that provides the legal framework for different HE sector organisations to be run effectively and share staff and operational resources. There are currently four sector organisations under the PHES 'umbrella'; BUFDG, AUDE, HESPA, and UHR. Each has complete autonomy to run its finances within the financial sustainability rules set out in the PHES agreement. Each organisation has its own structure and terms of reference and is run by its own executive. PHES has the following objectives:

1. To provide a legal and governance framework for its SIOs
2. To support member institutions on matters of operation, administration of, and policy affecting HE professional services by:
  - a. Being the pre-eminent source, and recognised channel for the provision, dissemination, and analysis of information, advice and comment
  - b. Promoting high standards and best practice
  - c. Providing appropriate opportunities for members' staff professional development
  - d. Working in partnership with related organisations
3. To assist members by any other means in carrying on their businesses.

**153**  
Events we've run

**271,175**  
Discussion views

# Who's who?

PHES is managed by an Executive Board, which is supported by the Managing Director, **Dominic Fryer**. The Board also includes:

## Gill Ball OBE

Gill was the Director of Finance at the University of Birmingham, and continues to engage with the sector through OfS and delivering Advance HE programmes, as well as working directly with HE institutions.

## Melvyn Keen

Melvyn was the Deputy Chief Executive at Middlesex University and, prior to that, Deputy VC and Director of Finance. He is now programme director of Advance HE's Strategic Finance Programme.

The Directors delegate responsibility for day-to-day management of the associations to the most senior member of staff working on behalf of that association. The Executive Directors of the four SIOs, as well as their respective staff, are shown in the table below:



## PHES

Managing Director

Dominic Fryer

Financial Operations Manager

Karen Newcombe

Events Manager

Gill Birch

Membership Officers

Jemma Ladkin

Ruth Turner



## BUFDG

Executive Director

Karel Thomas

Tax Specialist

Amanda Darley

Procurement Specialist (HEPA)

Ashley Shelbrooke

Payroll and Employment Taxes Specialist

Caroline Jones

Head of Membership

Matt Sisson

Learning and Development Manager

Rachel McLone



## AUDE

Executive Director

Jane White

Project and Engagement Manager

Cheryl Pick

Events Manager

Corinne Merriman

Communications Officer (0.5 FTE)

Martin Higgs\*



## UHR

Executive Director

Helen Scott

CPD Manager

Naomi Holloway

Communications Officer (0.5FTE)

Martin Higgs\*



## HESPA

Executive Director

Jen Summerton

\*Martin's role is split between AUDE and UHR.

**669**  
News articles

## The benefits of PHES

There are many benefits to HE membership organisations being part of PHES, which in turn benefit their member institutions.

- The existing, shared legal framework and terms of reference ensures each SIO does not have to go through the expensive process of establishing their own separate, legal entity
- The shared accounting and governance services through the PHES board are a considerable efficiency saving over each organisation contracting separately with, or employing an accounting function
- The shared staff resources offer considerable savings to all organisations and to their university members. Savings extend to the collection of subscription fees, where the subscriptions of all four organisations are collected on the same invoice
- The database and Content Management System form the 'engine' that runs behind all five organisational websites. This provides significant savings as each organisation does not have to establish and pay for its own website development, and improvements to one can be shared across all of them. Each organisation can also help the others in keeping the institutional and individual data up to date

Perhaps the biggest benefit however is that, as members of PHES, the staff of each organisation share the same building and, in some cases, the same room. As there are many similarities between membership organisations, the proximity of staff allows each of the organisations to learn and benefit from all the others. There are joint PHES team meetings three times a year to facilitate this.

**2,222**  
Jobs vacancies  
advertised

**606,000**  
Web views

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# Introduction from the Managing Director



The last 12 months in Higher Education have been full of challenges; the wheels of the student recruitment cycle turned again, with institutional winners and losers in an increasingly competitive marketplace; the recent ONS report on the treatment of student loans in the public sector finances and national accounts; rising pension costs; and the eventual publication of the Augar review.

All of this has taken place amid turmoil in the wider political world, dominated by preparations for Brexit. The road ahead for the next 12 months doesn't look any less fraught with danger either, but a key priority for PHES and our associations is to ensure that we are maximising the resources and resilience of all sector bodies

– to support our members' effectiveness and sustainability, and to work together to influence and inform sensible debate.

One of the main reasons PHES exists is to support the associations that operate within it. We do that in a variety of ways, and often the most rewarding is when we work collectively across the four member associations. There have been a number of jointly run CPD events throughout the year, the launch of a shared e-learning platform and 3 PHES staff meetings which always leave me energised and inspired by the ideas, commitment and culture within the team.

