

TABLES AND APPENDICES

TABLE 1: CHEST 2013–14 ACTUAL OUT-TURN VERSUS BUDGET

	Budget 2013–14	Actual 2013–14	Variance 2013–14
Income	£m	£m	£m
Grants from the Funding Council	160.8	161.4	0.6
Teacher Development Agency	0.0	0.0	0.0
Academic fees	154.3	152.4	(1.9)
Research grants and contracts	36.8	39.8	3.0
Endowment income and interest receivable	20.7	22.0	1.3
Other operating income	8.9	10.5	1.6
Other services rendered	1.9	1.8	(0.1)
TOTAL INCOME	383.4	387.9	4.5
Allocation / Expenditure			
Academic Departments	172.6	172.6	0.0
Academic institutions and services	31.9	31.9	0.0
Staff and student services	2.0	2.0	0.0
Unified Administrative Service (UAS)	32.6	32.6	0.0
College fee	45.8	44.9	0.9
Estates related expenditure	41.5	42.2	(0.7)
Other administered funds	57.3	60.2	(2.9)
TOTAL EXPENDITURE	383.7	386.4	(2.7)
Surplus / (Deficit)	(0.3)	1.5	1.8

TABLE 2: CHEST 2014–15 LATEST FORECAST

	Original Budget 2014–15	Latest Forecast 2014–15	Changes to Chest 2014–15
Income	£m	£m	£m
Grants from the Funding Council	152.1	152.2	0.1
Academic fees	176.7	172.6	(4.1)
Research grants and contracts	40.5	41.7	1.2
Endowment income and interest receivable	22.4	22.2	(0.2)
Other operating income	9.5	10.4	0.9
Other services rendered	1.8	1.8	0.0
TOTAL INCOME	403.0	400.9	(2.1)
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	48.9	(3.6)
Estates related expenditure	43.7	43.7	0.0
Other administered funds	61.7	61.7	0.0
TOTAL EXPENDITURE	396.3	399.9	(3.6)
Surplus / (deficit)	6.7	1.0	(5.7)

TABLE 3: CONSOLIDATED OPERATING BUDGET FOR 2015–16

	Chest	Research grants and contracts*	Trust funds	Other non-Chest	Total budget
	£m	£m	£m	£m	£m
Income					
Grants from the Funding Council	148.2			0.5	148.7
Academic fees	207.4			16.2	223.6
Research grants and contracts	41.8	421.1		0.0	462.9
Endowment income and interest receivable	22.4		35.5	3.0	60.9
Other operating income	16.4	3.3		68.7	88.4
Other services rendered	1.8			50.6	52.4
TOTAL INCOME	438.0	424.4	35.5	139.0	1,036.9
Allocation / Expenditure					
School of Arts and Humanities	22.0	7.7	5.2	4.4	39.3
School of the Humanities and Social Sciences	35.4	15.6	4.6	10.6	66.2
School of the Physical Sciences	40.0	73.5	8.4	9.5	131.4
School of Technology	30.3	53.1	4.5	53.6	141.5
School of the Biological Sciences	34.5	85.0	4.4	9.0	132.9
School of Clinical Medicine	18.0	184.3	3.0	30.4	235.7
Total Schools	180.2	419.2	30.1	117.5	747.0
Academic institutions and services	41.6	1.1	2.8	20.6	66.1
Staff and student services	1.8	0.0	0.0	2.7	4.5
UAS	29.5	2.0	0.3	11.0	42.8
Strategic provisions	1.0				1.0
College fee	47.1				47.1
Estates related expenditure	45.0				45.0
Other administered funds	89.1				89.1
TOTAL ALLOCATION/EXPENDITURE	435.3	422.3	33.2	151.8	1,042.6
Surplus / (deficit)	2.7	2.1	2.3	(12.8)	(5.7)

* 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.

