

TABLES AND APPENDICES

TABLE 1: CHEST 2014–15 ACTUAL OUT-TURN VERSUS BUDGET

	Budget 2014–15	Actual 2014–15	Variance 2014–15
Income	£m	£m	£m
Grants from the Funding Council	152.1	154.2	2.1
Teacher Development Agency	0.0	0.0	0.0
Academic fees	176.7	171.6	(5.1)
Research grants and contracts	40.5	38.9	(1.6)
Endowment income and interest receivable	22.4	23.6	1.2
Other operating income	9.5	12.4	2.9
Other services rendered	1.8	2.1	0.3
TOTAL INCOME	403.0	402.8	(0.2)
Allocation / Expenditure			
Academic Departments	175.1	175.1	0.0
Academic institutions and services	35.3	35.3	0.0
Staff and student services	1.7	1.7	0.0
Unified Administrative Service (UAS)	33.5	33.5	0.0
College fee	45.3	45.8	(0.5)
Estates related expenditure	43.7	43.9	(0.2)
Other administered funds	61.7	51.4	10.3
TOTAL EXPENDITURE	396.3	386.7	9.6
Surplus / (deficit)	6.7	16.1	9.4

TABLE 2: CHEST 2015–16 LATEST FORECAST

	Original Budget	Latest Forecast	Changes to Chest
	2015–16	2015–16	2015–16
Income	£m	£m	£m
Grants from the Funding Council	148.2	146.7	(1.5)
Academic fees	207.4	203.6	(3.8)
Research grants and contracts	41.8	40.1	(1.7)
Endowment income and interest receivable	22.4	23.8	1.4
Other operating income	16.4	15.3	(1.1)
Other services rendered	1.8	2.0	0.2
TOTAL INCOME	438.0	431.5	(6.5)
Allocation / Expenditure			
Academic Departments	180.2	180.2	0.0
Academic institutions and services	42.1	42.1	0.0
Staff and student services	1.3	1.3	0.0
Unified Administrative Service (UAS)	30.0	30.0	0.0
College fee	47.1	47.1	0.0
Estates related expenditure	45.0	45.0	0.0
Other administered funds	89.6	89.6	0.0
TOTAL EXPENDITURE	435.3	435.3	0.0
Surplus / (deficit)	2.7	(3.8)	(6.5)

TABLE 3: CONSOLIDATED OPERATING BUDGET FOR 2016–17

	Chest	Research grants and contracts*	Trust funds	Other non-Chest	Total budget
	£m	£m	£m	£m	£m
Income					
Grants from the Funding Council	145.1			4.3	149.4
Academic fees	213.6			23.1	236.7
Research grants and contracts	40.2	405.1		0.0	445.3
Endowment income and interest receivable	24.7		36.5	3.0	64.2
Other operating income	16.7	1.4		73.7	91.8
Other services rendered	2.0			52.6	54.6
TOTAL INCOME	442.3	406.5	36.5	156.7	1,042.0
Allocation / Expenditure					
School of Arts and Humanities	21.7	7.7	5.3	4.6	39.3
School of the Humanities and Social Sciences	36.1	17.9	5.5	11.5	71.0
School of the Physical Sciences	40.7	74.6	9.9	10.5	135.7
School of Technology	31.2	54.5	5.1	63.6	154.4
School of the Biological Sciences	34.5	87.8	4.4	9.8	136.5
School of Clinical Medicine	18.4	162.7	3.6	34.3	219.0
Total Schools	182.5	405.2	33.8	134.3	755.8
Academic institutions and services	46.0	1.1	3.2	24.5	74.8
Staff and student services	1.3	0.0	0.0	1.4	2.7
Unified Administrative Service	31.2	0.0	0.6	11.9	43.7
Strategic provisions	0.5				0.5
College fee	46.6				46.6
Estates related expenditure	45.2				45.2
Other administered funds	92.3				92.3
TOTAL ALLOCATION / EXPENDITURE	445.6	406.3	37.6	172.1	1,061.5
Surplus / (deficit)	(3.3)	0.3	(1.1)	(15.4)	(19.5)

* Research grants and contracts income in this non-Chest column represents *direct* costs and the portion of *indirect* costs recovered which accrue to Departments.

The portion of *indirect* costs recovered which accrues to the Chest is shown in the Chest column (£40.2m).

Research grants and contracts expenditure in this non-Chest column represents *direct* costs and expenditure funded by the Departments' *indirect* costs income.

