

CFF 2023/24 allocations: brief explanatory notes

A. Overview

The starting point for the Collegiate Funding Formula (CFF) is the JRAM allocation to the Colleges. This document does not attempt to explain the details of the JRAM 2324 fcast allocations, because there is a separate document explaining those, available on request.

The major influences on the change to CFF income between 2223adj and 2324 fcast are:

- i. An increase in rates of fee income for colleges for PGT, PGR and OS UG following an annual uplift in non-regulated fees
 - a. OS UG flat rate income rises by 8.0% or £2.3 m
 - b. PGT fee income rises by 8.0% or £1.5 m
 - c. PGR fee income rises by 4.5% or £0.7 m
- ii. There is a fall of £79k or 0.2% in flat rate income for HEU UGs. This is because we anticipate a reduction of 3% in the teaching grant provided by OfS for UG high cost subjects. Although the teaching grant is allocated entirely to the departments in JRAM, its level affects the calculation of the course fee variable baselines.
- iii. Mainstream QR income (driven by the REF2021 submission) has fallen by £0.3m for 2023/2024. This is because there was a £2.6m 'Additional Allocation' of QR for 2022/2023, announced by Research England in December 2022, of which £0.3m flowed to the colleges. Our forecast for 2023/2024 assumes that there will be no Additional stream in 2023/2024

Taken together these changes in income produce a 3.1% uplift on total CFF income between 2223adj and 2324fcast.

The initial JRAM allocations (2324fcast) are produced from a forecast student population rather than the student population on 1 Dec of the previous year. The JRAM 2324 fcast therefore anticipates likely changes in student numbers. The college rates of resource calculated from JRAM 2324 fcast reflect this forecast population. For example, the rate of RDP funding for the colleges is calculated by sharing the total RDP grant across the forecast population of RDP eligible PGR students.

Once these college rates of resource have been calculated, however, they have been applied to the colleges' student populations of 1 Dec 2022. This has been done because we have no better basis for forecasting the colleges' student populations for 2023/24. The forecast student population for 2023/24 (produced in January 2023) is overall larger than the 2022/23 student population (the forecast undergraduate population has dropped slightly, but the postgraduate population has grown), and we anticipate a higher proportion of OS students, as the removal of EU fee status for new students continues to have an impact.

As a result, we expect the total CFF 2324adj to be higher than the total CFF 2324, although the college rates of resource for CFF 2324 should be very close to the rates of resource in CFF 2324adj.

Following this method, the total amount distributed to colleges initially is £118,979,489. However the total colleges allocation in JRAM 2324 fcast is £122,789,109, about £3.6 m more. This difference occurs because the JRAM 2324 fcast uses the forecast student population for 2023/24 but the CFF applies the rates of resource generated from JRAM to the 1 Dec 2022 college population. This £3.6 m represents the extent to which we expect college income to increase in 2023/24 as a result of differences in student population (including differences in fee status) as opposed to increases in rates of resource. The actual increase or decrease will be calculated after the in-year JRAM and passed on to colleges in their CFF adj amounts.

Colleges can forecast their adjusted JRAM income for 2023/24 by applying the CFF 2324forecast rates of college income to their anticipated 1 Dec 2023 student population.

This note should be read alongside the “CFF rates of resource 2023/24” and the college-specific spreadsheet titled “*Name of College CFF file*”. The description below goes step by step through the College CFF file.

There are six main boxes of data on the College CFF file.

1. Teaching – main streams

The student FTEs in the CFF are the same as they are in the JRAM, except that HEU clinical medics are weighted to 0.5 in the CFF. Students on college-led Theology courses are counted separately because college income for these students is not flat-rated.

- a. *UG students.* In the CFF, college income for UGs is flat rated within two broad groups – HEU (including ELQ and Islands students) and Overseas. In 2324 the flat rate for HEU students is £4,270 and for Overseas students it is £16,498. The OS rate increases by 8.0% as a direct result of fee increases. The HEU flat rate is down by £8. This fall is almost entirely due to an anticipated decrease in the rate of teaching grant from government. The file “CFF rates of resource 2324” lists the flat rates for prior years for comparison.
- b. *PGT students.* Each of the College JRAM allocations for PGT students is passed on in the CFF. In JRAM 2324 there is a flat rate per FTE for HEU, ELQ and ISL students, and a separate one for OS.
- c. *PGR students (fee paying).* Fee income for PGRs is as calculated in JRAM. The colleges’ share of RDP funding (for HEU and ISL students) is flat-rated. Flat rates for FT and PT, HEU and Overseas PGRs are given in “CFF rates of resource 2324”. Note that a few HEU students on CDT courses are still liable for fees in Year 4 but no longer attract RDP funding, which is provided only for three years.
- d. *PGR students (out of fee liability).* Mostly there is no JRAM income for colleges once students are out of fee liability. Occasionally a student is still eligible for RDP funding even though they are out of fee liability. In this case the college income is £965 for a full time student.