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 2015–16			PROJECTION 2016–17			PROJECTION 2017–18			PROJECTION 2018–19		
	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	148.2	0.5	148.7	144.3	0.4	144.7	145.4	0.4	145.8	147.5	0.4	147.9
Academic fees	207.4	16.2	223.6	217.8	17.7	235.5	229.4	19.1	248.5	238.5	20.6	259.1
Research grants and contracts	41.8	421.1	462.9	42.0	410.3	452.3	42.9	420.2	463.1	44.1	429.0	473.1
Endowment income and interest receivable	22.4	38.5	60.9	22.6	40.7	63.3	22.9	42.8	65.7	23.1	45.1	68.2
Other operating income	16.4	72.0	88.4	17.8	73.8	91.6	19.0	79.7	98.7	19.3	78.7	98.0
Other services rendered	1.8	50.6	52.4	1.8	53.0	54.8	1.9	55.0	56.9	2.0	56.6	58.6
TOTAL INCOME	438.0	598.9	1,036.9	446.3	595.9	1,042.2	461.5	617.2	1,078.7	474.5	630.4	1,104.9
Allocation / Expenditure												
Schools	180.2	566.8	747.0	182.5	558.6	741.1	185.7	572.7	758.4	189.1	580.7	769.8
Academic institutions and services	41.6	24.5	66.1	45.5	24.0	69.5	47.0	24.3	71.3	48.5	23.6	72.1
Staff and student services	1.8	2.7	4.5	1.8	2.9	4.7	1.8	2.8	4.6	1.8	3.1	4.9
UAS	29.5	13.3	42.8	30.1	10.9	41.0	30.6	9.3	39.9	30.9	9.1	40.0
Strategic provisions	1.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	1.0
Other administered funds	181.2	0.0	181.2	186.5	0.0	186.5	195.1	0.0	195.1	197.9	0.0	197.9
TOTAL EXPENDITURE	435.3	607.3	1,042.6	446.4	596.4	1,042.8	460.2	609.1	1,069.3	469.2	616.5	1,085.7
Surplus / (deficit)	2.7	(8.4)	(5.7)	(0.1)	(0.5)	(0.6)	1.3	8.1	9.4	5.3	13.9	19.2

TABLE 5: PROJECTED INCOME AND EXPENDITURE ACCOUNT 2015–16

	Year ending 31 July 2016			<i>Income and Expenditure account</i>	
	Budget Table 3 £m	Adjustments £m	Income and Expenditure account £m	<i>2014–15 Latest forecast £m</i>	<i>2013–14 actual £m</i>
Income					
Grants from the Funding Council	148.7	15.1	163.8	<i>168.1</i>	<i>178.6</i>
Academic fees	223.6	40.1	263.7	<i>236.5</i>	<i>207.5</i>
Research grants and contracts	462.9	(42.5)	420.4	<i>396.2</i>	<i>371.2</i>
Endowment income and interest receivable	60.9	11.1	72.0	<i>71.2</i>	<i>69.8</i>
Other operating income and services rendered	135.8	(14.6)	121.2	<i>119.5</i>	<i>117.3</i>
Assessment and Press transfers	5.0	11.6	16.6	<i>26.3</i>	<i>18.0</i>
TOTAL INCOME	1,036.9	20.8	1,057.7	<i>1,017.8</i>	<i>962.4</i>
Expenditure					
<i>Staff costs</i>					
Research	186.4	(1.8)	184.6	<i>179.1</i>	<i>164.5</i>
Other	344.2	5.5	349.7	<i>338.2</i>	<i>318.4</i>
<i>Other operating expenses</i>					
Research	183.9	(23.0)	160.9	<i>146.2</i>	<i>139.4</i>
College fee transfer	68.6	–	68.6	<i>45.3</i>	<i>44.9</i>
Other	207.5	13.7	221.2	<i>219.2</i>	<i>199.7</i>
<i>Depreciation</i>					
Research	37.4	(18.8)	18.6	<i>15.5</i>	<i>13.8</i>
Other	14.6	44.8	59.4	<i>51.8</i>	<i>51.0</i>
Finance costs	–	13.2	13.2	<i>13.2</i>	<i>13.1</i>
TOTAL EXPENDITURE	1,042.6	33.6	1,076.2	<i>1,008.5</i>	<i>944.8</i>
(Deficit) / surplus before transfers	(5.7)	(12.8)	(18.5)	<i>9.3</i>	<i>17.6</i>
Transfer from endowments	–	6.9	6.9	<i>6.8</i>	<i>7.2</i>
(Deficit) / surplus retained in reserves	(5.7)	(5.9)	(11.6)	<i>16.1</i>	<i>24.8</i>