TABLE 4: OPERATING BUDGET SUMMARY

Income	BUDGET 2016-17			PROJECTION 2017-18			PROJECTION 2018-19			PROJECTION 2019-20		
	Chest £m	Non- Chest £m	Total £m	Chest £m	Non- Chest £m	Total £m	Chest £m	Non- Chest £m	Total £m	Chest £m	Non- Chest £m	Total £m
Grants from the Funding Council	145.1	4.3	149.4	142.3	4.2	146.5	143.7	4.4	148.1	144.5	4.4	148.9
Academic fees	213.6	23.1	236.7	224.4	25.3	249.7	234.0	27.1	261.1	244.4	29.0	273.4
Research grants and contracts	40.2	405.1	445.3	40.7	418.3	459.0	41.8	426.1	467.9	42.5	432.0	474.5
Endowment income and interest receivable	24.7	39.5	64.2	24.6	43.0	67.6	25.1	46.0	71.1	25.5	49.3	74.8
Other operating income	16.7	75.1	91.8	17.9	77.9	95.8	18.1	77.7	95.8	18.4	80.5	98.9
Other services rendered	2.0	52.6	54.6	2.1	54.3	56.4	2.1	55.4	57.5	2.2	56.2	58.4
TOTAL INCOME	442.3	599.7	1,042.0	452.0	623.0	1,075.0	464.8	636.7	1,101.5	477.5	651.4	1,128.9
Allocation / Expenditure												
Schools	182.5	573.3	755.8	185.7	591.5	777.2	189.0	602.0	791.0	192.4	609.0	801.4
Academic institutions and services	46.0	28.8	74.8	47.7	28.3	76.0	49.5	28.0	77.5	50.0	30.7	80.7
Staff and student services	1.3	1.4	2.7	1.3	1.4	2.7	1.3	1.3	2.6	1.3	1.5	2.8
Unified Administrative Service	31.2	12.5	43.7	31.6	13.6	45.2	31.9	13.7	45.6	32.2	13.6	45.8
Strategic provisions	0.5	0.0	0.5	0.5	0.0	0.5	0.5	0.0	0.5	0.5	0.0	0.5
Other administered funds	184.1	0.0	184.1	195.4	0.0	195.4	199.5	0.0	199.5	206.5	0.0	206.5
TOTAL EXPENDITURE	445.6	616.0	1,061.5	462.2	634.8	1,097.0	471.7	645.0	1,116.7	482.9	654.8	1,137.7
Surplus / (deficit)	(3.3)	(16.2)	(19.5)	(10.2)	(11.8)	(22.0)	(6.9)	(8.3)	(15.2)	(5.4)	(3.4)	(8.8)

TABLE 5: PROJECTED STATEMENT OF COMPREHENSIVE INCOME 2016-17

£m	Operating			RDEC, capital grants, new endowments			Total		
	Projected 2016-17	Budget 2015-16	Actual 2014-15 <i>restated</i>	Projected 2016-17	Budget 2015-16	Actual 2014-15 <i>restated</i>	Projected 2016-17	Budget 2015-16	Actual 2014-15 <i>restated</i>
Income									
Tuition fees and education contracts	265.7	252.6	214.4				265.7	252.6	214.4
Funding body grants	149.4	148.7	154.9	16.0	24.1	48.9	165.4	172.8	203.8
Research grants and contracts	402.0	397.4	384.1	14.9	37.4	78.0	416.9	434.8	462.1
Donations and endowments	23.5	20.1	22.5	45.2	64.9	30.7	68.7	85.0	53.2
Other income	96.0	93.6	101.9	13.2	14.8	16.8	109.2	108.4	118.7
Investment income	74.1	71.9	71.4				74.1	71.9	71.4
Total income	1,010.7	984.3	949.2	89.3	141.2	174.4	1,100.0	1,125.5	1,123.6
Expenditure									
Staff costs									
Research	189.2	179.3	180.9				189.2	179.3	180.9
Other	346.4	340.2	365.0				346.4	340.2	365.0
Other operating expenditure									
Research	160.5	162.7	142.5				160.5	162.7	142.5
Other	300.1	273.6	248.6				300.1	273.6	248.6
Depreciation	78.3	67.2	60.1				78.3	67.2	60.1
Interest and other finance costs	28.8	28.3	28.8				28.8	28.3	28.8
Total expenditure	1,103.3	1,051.3	1,025.9				1,103.3	1,051.3	1,025.9
(Deficit) / surplus before tax	(92.6)	(67.0)	(76.7)	89.3	141.2	174.4	(3.3)	74.2	97.7
Taxation	–	–	–	–	–	(11.7)	–	–	(11.7)
(Deficit) / surplus before other gains and losses	(92.6)	(67.0)	(76.7)	89.3	141.2	162.7	(3.3)	74.2	86.0
Gain / (loss) on investments				63.8	46.2	195.8	63.8	46.2	195.8
Actuarial loss				–	–	(4.5)	–	–	(4.5)
Total comprehensive income	(92.6)	(67.0)	(76.7)	153.1	187.4	354.0	60.5	120.4	277.3

