



SPACE CHARGING POLICY

1. Background

The Space Charging Policy supports the Space Management Policy and the University's commitment to a programme of space rationalisation and improvements to space utilisation.

The key drivers are to ensure:

- the efficient use of resources;
- fully informed and appropriate investment decisions; and
- a more all-inclusive understanding of the cost of operations.

Space charging has been piloted since 2013/14, during which time the methodology has been developed and the data tested.

2. Budgeting and Target Setting for 2015/16

All College and Professional Service budgets and targets will incorporate space charging as follows:

- Colleges – targeted to deliver an overall contribution calculated after the cost of space
- Professional Services – cost budgets will now include charges for space occupied
- Student Amenities (exc. The Courts) – targeted to deliver an overall contribution calculated after the cost of space
- The Courts – these are excluded from the Space Charging Policy as they are already reported on a full cost basis within the Management Accounts

For 2015/16, all areas will need to deliver to target after accounting for space charges. Effectively, if an area chooses to utilise more space than budgeted, a consequent saving will need to be made elsewhere within their cost base to ensure the net target is still achieved. Conversely, if space is relinquished in year (and can be permanently reallocated as set out under 3.1 below) this will deliver a budget underspend which may be utilised on other resources.

3. Basis of Charges

Areas will be charged for their allocated and booked space in a fair and transparent manner, based on the following:

3.1 Occupancy

- Expected occupancy as at 30 September 2015 (to ensure all summer moves have been fully incorporated)
- Plus any planned allocations for new buildings or planned moves

- Less any agreed reductions. In order to achieve effective, useful reductions, space will stay within the original area to which it is allocated, unless and until an alternative use is agreed with Estates and (if being reoccupied immediately) the new occupier.

3.2 Timetabled Space and Room Bookings

- The initial budget will be estimated, based on the previous year's usage, as timetables for the year will not have been prepared at the point of budget setting. Base budget will be updated and finalised once timetables are set. Actual in-year charges will be based on actual time-tabling. If time-tabled rooms are not used they will still be charged. Variances may occur where timetables are updated in-year.
- Ad-hoc meeting room bookings will not be budgeted or charged.

3.3 Banding and Cost per Square Metre

- A cost band will be assigned to each type of space based on its consumption of Estate Management resources. The cost band will be used to apportion estates costs on a weighted basis so that inexpensive spaces, such as stores, and more resource intensive spaces, such as computing labs, are charged fairly.
- The cost per square metre will be calculated based on the Estates Department budget for 2015/16. The cost will be apportioned across the different bandings.

4. In-Year Forecasting

The full year forecast will be updated monthly to reflect the in-year changes to space usage recorded by the Space Management Team.

5. Reporting

Space charges will be reported within the management accounts across all areas. Back-up information will be available to budget holders showing a breakdown of the charges to their Schools/Departments.

6. Key Contacts

Space utilisation and occupancy	Space Management Team (space@lincoln.ac.uk)
Further information on space charges	College Accountant Professional Services Accountant