Basis of preparation

The above presents a forecast income and expenditure account for ‘Little U’ (i.e., excluding Cambridge University Press and Cambridge Assessment) based on accounting policies and practices in force for 2014–15, equivalent to the University management accounts (‘Red Book’). The implementation of a new Statement of Recommended Practice (SORP) for Higher Education will fundamentally change the recognition of income from 2015–16 onwards.

North West Cambridge capital receipts are not included in the above.

Adjustments reflected above include:

Assessment and Press transfers

Capital Fund receipts from Cambridge Assessment and Cambridge University Press are not included in Table 3. In the ‘Little U’ accounts these receipts will be included in income.

Capital adjustments

Table 3 is prepared on the basis of funds to be received, allocations, and cash spent. Adjustments are required to exclude from expenditure amounts which will be spent on equipment and other items which will be capitalized as fixed assets in the Financial Statements, and to include estimates of depreciation. Corresponding income adjustments are made in respect of the external funding for these items and releases of deferred capital grant.

Impact of consolidation

Table 3 represents the University’s projected activities together with the activities of certain subsidiary companies attached to specific University institutions. An adjustment is required to estimate the impact of consolidating the income and expenditure of all subsidiaries.

Bond interest

Bond interest charges and the investment income arising on bond issue proceeds are outside the scope of Table 3. Adjustments have been made to include these in the forecast Income and Expenditure account.

APPENDIX 1: STAFF FTE BY ORGANIZATION AND STAFF GROUPING: 2005–2015

	Academic										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Schools & Academic institutions	1,479	1,484	1,553	1,594	1,557	1,533	1,520	1,536	1,530	1,581	1,608
UAS & Vice-Chancellor's Office											
Academic Services	3	2	3	3	2	3	3	3	3	1	1
Museums & Galleries			2	2							1
Staff & Student Services	1	1	1								
DAR & Investment Office											
Total	1,483	1,487	1,559	1,599	1,559	1,535	1,523	1,539	1,533	1,582	1,610

	Academic-related (administrative)										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Schools & Academic institutions	175	172	206	208	249	265	288	313	350	393	449
UAS & Vice-Chancellor's Office	274	296	297	293	323	323	310	283	313	342	354
Academic Services	25	16	10	9	13	18	16	10	11	4	21
Museums & Galleries	13	13	17	17	20	20	20	22	22	21	20
Staff & Student Services	19	20	23	27	18	23	26	25	22	8	9
DAR & Investment Office	32	35	31	33	37	41	39	43	38	43	63
Total	538	553	584	587	660	690	700	696	756	812	915

	Academic-related (computing)										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Schools & Academic institutions	213	219	222	224	222	226	231	225	231	261	268
UAS & Vice-Chancellor's Office	44	47	48	49	55	59	61	60	73	78	6
Academic Services	93	98	98	97	95	93	89	90	84	83	160
Museums & Galleries	2	2	2	2	3	3	3	3	3	3	3
Staff & Student Services	3	3	4	4	3	4	4	4	4	4	4
DAR & Investment Office			2	2	2	1	2	3	3	3	3
Total	354	369	376	378	380	386	391	385	397	431	444