Table 5: Basis of preparation

Table 5 above presents a forecast income and expenditure account for the academic University based on accounting policies and practices in force for 2015–16, equivalent to the University management accounts ('Red Book'). This reflects the implementation of FRS 102 and the new Statement of Recommended Practice (SORP) for Higher Education which has fundamentally changed the recognition of income with effect from 2015–16.

North West Cambridge capital receipts are not included in the above Table, nor are the activities of subsidiary companies except to the extent that surpluses are transferred to the University.

RECONCILIATION

The projection in Table 5 above for 2016–17 is based on Table 3 adjusted as follows:

	Per Table 3	Total income £m	Surplus / (deficit) £m
Capital fund	Capital Fund receipts from Cambridge Assessment and Cambridge University Press.	1,042.0	(19.5)
Capital adjustments	Exclude from expenditure equipment and other items which will be capitalized as fixed assets in the financial statements. Include estimates of depreciation on such items. Include the external funding for these items in income (following FRS 102)	13.2 35.0	13.2 (16.7)
New endowments	The anticipated level of donations establishing new trust funds and other endowments. Under FRS 102 these are included in total income.	26.2	26.2
Subsidiary companies	Remove subsidiary company activity included in the plans for certain University institutions.	(16.2)	–
Donations for research	The estimated impact of a small number of research grants for which income is recognized in advance of costs being incurred.	(1.2)	(1.2)
Eliminations	Eliminate certain income items against related expenditure.	(12.2)	–
Bond investment	Include bond interest charges and the investment income arising on bond issue proceeds.	13.2	–
Defined benefit pension schemes	Deficit recovery payments on USS and the deficit on CPS. Interest charges and other movements on these liabilities are reflected in the income statement.	–	(5.3)
	Table 5 projection	1,100.0	(3.3)

APPENDIX 1: STAFF FTE BY ORGANIZATION AND STAFF GROUPING: 2006–2016

	Academic										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Schools & Academic institutions	1,484	1,553	1,594	1,557	1,533	1,520	1,536	1,530	1,581	1,608	1,615
UAS & Vice-Chancellor's Office											
Academic Services	2	3	3	2	3	3	3	3	1	1	
Museums & Galleries		2	2							1	1
Staff & Student Services	1	1									
DAR & Investment Office											
Total	1,487	1,559	1,599	1,559	1,535	1,523	1,539	1,533	1,582	1,610	1,616

	Academic-related (administrative)										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Schools & Academic institutions	172	206	208	249	265	288	313	350	393	449	496
UAS & Vice-Chancellor's Office	296	297	293	323	323	310	283	313	342	354	409
Academic Services	16	10	9	13	18	16	10	11	4	21	38
Museums & Galleries	13	17	17	20	20	20	22	22	21	20	23
Staff & Student Services	20	23	27	18	23	26	25	22	8	9	3
DAR & Investment Office	35	31	33	37	41	39	43	38	43	63	66
Total	553	584	587	660	690	700	696	756	812	915	1,036

	Academic-related (computing)										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Schools & Academic institutions	219	222	224	222	226	231	225	231	261	268	277
UAS & Vice-Chancellor's Office	47	48	49	55	59	61	60	73	78	6	6
Academic Services	98	98	97	95	93	89	90	84	83	160	168
Museums & Galleries	2	2	2	3	3	3	3	3	3	3	2
Staff & Student Services	3	4	4	3	4	4	4	4	4	4	4
DAR & Investment Office		2	2	2	1	2	3	3	3	3	7
Total	369	376	378	380	386	391	385	397	431	444	463

	Academic-related (other groups)										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Schools & Academic institutions	111	95	98	104	101	104	109	113	131	171	164
UAS & Vice-Chancellor's Office	13	14	13	15	14	13	15	15	26	28	27
Academic Services	67	71	72	75	69	71	74	75	68	69	66
Museums & Galleries	18	19	19	18	16	16	17	13	21	23	23
Staff & Student Services	14	20	18	18	15	14	15	17	13	13	13
DAR & Investment Office											
Total	223	219	220	230	215	217	230	234	259	304	294