2. Teaching – other streams (from JRAM)

Income for High Cost and Vulnerable Subjects. A government funding stream flowing directly from the JRAM.

PGCE Tax. This is a small tax on all UG and PGT (except PGCE and MSc Learning and Teaching) income across departments/divisions and colleges.

3. Research

Mainstream QR income is calculated on the basis of staff submitted to REF. The amount per FTE varies with the REF Unit of Assessment, and the share allocated to the college depends on the appointment type. From 2022/23 onwards our mainstream QR grant from government has been based on submissions to REF2021.

Contribution to Central Support Costs (related to QR income), also known as the Service Support Element. This is the mechanism by which the colleges contribute towards the costs of central support for research, in recognition of the share of QR allocated to them in the JRAM. The amount charged out in the 2324 JRAM is 8.6% higher than in the 2223adj allocations, at £2,935,310. The allocations for each college are in proportion to their share of college mainstream QR staff FTE.

Transfer from QR to Teaching. Within the CFF 40% of Mainstream QR net of SSE and PGCE Tax is used to provide supplements for UG and PGR teaching.

4. Teaching – transfers from QR

The transfer from QR to teaching mentioned above is split between HEU UG students (29%) and fee-paying PGR students (11%). In 2324 this provides a supplement of £217 per eligible UG FTE and £163 per eligible PGR FTE. These rates are slightly lower than in 2223adj (where they were £228 and £179 respectively). The rates fall a little because net QR funding falls a little – gross mainstream QR has fallen, and SSE and PGCE tax each rise slightly..

5. Moderation

No moderation has been applied to the CFF outcomes for 2324.

B. Further Detail on The Teaching side of the CFF

The teaching side of the CFF has a number of streams, shown in the table below.

The student FTEs in the CFF are the same as those in the JRAM, except that HEU clinical medics are weighted to 0.5 in the CFF.

HEU (including new-regime ELQ and most ISL) UG allocation	<p>The total amount allocated to all the Colleges in the JRAM for all non-ELQ HEU UGs and new-regime ELQ UGs is combined and allocated out as a flat rate amount per FTE. For 2324 the flat rate is £4,270, compared to £4,278 in 2223adj.</p> <p>The only exception to the flat rating is the FTEs on a small subset of Theology courses¹ in the PPHs, where MMB has agreed to pass the JRAM allocations straight through the CFF.</p> <p>The supplement from QR for HEU UGs has gone down from £228 to £217. This is mainly because the amount of net QR income has gone down slightly.</p> <p>Islands UGs are now included with HEU UGs for flat-rating, rather than with overseas UGs. This is because the JRAM college income for Islands UGs is now the same as for HEU UGs.</p>
Overseas UG allocation	<p>The total amount allocated to all the Colleges in the JRAM for Overseas UGs is combined and allocated out as a flat rate amount per OS UG FTE. For 2324 the flat rate is £16,498, compared to £15,273 in 2223adj.</p> <p>The only exception to the flat rating is the FTEs on a small subset of Theology courses in the PPHs, where MMB has agreed to pass the JRAM allocations straight through the CFF.</p>
VHCVS funding	<p>This government grant stream provides a small additional income for HEU students in certain cost centres (Physics, Chemistry, Chemical Engineering and Materials).</p>

¹ The Theology courses concerned are: UT_YV2 and UT_YV9P2 BTh Theology (Continuing Education), UD_TS1 and UDTS9P1 UG Diploma in Theological Studies, UR_TS1 and UR_TS9P1 UG Certificate in Theological Studies.

PGT allocation	CFF income for PGTs is as calculated in JRAM. There is a flat rate per FTE for HEU PGT, HEU-ELQ PGT and Overseas PGT, with exceptions for PGCE and college led Theology students. The rates for each of these categories are listed in "CFF rates of resource 2324". This year there has been an increase in the main college income rate of 8.0% for HEU and 8.3% for OS. These rates of increase reflect the average rates of fee increase for PGTs.
PGR allocation and supplementary transfer from QR	<p>College JRAM allocations for PGR students are passed on in the CFF, except that College RDP income is flat-rated. There is also a transfer from QR in the CFF for fee-paying PGR students.</p> <p>The element of fee income which is allocated to the colleges has increased by 4.2% for HEU students and 4.6% for OS students. These rates of increase reflect the average rates of fee increase for PGRs.</p> <p>The college RDP income flat rate has fallen from £1,049 to £965. This is because the RDP rate of funding is forecast to fall in 2023/24. The reason for this is a decrease in the University's RDP eligible FTE in the years which will drive the funding (the amount of grant is based on student numbers from two years before, i.e. from 2021/22). Assuming the overall sector FTE and funding level holds steady we will therefore receive a smaller share than last year.</p> <p>The transfer from QR is down on 2223adj i.e. £163 per FTE rather than £179. This is because we have forecast a slight fall in net QR income.</p>