	Academic-related (other groups)										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Schools & Academic institutions	115	111	95	98	104	101	104	109	113	131	171
UAS & Vice-Chancellor's Office	13	13	14	13	15	14	13	15	15	26	28
Academic Services	67	67	71	72	75	69	71	74	75	68	69
Museums & Galleries	17	18	19	19	18	16	16	17	13	21	23
Staff & Student Services	16	14	20	18	18	15	14	15	17	13	13
DAR & Investment Office											
Total	227	223	219	220	230	215	217	230	234	259	304

	Research										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Schools & Academic institutions	2,170	2,257	2,484	2,532	2,576	2,679	2,712	2,797	3,048	3,296	3,561
UAS & Vice-Chancellor's Office	1	1	1	1	7	6	7	5	4	1	1
Academic Services	23	31	30	32	34	34	32	32	31	27	22
Museums & Galleries	13	14	16	9	13	13	12	11	14	14	17
Staff & Student Services											
DAR & Investment Office											
Total	2,206	2,302	2,531	2,574	2,630	2,733	2,763	2,845	3,097	3,337	3,600

Appendix 1: Staff FTE by organization and staff grouping: 2005–2015 (continued)

	Assistant										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Schools & Academic institutions	1,833	1,773	1,806	1,832	1,875	1,908	1,920	1,902	2,007	2,068	2,131
UAS & Vice-Chancellor's Office	401	398	430	445	554	526	494	405	417	443	430
Academic Services	274	271	262	263	272	268	251	242	245	242	279
Museums & Galleries	76	78	83	82	85	89	87	82	94	94	96
Staff & Student Services	49	51	125	121	37	48	51	43	45	45	47
DAR & Investment Office	18	15	18	19	20	31	34	32	31	40	49
Total	2,651	2,586	2,724	2,762	2,843	2,871	2,836	2,706	2,838	2,931	3,033

	All staff										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Schools & Academic institutions	5,985	6,016	6,366	6,488	6,583	6,713	6,775	6,882	7,279	7,732	8,127
UAS & Vice-Chancellor's Office	733	755	789	801	954	928	885	769	822	888	879
Academic Services	485	485	474	476	491	484	462	451	448	424	552
Museums & Galleries	121	125	139	131	139	141	138	135	146	153	160
Staff & Student Services	88	89	173	170	76	91	95	87	88	70	73
DAR & Investment Office	50	50	50	54	59	74	76	78	71	86	115
Total	7,460	7,520	7,993	8,120	8,302	8,431	8,430	8,401	8,855	9,353	9,905

Notes:

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

Organization group

<i>Schools & Academic institutions</i>	All Schools; ICE; CISL; UAS staff in Faculties, Departments, and School offices.
<i>UAS & Vice-Chancellor's Office</i>	Excludes staff in Faculties, Departments, and School offices. Includes Vice-Chancellor's Office; MISD (until 2014).
<i>Academic Services</i>	Libraries; UCS (until 2014); UIS (from 2015); CARET; Language Centre (until 2013, then in Schools); Centre for Entrepreneurial Learning (until 2007, then in Schools); Cambridge-MIT (until 2009).
<i>Museums & Galleries</i>	Fitzwilliam Museum; Kettle's Yard; Hamilton Kerr Institute.
<i>Staff & Student Services</i>	Careers; Accommodation Service (until 2013, then in UAS); PE; 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).
<i>DAR & Investment Office</i>	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	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15
Home and EC										
Full-fee	10,471	10,420	10,315	10,415	10,538	10,518	10,506	10,343	10,241	10,210
Compulsory year abroad	165	159	137	136	110	83	110	84	92	183
	10,636	10,579	10,452	10,551	10,648	10,601	10,616	10,427	10,333	10,393
Islands										
Full-fee	45	49	51	44	35	30	33	39	25	17
Compulsory year abroad	–	–	–	1	–	1	–	–	–	–
	45	49	51	45	35	31	33	39	25	17
Overseas										
Full-fee	1,028	1,112	1,179	1,258	1,247	1,214	1,199	1,248	1,306	1,392
Compulsory year abroad	–	2	1	1	8	3	–	1	–	8
	1,028	1,114	1,180	1,259	1,255	1,217	1,199	1,249	1,306	1,400
Total Undergraduates	11,709	11,742	11,683	11,855	11,938	11,849	11,848	11,715	11,664	11,810
Full-time Postgraduates										
Home and EC										
P.G.C.E.	621	503	477	438	431	429	412	406	407	364
M.B.A. / M.Fin.	25	26	42	54	47	48	45	42	41	36
Other Postgraduates	3,223	3,302	3,038	2,883	2,971	3,223	3,295	3,327	3,410	3,403
	3,869	3,831	3,557	3,375	3,449	3,700	3,752	3,775	3,858	3,803
Islands										
P.G.C.E.	3	4	3	2	1	4	3	5	1	–
M.B.A. / M.Fin.	–	–	–	–	–	–	–	–	–	–
Other Postgraduates	–	–	–	–	–	5	7	7	3	1
	3	4	3	2	1	9	10	12	4	1
Overseas										
P.G.C.E.	4	4	7	4	4	1	2	3	3	2
M.B.A. / M.Fin.	80	78	102	119	142	153	148	155	145	146
Other Postgraduates	2,267	2,292	2,166	2,042	2,204	2,335	2,313	2,488	2,542	2,477
	2,351	2,374	2,275	2,165	2,350	2,489	2,463	2,646	2,690	2,625
Total Postgraduates	6,223	6,209	5,835	5,542	5,800	6,198	6,225	6,433	6,552	6,429
Total Home/EC Student Numbers	14,505	14,410	14,009	13,926	14,097	14,301	14,368	14,202	14,191	14,196
Total Islands Student Numbers	48	53	54	47	36	40	43	51	29	18
Total Overseas Student Numbers	3,379	3,488	3,455	3,424	3,605	3,706	3,662	3,895	3,996	4,025
Total Student Numbers	17,932	17,951	17,518	17,397	17,738	18,047	18,073	18,148	18,216	18,239

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 2005–06 and 2006–07 postgraduate students were recorded as full-time for the first ten terms and as writing up from the eleventh term onwards. In 2004–05 and 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 2005–06 and 2006–07 in comparison with 2004–05 and 2007–08.

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 EC 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/EC 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)	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14
Schools and other academic institutions	485,449 67%	499,839 68%	517,412 67%	538,018 67%	590,152 68%	643,794 68%
Other institutions	185,836 26%	179,604 24%	187,255 24%	191,550 24%	200,902 23%	213,308 23%
Other activities	55,687 8%	56,876 8%	70,869 9%	75,853 9%	83,001 9%	87,704 9%
TOTAL EXPENDITURE	726,972	736,319	775,536	805,421	874,055	944,806

Notes

Where changes have occurred that include the movement of one institution from one School to another, the figures have been adjusted so that the effect applies to all years allowing a like-for-like comparison across the years.

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 2014–15

1. This paper is a review of the provisional HEFCE funding announced for 2015–16.

2. HEFCE publishes considerable detail on its funding methods, the financial background to its decisions, and the funding it provides to institutions. Reference should be made to the HEFCE website for the further detail, and in particular Circular 2015/05¹ announcing grants for 2015–16 and the annual guide to funding in Circular 2015/04.²

3. Government funding and priorities for HEFCE and for higher education were announced in the Secretary of State's letter of 29 January 2015 to HEFCE.³

4. The main decisions of the HEFCE Board for 2014–15 were announced in Circular Letter 03/2015.⁴ Provisional funding for 2015–16 was announced in a letter of 25 March 2015 to the Vice-Chancellor. Circular 2015/05 and its accompanying tables show the grant to be distributed for 2015–16, the budgets for individual elements, and the funding for the sector and each institution.