	Research										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Schools & Academic institutions	2,257	2,484	2,532	2,576	2,679	2,712	2,797	3,048	3,296	3,561	3,654
UAS & Vice-Chancellor's Office	1	1	1	7	6	7	5	4	1	1	1
Academic Services	31	30	32	34	34	32	32	31	27	22	19
Museums & Galleries	14	16	9	13	13	12	11	14	14	17	13
Staff & Student Services											
DAR & Investment Office											
Total	2,302	2,531	2,574	2,630	2,733	2,763	2,845	3,097	3,337	3,600	3,687

	Assistant										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Schools & Academic institutions	1,773	1,806	1,832	1,875	1,908	1,920	1,902	2,007	2,068	2,131	2,031
UAS & Vice-Chancellor's Office	398	430	445	554	526	494	405	417	443	430	627
Academic Services	271	262	263	272	268	251	242	245	242	279	269
Museums & Galleries	78	83	82	85	89	87	82	94	94	96	107
Staff & Student Services	51	125	121	37	48	51	43	45	45	47	20
DAR & Investment Office	15	18	19	20	31	34	32	31	40	49	46
Total	2,586	2,724	2,762	2,843	2,871	2,836	2,706	2,838	2,931	3,033	3,100

	All staff										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Schools & Academic institutions	6,016	6,366	6,488	6,583	6,713	6,775	6,882	7,279	7,732	8,127	8,237
UAS & Vice-Chancellor's Office	755	789	801	954	928	885	769	822	888	879	1,071
Academic Services	485	474	476	491	484	462	451	448	424	552	560
Museums & Galleries	125	139	131	139	141	138	135	146	153	160	169
Staff & Student Services	89	173	170	76	91	95	87	88	70	73	40
DAR & Investment Office	50	50	54	59	74	76	78	71	86	115	118
Total	7,520	7,993	8,120	8,302	8,431	8,430	8,401	8,855	9,353	9,905	10,196

Notes:

All data as at 31 January. Because of rounding, totals may not always equal the sum of the parts.

Organization group*Schools & Academic institutions*

All Schools; ICE; CISL; UAS staff in Faculties, Departments, and School offices; biomedical services (until 2015, then in UAS).

UAS & Vice-Chancellor's Office

Excludes staff in Faculties, Departments, and School offices. Includes Vice-Chancellor's Office; MISD (until 2014).

Academic Services

Libraries; UCS (until 2014); UIS (from 2015); Language Centre (until 2013, then in Schools); Centre for Entrepreneurial Learning (until 2007, then in Schools); Cambridge-MIT (until 2009).

Museums & Galleries

Fitzwilliam Museum; Kettle's Yard; Hamilton Kerr Institute.

Staff & Student Services

Careers; Accommodation Service (until 2013, then in UAS); Sports Service (until 2015, then in UAS); Telecommunications (until 2009, then in Academic Services); ADC; Graduate Union; Dental Service (until 2011); DRC (until 2007, then in UAS); University Centre (until 2009, then in UAS); Counselling Service (until 2013, then in UAS).

DAR & Investment Office

Development and Alumni Relations & Investment Office.

Academic-related (other groups) includes: Librarians; Keepers; Technical Officers; Ceremonial posts; Language Teaching Officers; Counsellors; Therapists.

APPENDIX 2: UNIVERSITY STUDENT STATISTICS (FULL-TIME FEE-PAYING STUDENTS ONLY)