In November we welcomed Ruth Turner who joins Jemma Ladkin as a Membership Officer. They perform a crucial support role shared across all our associations, putting Ruth and Jemma in the unique position of being able to spot opportunities for collaboration around member engagement. We are also recruiting a new digital post to support the associations' digital projects and provide us with some dedicated expertise.

I have just returned from the last of the four big annual conferences our associations run, and it is truly

**729**  
New documents  
added

**104,764**  
Document  
downloads

inspirational to see so many members engaging with peers, sponsors and partner organisations. This year PHES has taken the lead to streamline processes around the conferences, working with our event organisers Assured Events to get the most value for members out of those 2 or 3 days. We also have big plans over the next few years around developing our websites and how we engage with members. At the heart of our plans is making sure our websites help our members connect with each other, and with all the great work our SIOs do.

We strive to find efficiencies in our processes and save costs by doing things once across all 4 associations, however, it is important to recognise that each association is different. These are unique organisational relationships, but ones that our associations agree are heading in the right direction. On behalf of the PHES Directors, I would like to thank the Executive Committees of the 4 associations for their continued support and we look forward to working together over the next 12 months.

**Dominic Fryer**  
Managing Director

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# Themes from the PHES journey

While each SIO in PHES pursues its own strategy and objectives, each is subject to the same changes in HE climate, and each has institutional members that share the same challenges. In addition, there are common challenges facing each of the SIOs as membership organisations. The SIOs use the regular PHES staff meetings to share these issues and ideas and discuss the emerging themes. Here are two of the standout themes that have been a feature of the PHES journey in the last year:

## Collaboration

It can be easier said than done, but our member institutions, the broader sector, and the PHES SIOs themselves could all benefit from more, and more effective collaboration. This isn't just about saving money, but about learning how working together can help us all be more effective and deliver better value for members.

We use our conferences, networking events, working groups, and discussion boards to facilitate collaboration between member institutions, but we can always improve. We've been talking about how we can make our conferences more relevant, and while we've held many more joint events this year than the last, we could still hold more to help members from different professional disciplines make those useful, and sometimes crucial connections.

As well as joint events, we've worked together on several different projects this year, including on the business rates revaluation, national minimum wage guidelines, and senior staff pay. And we're regularly discussing internal initiatives to support more collaborative working across the SIO staff teams. This year they have included a system for centrally sharing news of projects and workloads, and staff personality profiling, that aims to improve communication and productivity.



**1,244**  
Discussion  
topics

**5,774**  
Twitter  
followers

**4,171**  
Discussion  
posts

## Expansion

PHES grew at the start of this year with the addition of UHR, and a fifth SIO will join the company later in 2019. Staff numbers will also increase this year, with several new appointments (See the MD introduction) for HESPA, AUDE, and the PHES administrative team. All SIOs are expecting at least a small increase in income and expenditure this year, and both AUDE and UHR are proactively recruiting additional institutional members. BUFDG will launch a new higher-tier subscription level that includes the provision of a suite of professional e-learning courses.

Expansion is exciting, but it can only happen because our member institutions are happy to support the work that we do, whether in increased subscription fees, attendance at events, contribution to working groups, or continued engagement with the network. PHES SIOs need to work hard to make sure that expansion is never for its own sake, but that it clearly corresponds to an increase in the value that we deliver for members.

# SIO highlights



## BUFDG – Value Videos

Universities are fascinating and diverse organisations, that contribute immeasurably to social, cultural, and economic life. Despite this, universities often struggle to communicate their value. BUFDG sought to help by producing a series of six short videos targeted at those in the sector, as well as the wider public. The videos looked at what universities are, the challenges they face, how they create value, how they are funded (in England), how they invest public funds, and how their culture is adapting to the world around them. The videos are available from the 'About Us' section of the [BUFDG website](#).

## BUFDG – E-learning

Last year BUFDG launched its new e-learning system, and members have been making use of the 12 free finance and procurement modules, including an Introduction to HE finance, the Criminal Finances Act, an introduction to Counter-Fraud, Spend analysis, and Cost modelling. In the last year the team has been working hard to prepare a new three-year plan of continual improvement for the e-learning system. This will see another 10-12 modules added to the system each year, available as part of the new BUFDG Pro subscription service, which will be launched in August.



## AUDE – Capital Costs Database

Throughout 2018 AUDE worked to scope and develop a database that will allow members to benchmark their spending on capital projects against spending on similar work by other universities. The functionality of the database has been developed together with AECOM, specifically for the HE sector. When the database is launched for members in late 2019, they will be able to model scenarios on variables including geography, type of building, cost per square metre, and inflation, as well as comparing costs and exporting reports to support their decision making.