5. Funding has been finalized for 2013–14 and revised for 2014–15 (see below, and Circular Letter 07/2015⁵ for 2013–14 final adjustments and Circular 2015/06⁶ for 2014–15 revisions).

6. Announcements of formula capital allocations for teaching and research 2015–16 (Circular Letter 09/2015)⁷ and Knowledge Exchange formula funding (Circular letter 05/2015),⁸ formerly HEIF, were made at the same time.

7. 2015–16 total funding for the University is reduced by 2.63% compared with the adjusted 2014–15 figures, and includes a reduction of 14.56% in funding for teaching and a 0.24% reduction in funding for research.

8. Further comparisons are shown in the annex but there is more detail, including each institution's grant tables, in the funding section of the HEFCE website.⁹

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. Resource supporting Home/EU undergraduate FTE has progressively moved to the New Regime £9,000 fee accompanied by reductions in HEFCE T funding. HEFCE invited comment in 2013 on a simplified funding method in 2015–16 to reflect the greatly reduced proportion of Old Regime students (those on longer courses admitted before 2012),

¹ <http://www.hefce.ac.uk/pubs/year/2015/201505/>

² <http://www.hefce.ac.uk/pubs/year/2015/201504/>

³ <http://www.hefce.ac.uk/news/newsarchive/2015/Name,100772,en.html>

⁴ <http://www.hefce.ac.uk/pubs/year/2015/CL,032015/>

⁵ <http://www.hefce.ac.uk/pubs/year/2015/CL,072015/>

⁶ <http://www.hefce.ac.uk/pubs/year/2015/201506/>

⁷ <http://www.hefce.ac.uk/pubs/year/2015/CL,092015/>

⁸ <http://www.hefce.ac.uk/pubs/year/2015/CL,052015/>

⁹ <http://www.hefce.ac.uk/funding/annalocns/1516/1516hei/>

in which all students would be treated as New Regime and a transitional allocation, to be phased out over the next two years, would be provided for the remaining Old Regime students. These changes have now been introduced and HEFCE's funding method for teaching has been revised for 2015–16.

11. HEFCE funding is calculated at standard rates for the Price Groups, which include the higher cost STEM subjects, and has been awarded at those rates for both New and Old Regime FTE. A fixed Targeted Allocation has been awarded in addition for Old Regime FTE to reflect, in broad terms, the difference in grant rates, between Old and New Regime, which institutions had been receiving. This targeted allocation will reduce to zero in three years after which it is assumed there will be no Old Regime students. The model also includes funding for taught postgraduate FTE but at slightly higher rates. A further Targeted Allocation provides additional support for very high cost STEM subjects.

2013–14 T grant

12. The 2013–14 grant is at the third stage of the old method and is now finalized on actual student FTE reported in HESA 2014. The reduction is £148,340 (all in teaching funding) compared with the initial allocation as announced in October 2013.

2014–15 T grant

13. The 2014–15 grant is at the second stage and not yet finalized but has been increased by £88,241 (all in teaching funding) compared to the initial allocation announced in October 2014. The grant will be finalized in March 2016.

2015–16 T grant

14. 2015–16 funding is calculated on projected numbers from HESSES 14,¹⁰ and is subject to revision after actual student numbers are reported in the HESA return in 2016 of actual student numbers in 2015–16. The three-stage process has been replaced by these two stages from 2015–16.

15. Provisional funding for 2015–16 is £21,336,148, a reduction of 15% over the 2014–15 adjusted funding at March 2014. This is entirely expected as New Regime fee income increases.

16. Student opportunity and other targeted allocations are largely unchanged, except for the addition of the new supplement for Old Regime students mentioned above. The targeted allocations include funding for students on Erasmus and overseas study programmes¹¹ (who may only be charged reduced fees) which was new in 2014–15.