UNDERGRADUATES	2006–07	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16
Home and EU										
Full-fee	10,420	10,315	10,415	10,538	10,518	10,506	10,343	10,241	10,210	10,173
Compulsory year abroad	159	137	136	110	83	110	84	92	183	192
	10,579	10,452	10,551	10,648	10,601	10,616	10,427	10,333	10,393	10,365
Islands										
Full-fee	49	51	44	35	30	33	39	25	17	5
Compulsory year abroad	–	–	1	–	1	–	–	–	–	–
	49	51	45	35	31	33	39	25	17	5
Overseas										
Full-fee	1,112	1,179	1,258	1,247	1,214	1,199	1,248	1,306	1,392	1,479
Compulsory year abroad	2	1	1	8	3	–	1	–	8	1
	1,114	1,180	1,259	1,255	1,217	1,199	1,249	1,306	1,400	1,480
Total Undergraduates	11,742	11,683	11,855	11,938	11,849	11,848	11,715	11,664	11,810	11,850
FULL-TIME POSTGRADUATES										
Home and EU										
P.G.C.E.	503	477	438	431	429	412	406	407	364	308
M.B.A. / M.Fin.	26	42	54	47	48	45	42	41	36	38
Other Postgraduates	3,302	3,038	2,883	2,971	3,223	3,295	3,327	3,410	3,403	3,477
	3,831	3,557	3,375	3,449	3,700	3,752	3,775	3,858	3,803	3,823
Islands										
P.G.C.E.	4	3	2	1	4	3	5	1	–	–
M.B.A. / M.Fin.	–	–	–	–	–	–	–	–	–	–
Other Postgraduates	–	–	–	–	5	7	7	3	1	–
	4	3	2	1	9	10	12	4	1	–
Overseas										
P.G.C.E.	4	7	4	4	1	2	3	3	2	4
M.B.A. / M.Fin.	78	102	119	142	153	148	155	145	146	183
Other Postgraduates	2,292	2,166	2,042	2,204	2,335	2,313	2,488	2,542	2,477	2,471
	2,374	2,275	2,165	2,350	2,489	2,463	2,646	2,690	2,625	2,658
Total Postgraduates	6,209	5,835	5,542	5,800	6,198	6,225	6,433	6,552	6,429	6,481
Total Home/EU student numbers	14,410	14,009	13,926	14,097	14,301	14,368	14,202	14,191	14,196	14,188
Total Islands student numbers	53	54	47	36	40	43	51	29	18	5
Total Overseas student numbers	3,488	3,455	3,424	3,605	3,706	3,662	3,895	3,996	4,025	4,138
TOTAL STUDENT NUMBERS	17,951	17,518	17,397	17,738	18,047	18,073	18,148	18,216	18,239	18,331

Appendix 2: Notes**Data as at 1 December of each academical year**

1. This simple overview tabulation cannot be directly compared with any of the detailed tables in the annual Student Statistics publication as there are differences of treatment for certain categories of student, e.g. postgraduate students working away and paying no fees.

2. Students with a part-time mode of study are excluded from this appendix.

3. Postgraduate students who have completed the minimum requirements of their course, i.e. who are writing up or under examination, are also excluded from this appendix. In 2006–07 postgraduate students were recorded as full-time for the first ten terms and as writing up from the eleventh term onwards. From 2007–08 students are classified as full-time for nine terms and as writing up from the tenth term onwards. The effect of these changes in definitions is that the number of full-time postgraduate students is higher for 2006–07 in comparison with following years.

4. Prior to 2010–11 direct entrants to the Certificate in Advanced Study in Mathematics (C.A.S.M.), an undergraduate-level qualification, were included in the undergraduate numbers. In 2010–11 C.A.S.M. was replaced with two new qualifications: the M.Math. qualification for students continuing from the B.A. course on an integrated Master's programme and the Master in Advanced Study (M.A.St.) qualification for direct entrants. From 2010–11 students studying for the M.Math. are included in the undergraduate numbers, but students studying for the M.A.St. are included in the postgraduate numbers. The effect of these changes is a decrease in undergraduate numbers and an increase in postgraduate numbers in 2010–11.

5. In 2009–10 students reading the Diploma in Theology and Religious Studies (five students) were included in the undergraduate numbers, but in all other years the students on this course were included in the postgraduate numbers.

6. From 2004–05 and up to 2010–11 other postgraduate students with Islands residency were included in Home and EU other postgraduate numbers. From 2013–14, the Island fee eligibility category stopped being available for new entrants.

7. Incoming exchange students on Erasmus, MIT, and NUS programmes are excluded from this appendix for all years as they do not pay fees. Up to 2013–14, outgoing Erasmus Home/EU students were also excluded, but in 2014–15, they started to pay fees and thus are included in this table.

8. Since 2010–11 postgraduate students who are working away and not paying fees are excluded from this appendix. This includes students participating in the National Institute of Health (NIH) and Howard Hughes Medical Institute (HHMI) Ph.D. Programmes, in which students spend at least 50% of time in the USA and pay no fees during those periods of time.

9. The 'Compulsory year abroad' category for undergraduates includes students on a compulsory year abroad as part of their Modern and Medieval Languages, Asian and Middle Eastern Studies, or Education Tripos, who pay a reduced rate of fees. This category does not include Cambridge students participating in non-compulsory exchange programmes such as MIT or NUS, who are included in the 'Full-fee' category even though they also pay a reduced rate of fees.

APPENDIX 4: EXPENDITURE

In parallel with the new presentation of staff numbers, the Council agreed to show the changing patterns of total expenditure from both Chest and non-Chest sources in the form of the table below. This shows a fairly stable pattern of expenditure in academic institutions as a proportion of total expenditure.