## AUDE – Sustainability Leadership Scorecard

The Sustainability Leadership Scorecard (SLS) was launched in Summer 2018 and is designed to bring together a wide range of measures, tools and accreditations into one place. AUDE recognised that sustainability is a multi-faceted and even confusing issue, and that universities need one tool to help them see the whole. The SLS is that tool. It brings together the entirety of an institution's activity on sustainability into one place and provides the reports that allow measurement and communication of progress and success.



## UHR – CPD Focus

UHR's work to support individual members through their careers is a key element of our remit. Our training courses are closely aligned to the Chartered Institute of Personnel and Development's new Professions Map. In 2018 we ran an increased number of courses collaboratively with PHES colleague organisations including AUDE and BUFDG. The ability to work successfully with colleagues with other professional backgrounds is frequently an indicator of likely project success, and delegates from both sides of a professional divide can benefit from shared learning opportunities.

## UHR – A Voice for HR in the Sector

Much of UHR's most important work is carried on behind the scenes as it is influential across the sector in support of better working lives and careers. In 2018 we worked on issues including career development for researchers; pensions, pay and reward; and racial harassment on campus. We also work closely with partner organisations including the Public Services People Managers Association and Healthcare People Management Association in an aligned group representing more than 6 million workers.



## HESPA – Planning Remit Survey

People often ask what it is that strategic planners do. Due to the variety of HEIs and planning roles in the sector, this is an increasingly difficult question to answer, and makes HESPA's job in supporting members challenging. To this end, it runs a biennial survey that examines the roles, remits, responsibilities and structures of strategic planning teams at universities across the UK. The results of this survey are useful to members for benchmarking and development, while also helping HESPA understand its members and the HE planning environment, and prioritise resources. You can view the results of the survey at [planningremitssurvey.hespa.ac.uk](http://planningremitssurvey.hespa.ac.uk).

## HESPA – HESPA Development

HESPA is launching a new sub-brand of HESPA called HESPA Development. Essentially, this is HESPA's training arm and includes a programme of events covering a wide array of different topics, in line with the results of our Planning Remit Survey. It offers different types of training; small, specialist learning, premium training days with renowned paid-for speakers/facilitators; affordable special interest group workshops, large-scale conferences, core technical training for planners, and other provision as the need arises. The decision to bring this under an umbrella sub-brand is part of a wider discussion to neaten up the various strands of HESPA's work. HESPA Development will also be joined by HESPA Advocacy and HESPA Networks as part of a more structured way of housing our various activities.

# Finances and value

The year ended 31st July 2018 was the first with PHES as a fully taxable and VATable company. The transition from the cost-sharing group was smooth and unproblematic thanks to our in-house financial management by the Financial Operations Manager, Karen Newcombe.

Each SIO is independent and makes its own budgets and forecasts with the support of Karen, and these are then approved at each SIO's AGM. The group's collective results (see below) were in line both with expectations and with PHES's policy regarding financial sustainability. PHES company finances are ultimately overseen by the PHES board and verified by an external accountant.