17. The Targeted Allocation for institution-specific high-cost distinctive provision continues, but HEFCE is consulting on the terms of reference of a further review and its receipt is not assured for 2016–17 onwards.

Student number controls

18. The University has remained within the Student Number Controls applicable to the 2013 and 2014 entries. The control is removed completely for the 2015 entry, except for medical (and dental) students.

Funding for research

19. The formulae for calculating the different elements of research funding are largely unchanged but the formula for calculating mainstream QR now includes the volume and quality ratings derived from the REF and the weighting for 4* has been increased from 3 to 4, so the outcome is significantly different.

2013–14 and 2014–15

20. R Funding as provisionally announced has not been 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 funding are calculated, is subject to audit and grant may be adjusted if individual grants are ruled out of scope.

2015–16

21. Mainstream QR (based on the REF 2014) is £71,643,649, a reduction of £5,868,995 over 2014–15. The reduction is partly offset by 'non-consolidated transitional funding to mitigate removal of STEM protection' of £2,395,063. This is explained by HEFCE as follows. The RAE 2008 results showed a reduced share of research activity in STEM subjects. The Board therefore adjusted mainstream QR to ensure that the proportion distributed to each main panel in STEM was not less than in the previous year informed by the RAE 2001. Given the increase in STEM activity in REF 2014, it is no longer necessary to protect the funding for STEM research. However, the removal of STEM protection affects institutions differentially. To mitigate the institutional impact of this change, *for 2015–16 only*, HEFCE are providing a transitional allocation to ensure no institution experiences a reduction in funding directly because of this change.

22. Charity Support and Business Research funding reflect changing volumes reported in the HESA return and have both increased. The multipliers are 23% and 16% respectively, reduced from 24% and 17% in 2014–15.

23. Total Research Degree Programme Funding is reduced; there is an increase in total funded FTE but the average rate of funding per FTE is reduced. However, 'non-consolidated transitional funding for RDP supervision' of £1,587,751 has been awarded in addition 'to address the real-terms decline in the rate of funding in recent years and to emphasise the importance of investment in the next generation of researchers'.

24. Total recurrent research funding is £120,096,538, a reduction of 3.4% over 2014–15, but a reduction of 0.24% taking account of both recurrent and transitional elements.

¹⁰ Higher Education Students Early Statistics Survey, an annual survey of HEIs about students on recognized HE courses (<http://www.hefce.ac.uk/data/collect/heses>).

¹¹ <http://www.hefce.ac.uk/pubs/year/2013/c1142013/name,81913,en.html>

Other funding 2015–16

25. Funding for research libraries and museums and collections is increased by 1.4%; Knowledge Exchange funding is unchanged in cash value, with a continuation of the £500k additional Knowledge Exchange funding announced in May 2013.

Conditions of grant

26. 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 2015–16 academic year (the last four months of which are in the 2016–17 financial year, and subject to a post-election Capital Spending Review).
- (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 2015–16**Table 1: HEFCE Recurrent Funding for Cambridge 2015–16 (initial March 2015)**
compared with 2014–15 (adjusted) grant