Given the inclusion in the other institutions and activities line of *ad hoc* and project expenditure, a certain amount of variation from year to year would be expected. For that reason the breakdown between other institutions and other activities is given.

Expenditure (£000)	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15
Schools and other academic institutions	499,839	517,412	538,018	590,152	643,794	693,374
	68%	67%	67%	68%	68%	69%
Other institutions	179,604	187,255	191,550	200,902	213,308	225,245
	24%	24%	24%	23%	23%	22%
Other activities	56,876	70,869	75,853	83,001	87,704	89,841
	8%	9%	9%	9%	9%	9%
Total expenditure	736,319	775,536	805,421	874,055	944,806	1,008,460

Notes

Schools and other academic institutions' figures include the Centre for Islamic Studies, the Institute of Continuing Education, plus UAS staff in Schools.

'Other activities' represents College fees, subsidiary companies, bond interest, CPS deficit contributions not costed with pay, and balance sheet adjustments. In 2010–11 this category also includes total expenditure under the Voluntary Severance Scheme.

APPENDIX 5: HEFCE FUNDING FOR 2016–17

1. This paper is a review of the provisional HEFCE funding announced for 2016–17.

2. HEFCE publish considerable detail of its funding methods, the financial background to its decisions and the funding it provides to institutions. Reference should be made to the HEFCE website¹ for the further detail of 2016–17 grants – in particular the *Guide to Funding 2016–17: How HEFCE allocates its funds* (Circular 2016/7) and *Recurrent Grants for 2016–17*. These circulars are supported by individual letters to institutions and more detail on the web.²

3. Government funding and priorities for 2016–17 for HEFCE and for higher education were announced in the Secretary of State's letter of 4 March 2016.³

4. The main decisions of the HEFCE Board for 2016–17 were announced in Circular Letter 03/2016.⁴ Provisional funding for the University for 2016–17 was announced in a letter of 19 April 2016 to the Vice-Chancellor followed up by Circular 2016/09⁵ in which HEFCE announce an intention to consult institutions later this year on the development of their teaching and research funding methods from the 2017–18 academic year.

5. Funding has been finalized for 2014–15 with a further minor reduction in mainstream teaching funding. Funding for 2015–16 is unchanged from the October 2015 announcement.

6. Circular Letter 04/2016⁶ of 22 March 2016 contained the announcement of formula based capital allocations for teaching and research in 2016–17.

7. 2016–17 total funding for the University is reduced by 1.13% compared with the adjusted 2015–16 figures: including a reduction of 16.29% in funding for teaching and a 1.54% increase in funding for research.

8. Further comparisons are shown in the annex and, in the funding section of the HEFCE website.⁷

HEFCE's funding method for teaching

9. HEFCE's aim is to focus funding on areas where costs cannot be met by tuition fees, or where it is in the public interest that provision receives additional support, including high-cost and strategically important subjects.

10. HEFCE funding for teaching has progressively reduced as the numbers of New Regime students paying the higher £9,000 fee has increased. Funding is now received at standard rates for both old and New Regime students in the Price Groups which include the higher cost STEM subjects. A supplement is received for Old Regime students on longer courses admitted before 2012 paying the lower fee. One last tranche will be received in 2017–18 for the last Old Regime cohort.

11. Funding is also calculated for taught postgraduate STEM FTE. A further Targeted Allocation provides additional support for very high cost STEM subjects.

12. Details of funding methods are contained in technical guidance circulated with the grant announcement and the notes below are a brief summary highlighting any changes.

2014–15 grant

13. 2014–15 grant is now finalized on actual student FTE reported in HESA 2015. The reduction is £54,001 (all in teaching funding) compared with the revised adjusted grant announced in October 2015.

¹ <http://www.hefce.ac.uk/>

² <http://www.hefce.ac.uk/funding/annalocns/1617/>

³ <http://www.hefce.ac.uk/news/newsarchive/2016/Name,107598,en.html>

⁴ <http://www.hefce.ac.uk/pubs/year/2016/CL,032016/>

⁵ <http://www.hefce.ac.uk/pubs/year/2016/201609/>

⁶ <http://www.hefce.ac.uk/pubs/year/2016/CL,042016/>

⁷ <http://www.hefce.ac.uk/funding/annalocns/>

2015–16 grant

14. Funding for 2015–16 is unchanged from the October 2015 announcement. That announcement included the cancellation, announced in July 2015, of £3.98m supplementary funding originally announced in March 2015 to mitigate the effect of changes in funding after the REF.