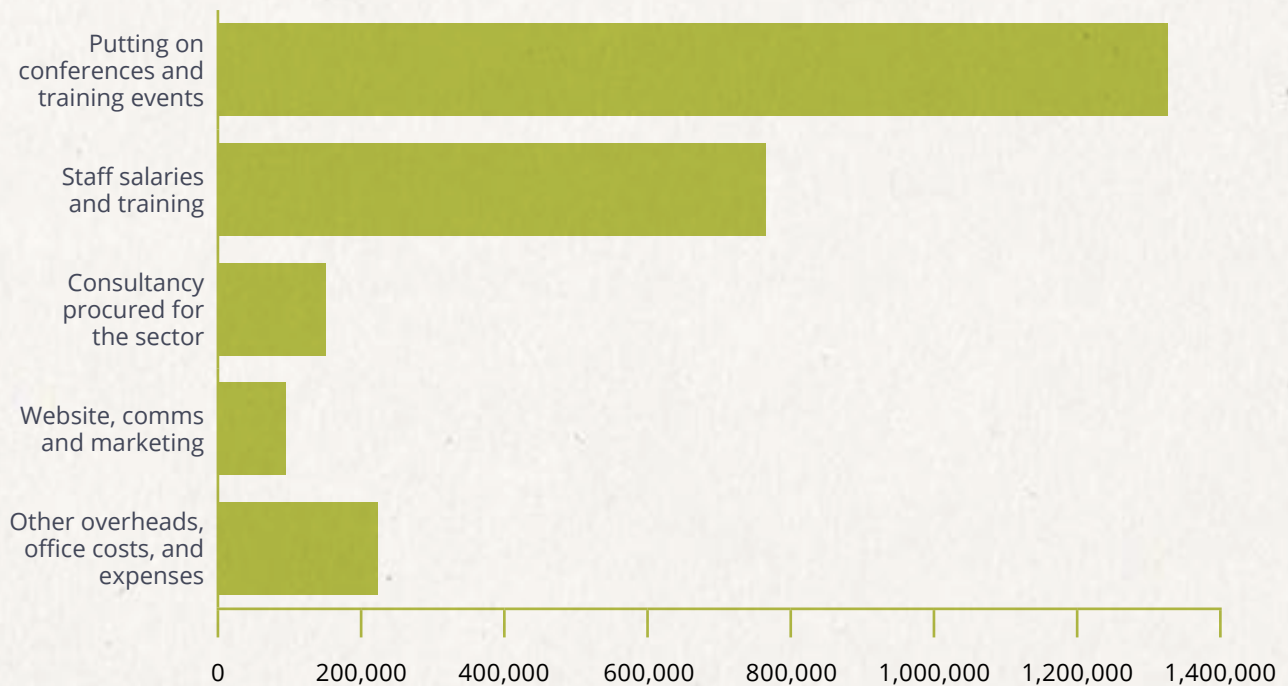
## PHES Profit and Loss Account

<b>Income</b>	<b>Actual £</b>
Subscription Income	628,644
Conference and L&D Income	1,854,270
Grants	77,417
Bank interest	1,444
	<b>2,561,775</b>
<b>Expenditure</b>	
Salaries	761,010
Overheads	94,961
Website development	34,170
Marketing & communications	60,884
Travel & subsistence	67,946
General office costs	20,693
Subscriptions to other organisations	9,715
Room Hire	29,218
Staff T&D	5,261
Consultancy linked to working groups	150,417
Conferences and L&D	1,329,327
	<b>2,563,602</b>
<b>Surplus/(Loss) for period</b>	<b>(1,827)</b>

The breakdown of Income and Expenditure for each SIO is as follows:

	Income	Expenditure	Surplus/(Loss)
<b>BUFDG</b>	1,132,818	1,081,452	51,366
<b>HESPA</b>	246,969	218,834	28,135
<b>AUDE</b>	803,893	796,878	7,015
<b>UHR</b>	378,095	466,438	(88,343)

### How we spend members' money



**4,118**  
Number of delegates  
at our events

**196**  
Our HEI members

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# The next year – challenges and opportunities

PHES faces considerable challenges over the coming year, that reflect both its current state of development as well as the challenges facing the HE sector.

## Practical development

On a practical level, there is much happening at PHES over the next 12-months that could have longer-term implications. The current review of digital infrastructure is an exercise in understanding the needs of the different SIOs. It will involve member listening exercises, require considerable funding and staff time, and will shape SIO websites and other digital services for the next few years. The new e-learning functionality and associated subscription fee being launched by BUFDG in the Summer could be rolled out in some form across other SIOs in the company. Similarly, HESPA's service restructure is a step towards an alternative model that will be watched closely by other SIOs. There are significant risks associated with all the above initiatives if they are not successful.

## Growth

PHES expects to continue to grow over the next year, by increasing turnover, recruiting additional staff members, and welcoming at least one additional SIO. This is a huge opportunity to improve the value that the organisation delivers to its members, but is not without risks. An increase in the work of SIOs requires increased support from the shared PHES function. New team members will need to be integrated, along with any new staff who are brought in as a result of additional SIOs joining the company.

**9,998**

The number of staff we support at HEIs

**176**

The number of associate organisations we work with

## Uncertainty

Challenges of sector uncertainty remain. The Augar review (or which parts might be implemented), the continuation of the Brexit saga, the increasing possibility of a general election, and mixed messages around student migration among other issues, all keep university professionals on their toes. In this environment, it is a challenge to PHES to be alert to developments and in tune with the needs of members, in order to stay relevant and deliver value. It also requires continued member engagement at a time when they are, for the same reasons, under more pressure from their 'day jobs'.

## Joined-up working

Many of the benefits of PHES arise from SIO staff working together, so that the Organisation is 'more than the sum of its parts'. Over the last year this has meant joint member events, joint advocacy work, a commitment to a review of digital infrastructure, shared member engagement developments, and proactively sharing work plans, among other things. Joining-up the activities of PHES SIOs more effectively is a big exercise in formal and informal communication – knowing what to talk about and who to talk to about it, and relying on those in other SIOs. PHES will facilitate this process over the coming year with joint SIO meetings, SIO director meetings, and joint meetings addressing L&D, digital development, member engagement, and design and marketing. We'll review all of this at the end of the year to see what lessons we can learn, and how SIOs can continue to work more closely and deliver more value for members.

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