

# Indicative Capital Funding for Learning and Teaching and IT Infrastructure

2004-05 and 2005-06

To: Heads of higher education institutions in  
Wales

Summary: This Circular announces indicative capital  
funding allocations for learning and teaching  
and IT infrastructure for 2004-05 and 2005-  
06 and invites institutions to submit  
proposals for programmes of expenditure.

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## ■ INTRODUCTION

1 This Circular announces indicative capital funding allocations for learning and teaching and IT infrastructure for 2004-05 and 2005-06 and invites institutions to submit proposals for programmes of expenditure.

## ■ BACKGROUND

2 The combined capital funding line for teaching and research in the Council's indicative budget for 2004-05 and 2005-06 amounts to £15.796 million and £15.799 million respectively. The Council agreed in December 2002 to maintain its capital funding for research infrastructure at £10.762 million in each of those two years in order to avoid decreasing its contribution to the Science Research Investment Fund (SRIF) at a time when other funders were increasing theirs. Consequently, the indicative capital funding available for learning and teaching and IT infrastructure in those two years amounts to £5.034 million in 2004-05 and £5.037 million in 2005-06, i.e. £10.071 million in total.

3 The Council is aware that programmes of capital expenditure can require considerable lead time. It has therefore agreed to announce arrangements for the deployment of the funding at this time, notwithstanding that the allocations for each of 2004-05 and 2005-06 are indicative only at this stage and will be subject to confirmation.

## ■ AREAS OF EXPENDITURE

4 The funding is being made available on broadly the same basis as the capital funding for learning and teaching and IT infrastructure for 2002-03 and 2003-04 and the supplementary capital funding allocation for 2002-03. It is being allocated to institutions by formula

for use in support of developments and enhancements to the learning and teaching and IT infrastructure which are consistent with wider institutional strategies in those areas. These strategies include the learning and teaching strategy; the widening access strategy; the estates strategy; and disability provision plans.

5 This approach is intended to give institutions maximum flexibility in the use of their allocations whilst, at the same time, ensuring that deployment is firmly linked to wider strategic considerations.

6 In terms of specific areas of expenditure, institutions may wish to consider using funding from their allocations for capital developments required in order to comply with statutory obligations arising from legislation. Such legislation includes health and safety legislation and the Disability Discrimination Act 1995 and its extension, the Special Educational Needs and Disability Act 2001. It is, however, recognised that capital funding is not the only source of support for such expenditure, since institutions are expected to manage the totality of their resources in such a way as to enable them to meet their statutory obligations.

7 Although not intended as a definitive list, other specific areas of activity which institutions might wish to support could include:

- estates work to improve the quality of the learning and teaching environment
- further enhancement of management information systems, campus communications networks, wide area networks and managed learning environments
- equipment for learning and teaching activities within the institution and/or, in the

context of widening access, in outreach centres

- provision of additional studios or other enhancements to the sector-wide video services network.

8 Since the funding is being made available for capital developments, it may not be used for the support of staff posts.

#### ■ ALLOCATION METHOD

9 The Council's practice in allocating capital funding for learning and teaching and IT infrastructure in recent years has been to distribute the funding in proportion to institutions' total formula driven allocations for teaching, subject to the application of maximum and minimum levels of award. This approach is intended to ensure that all institutions receive a meaningful level of award, and that funding is not unduly concentrated in a restricted number of institutions.

10 The same approach has been adopted for the distribution of the present funding. The funding available has been allocated in proportion to institutions' total formula driven funding for teaching for 2003/04 (i.e. core grant plus premium and per capita payments), subject to the application of a minimum level of award of £200k and a maximum of £1.4 million.

11 The allocations are shown at **Annex A**. As noted above, the funding is currently indicative, and allocations will be subject to annual confirmation.

#### ■ CLAIMING ALLOCATIONS

12 The release of institutions' allocations will be subject to the submission of acceptable plans for programmes of expenditure. These should be provided by completing

the pro forma shown at **Annex B**. An electronic version of the pro forma can be downloaded from the Council's website (<http://www.hefcw.ac.uk>) where it will be available alongside this Circular.

13 The Council has sought to ensure that the level of information sought on institutions' expenditure plans is proportionate to the funding provided, and it is intended that completion of the pro forma should not be unduly onerous. It is, however, important that the information provided is sufficiently specific to provide the Council with a clear understanding of institutions' intentions. In this context, attention is drawn to the notes of guidance on the completion of the pro forma which are attached at **Annex C**.

14 The Council is aware that, in a number of instances, institutions have plans to merge during the funding period. Where a merger becomes effective during that period, the aggregate amount of the allocations due to the institutions concerned will be paid to the merged institution. If institutions involved in merger discussions wish to submit a joint plan for the use of their combined allocation, the Council will be content for them to do so. For reasons of accountability, however, each institution's allocation will be paid separately until the merger becomes effective. At that point, the combined total will be paid to the merged institution.