2016–17 T grant

15. For the 2016–17 academic year teaching allocations are based on student numbers from 2015–16, and will not generally be recalculated after October 2016.

16. Provisional funding for 2016–17 is £17,863,081, a reduction of 16.29% over the 2015–16 adjusted funding at March 2015. The continued transition from old to New Regime accounts for part of the reduction but no funding is now received for ‘institution-specific high cost distinctive provision’ which in 2015–16 was £2,712,079.

17. The ‘high cost subject funding: supplement for postgraduate taught’ is not new but is a change in presentation. In 2015–16 funding for UG and PGT was shown as a single sum which rolled up funding for PGT at higher rates. In 2016–17 the main sum is for UG and PGT calculated at the same rates, with a supplement for PGT shown separately.

18. Student opportunity and other targeted allocations fluctuate according to the underlying data on which the allocations are calculated but there has been a substantial increase in the ‘widening access and improving provision for students with disabilities’. HEFCE have doubled total funding ‘to support institutions to meet the rapid rise in mental health issues and to transition towards an inclusive social model of support for disabled students’. The formula has also changed so that it better reflects the actual numbers of disabled students at each institution by no longer assigning institutions to quartile groups for weighting purposes.

19. The targeted allocations include funding for students on Erasmus and overseas study programmes who may only be charged reduced fees.

Student number controls

20. The University has remained within Student Number Controls which now apply only to medical [and dental] students. Remaining within the control is a condition of grant.

Funding for research

21. The formulae for calculating the different elements of Research Funding include the volume and quality ratings derived from the REF; the weightings 4* (4); 3*(1), zero the rest are unchanged from 2015–16 but the total funding for distribution has increased by £20m leading to an increase in mainstream QR for the University.

22. R Funding as provisionally announced is not generally changed in later grant announcements, but the research grant and contract income reported in the HESA finance return on which the allocations of Charity Support Funding and Business R are calculated is subject to audit; grant may be adjusted if individual grants are ruled ineligible.

2016–17

23. Mainstream QR is £73,012,852, an increase of £1,369,203 over 2015–16. The non-consolidated transitional funding ‘to mitigate removal of STEM protection’ and ‘for RDP supervision’ announced in March 2015 for 2015–16 were cancelled in July 2015 and there are no equivalents for 2016–17.

24. Charity Support and Business Research funding reflect changing volumes reported in the HESA return; Charity support funding has increased by £894,556 and Business R has reduced by £583,051. The multipliers tend to reduce annually and are 22% and 15% respectively, reduced from 23% and 16% in 2015–16 (and which stood at 24% and 17% in 2014–15).

25. Total Research Degree Programme Funding is about the same although the number of countable students in the formula has increased since 2015–16.

26. Total recurrent research funding is £121,947,263, an increase of 1.54% over £120,096,538 in 2015–16.

Other funding: 2016–17

27. Funding for research libraries, for museums and collections, and for Knowledge Exchange (formerly HEIF) – including the supplementary allocation are all unchanged but HEFCE is expected to announce shortly a review of the funding for museums and collections for 2017–18.

Future funding

28. There are no indications of funding in or after 2017–18 beyond the indicative allocations in the BIS grant letter but the case is being made to HEFCE for the funding in 2017–18 of the additional clinical intake in that year.

Conditions of grant

29. The grant letter from BIS and the financial memorandum between HEFCE and institutions sets out the terms and conditions for payment of HEFCE grants, including compliance with tuition fee regulations and the terms of the access agreement. The grant announcement has the usual reservations:

(1) Allocations are provisional. Grant is based on forecast student numbers and will be revised. Rates of funding may change. Funding is provisional until the grant settlement is final for the whole of the 2016–17 academic year (the last four months of which are in the 2017–18 financial year).

(2) There is a control over the entry to medicine.

HEFCE will continue to audit the data that informs the allocation of funds; they reserve the right to review funding allocations for the most recent seven year period.