HEFCE T	2014–15 Adjusted grant as at March 2015 £	2015–16 Initial grant as at March 2015 £	Change 2014–15 to 2015–16 £	<i>Note 1</i>
TEACHING FUNDING				
Teaching funding – core funds				
Funding for Old Regime students	12,986,238			<i>Note 2</i>
High cost funding for New Regime students	6,859,646			<i>Note 3</i>
High cost subject funding		14,241,876		<i>Note 4</i>
	19,845,884	14,241,876		
High cost subject funding	19,845,884	14,241,876	(5,604,008)	
Targeted allocations				
<i>Student opportunity allocation</i>				
Widening participation from disadvantaged backgrounds – full-time	189,803	179,403		
Widening participation from disadvantaged backgrounds – part-time	0	4,203		
Widening access and improving provision for students with disabilities	67,757	92,680		
Improving retention: full-time	60,563	45,777		
Improving retention: part-time	19,955	26,077		
Total student opportunity allocation	338,078	348,140	10,062	
<i>Other targeted allocations</i>				
Targeted allocation for part-time undergraduates	3,197	621		
Accelerated full-time undergraduate provision	30,210	27,333		<i>Note 5</i>
Intensive postgraduate provision	85,623	77,437		<i>Note 6</i>
Erasmus and overseas study programmes	466,800	434,250		
Very high cost STEM subjects	915,446	842,042		<i>Note 7</i>
Institution-specific high cost distinctive provision	2,674,634	2,712,079		<i>Note 8</i>
Clinical consultants' pay	525,938	525,938		
Senior academic GPs' pay	14,296	14,296		
NHS pension schemes compensation	70,817	70,817		
Supplement for Old Regime students		2,041,319		<i>Note 9</i>
Total other targeted allocations	4,786,961	6,746,132	1,959,171	
TOTAL TEACHING FUNDING	24,970,923	21,336,148	(3,634,775)	-14.56%

Notes

- 1 Grants may be adjusted in later announcements.
- 2 Old Regime students (admitted before 2012) were funded at rates derived from 2011–12 grant calculations.
- 3 New Regime students are funded for high cost subjects only.
- 4 In 2015–16 this funding is for Old and New Regime students in high cost subjects.
- 5 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).
- 6 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.
- 7 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.
- 8 The former small and specialist institutions premium.
- 9 Provides funding to reflect, in broad terms, the difference in grant rates which institutions have been receiving for their Old and New Regime FTEs.

Appendix 5 Annex (continued)

HEFCE R	2014–15 Adjusted grant as at March 2015 £	2015–16 Initial grant as at March 2015 £	Change 2014–15 to 2015–16 £	
RESEARCH FUNDING				
Mainstream QR	77,512,644	71,643,649		
Mainstream QR	77,512,644	71,643,649	(5,868,995)	-7.57%
Charity Support funding	23,566,109	25,766,583		
Business Research funding	4,628,179	4,634,876		
Sub-total	28,194,288	30,401,459	2,207,171	
Research Degree Programme (RDP) supervision funds	16,536,049	15,891,697	(644,352)	<i>Note 1</i>
Mainstream funding	122,242,981	117,936,805	(4,306,176)	
QR funding for National Research Libraries	2,129,914	2,159,733		
TOTAL RESEARCH FUNDING	124,372,895	120,096,538	(4,276,357)	-3.44%
Non-consolidated transitional funding for RDP supervision		1,587,871		<i>Note 2</i>
Non-consolidated transitional funding to mitigate removal of STEM protection		2,395,063		<i>Note 3</i>
TOTAL RESEARCH FUNDING (both recurrent and transitional elements)	124,372,895	124,079,472	(293,423)	-0.24%
TOTAL				
	2014–15 Adjusted grant as at March 2015 £	2015–16 Initial grant as at March 2015 £	Change 2014–15 to 2015–16 £	
Total funding for teaching and research	149,343,818	145,415,620	(3,928,198)	-2.63%
Museums, galleries, and collections fund	1,956,000	1,983,384		
Funding, including museums, galleries, and collections fund	151,299,818	147,399,004	(3,900,814)	
ADDITIONAL ALLOCATIONS				
Knowledge Exchange (formerly HEIF)	2,850,000	2,850,000		
Knowledge Exchange supplement	500,000	500,000		
TOTAL ADDITIONAL	3,350,000	3,350,000	0	

Notes

- 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 Further support for RDP supervision to address the real-terms decline in the rate of funding in recent years and to emphasize the importance of investment in the next generation of researchers.
- 3 Provided to mitigate the impact on institutions of changes to the amounts allocated for some STEM subjects arising from the transition from RAE 2008 to REF 2014. The exact method of calculation is not currently known.