APPENDIX 5 ANNEX: HEFCE FUNDING FOR 2016–17

HEFCE Recurrent Funding for Cambridge 2016–17 (initial April 2016) and previous two years compared

HEFCE T	2014–15 Adjusted grant as at April 2016 £	2015–16 Initial grant as at October 2015 £	2016–17 Initial grant as at April 2016 £	Note 1
TEACHING FUNDING				
Teaching funding – core funds				
Funding for Old Regime students	12,626,914			
High cost funding for New Regime students	6,688,610			
High cost subject funding		14,241,876	14,065,640	Note 2
High cost subject funding: supplement for postgraduate taught			266,355	
	19,315,524	14,241,876	14,331,995	
High cost subject funding	19,315,324	14,241,876	14,331,995	
Targeted allocations				
<i>Student opportunity allocation</i>				
Widening participation from disadvantaged backgrounds – full-time	185,248	180,589	140,436	
Widening participation from disadvantaged backgrounds – part-time	0	4,252	3,935	
Widening access and improving provision for students with disabilities	66,131	92,680	276,618	Note 3
Improving retention: full-time	59,109	46,012	28,446	
Improving retention: part-time	19,476	26,527	27,874	
Total student opportunity allocation	329,964	350,060	477,309	
<i>Other targeted allocations</i>				
Targeted allocation for part-time undergraduates	3,120	621	491	
Accelerated full-time undergraduate provision	29,485	27,333	34,526	Note 4
Intensive postgraduate provision	83,568	77,437	96,854	Note 5
Erasmus and overseas study programmes	455,597	434,250	474,750	
Very high cost STEM subjects	893,475	842,042	856,609	Note 6
Institution-specific high cost distinctive provision	2,610,443	2,712,079	0	Note 7
Clinical consultants' pay	513,315	525,938	525,938	
Senior academic GPs' pay	13,953	14,296	14,296	
NHS pension schemes compensation	69,117	70,817	70,817	
Supplement for Old Regime students		2,041,319	979,496	Note 8
Total other targeted allocations	4,786,961	6,746,132	3,053,777	
TOTAL TEACHING FUNDING	24,317,562	21,338,068	17,863,081	

HEFCE T: Notes to Table

- 1 Grants may be adjusted in later announcements.
- 2 In 2015–16 funding the single sum included a higher rate for PGT; that supplement is reported separately in 2016–17.
- 3 In 2016–17 HEFCE have increased the amount of funding and have changed the formula to better reflect the actual numbers of disabled students at each institution.
- 4 The funding is distributed ‘for FT UG students in price groups B, C, C1, C2, or D who are on long years of study’ (in this context, the first year of the Graduate Medical Course).
- 5 The funding is distributed for FT and PT PGT students in price groups B, C, C1, or C2 who are on long years of study.
- 6 Distributed on the basis of student FTEs in the academic cost centres physics, chemistry, chemical engineering, and mineral, metallurgy, and materials engineering. Subject to the conditions of grant set out in HEFCE Circular Letter 02/2013.
- 7 The former small and specialist institutions premium, now discontinued for Cambridge.
- 8 Provides funding to reflect, in broad terms, the difference in grant rates which institutions have been receiving for their Old- and New-Regime FTEs. The last tranche will be in 2017–18.

HEFCE R	2014–15 Adjusted grant as at April 2016 £	2015–16 Initial grant as at October 2015 £	2016–17 Initial grant as at April 2016 £
RESEARCH FUNDING			
Mainstream QR	77,512,644	71,643,649	73,012,852
Mainstream QR	77,512,644	71,643,649	73,012,852
Charity support funding	23,566,109	25,766,583	26,661,139
Business research funding	4,574,244	4,634,876	4,051,825
Sub-total	28,140,353	30,401,459	30,712,964
Research Degree Programme (RDP) supervision funds	16,536,049	15,891,697	16,061,714 <i>Note 1</i>
Mainstream funding	122,189,046	117,936,805	119,787,530
QR funding for National Research Libraries	2,129,914	2,159,733	2,159,733
TOTAL RESEARCH FUNDING	124,318,960	120,096,538	121,947,263
TOTAL			
	2014–15 Adjusted grant as at April 2016 £	2015–16 Initial grant as at October 2015 £	2016–17 Initial grant as at April 2016 £
Total funding for teaching and research	148,636,522	141,434,606	139,810,344
Knowledge Exchange (formerly HEIF)	2,850,000	2,850,000	2,850,000
Funding, excluding museums, galleries, and collections fund	151,486,522	144,284,606	142,660,344
ADDITIONAL ALLOCATIONS			
Knowledge Exchange supplement	500,000	500,000	500,000
Museums, galleries, and collections fund	1,956,000	1,983,384	1,983,384 <i>Note 2</i>
TOTAL ADDITIONAL	2,456,000	2,483,384	2,483,384
ALL FUNDING	153,942,522	146,767,990	145,143,728

HEFCE R and TOTAL: Notes to Tables

- 1 Subject to the condition of grant that the University complies with chapter B11 of the QAA UK Quality Code for Higher Education on PGR programmes.
- 2 HEFCE are expected to announce a review of this line of funding.