#### ■ TIMING OF PAYMENTS

15 The allocations for 2004-05 will be paid in two equal tranches, in April 2004 and September 2004; those for 2005-06 will be paid in April 2005 and September 2005.

■ **MONITORING AND EVALUATION**

- 16 Expenditure of the 2004-05 allocation should be completed by 1 March 2005, and expenditure of the 2005-06 allocation by 1 March 2006. Institutions will be asked to provide confirmation at those points that the funding has been spent in accordance with the agreed plans. They will also be asked to provide a brief statement of the overall impact of the funding and the benefits derived at the end of the funding period.
- 17 In the case of any proposals involving new build or substantial refurbishment, an audit certificate will be required on completion of the work.
- 18 The Council may also wish to commission an external evaluation

of the impact of the funding after the end of the funding period.

■ **RESPONSES AND FURTHER INFORMATION**

- 19 Institutions should submit their plans for the use of their indicative allocations to the Council by **Friday 31 October 2003**, using the pro forma provided. The completed pro forma should be addressed to Emma Morris, Strategic Projects Manager, Higher Education Funding Council for Wales, Linden Court, The Orchards, Ilex Close, Llanishen, Cardiff CF14 5DZ.
- 20 Any queries arising from this Circular should also be directed to Emma Morris (029 2068 2292; Emma.Morris@hefcw.ac.uk).

## ANNEX A

**CAPITAL FUNDING FOR LEARNING AND TEACHING AND IT  
INFRASTRUCTURE  
2004-05 AND 2005-06**

**INDICATIVE ALLOCATIONS**

INSTITUTION	2003/4 TEACHING FUNDING	INDICATIVE ALLOCATIONS		
		2004-2005	2005-2006	TOTAL
		£	£	£
University of Glamorgan	37,048,175	699,791	700,209	<b>1,400,000</b>
University of Wales, Aberystwyth	21,544,289	513,776	514,082	<b>1,027,859</b>
University of Wales, Bangor	20,195,887	481,620	481,907	<b>963,528</b>
Cardiff University	44,028,251	699,791	700,209	<b>1,400,000</b>
University of Wales, Lampeter	4,148,892	99,970	100,030	<b>200,000</b>
University of Wales Swansea	23,365,483	557,207	557,539	<b>1,114,746</b>
University of Wales College of Medicine	11,274,199	268,861	269,021	<b>537,882</b>
University of Wales Institute, Cardiff	21,565,579	514,284	514,590	<b>1,028,874</b>
University of Wales College, Newport	16,109,775	384,177	384,406	<b>768,583</b>
North East Wales Institute	12,907,627	307,814	307,997	<b>615,811</b>
Swansea Institute of Higher Education	11,493,794	274,098	274,261	<b>548,359</b>
Trinity College, Carmarthen	4,991,050	119,024	119,095	<b>238,118</b>
Royal Welsh College of Music and Drama	4,763,041	113,586	113,654	<b>227,240</b>
<b>Total</b>	<b>233,436,042</b>	<b>5,034,000</b>	<b>5,037,000</b>	<b>10,071,000</b>

## HIGHER EDUCATION FUNDING COUNCIL FOR WALES

INDICATIVE CAPITAL FUNDING FOR LEARNING AND TEACHING  
AND IT INFRASTRUCTURE  
2004-05 AND 2005-06

## EXPENDITURE PLANS

INSTITUTION:	
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INDICATIVE ALLOCATION	
2004-05:	£
2005-06:	£
TOTAL:	£

CONTACT FOR ANY QUERIES	
Name:	
Position:	
Email Address:	
Phone Number:	

**INDICATIVE CAPITAL FUNDING FOR LEARNING AND TEACHING AND IT INFRASTRUCTURE 2004-05 AND 2005-06**

<b>PROPOSED DEVELOPMENT</b> <i>Please name relevant institutional strategy; describe proposed development; and state anticipated benefits.</i>	<b>EQUIPMENT TO BE PURCHASED/                      ESTATES WORK TO BE UNDERTAKEN</b>	<b>EXPENDITURE BREAKDOWN</b>		
		<b>2004-05</b>	<b>2005-06</b>	<b>TOTAL</b>
<i>Sub-Total</i>				
<i>Sub-Total</i>				

*Continue on separate sheets as required*

<b>PROPOSED DEVELOPMENT</b> <i>Please name relevant institutional strategy; describe proposed development; and state anticipated benefits.</i>	<b>EQUIPMENT TO BE PURCHASED/  ESTATES WORK TO BE UNDERTAKEN</b>	<b>EXPENDITURE BREAKDOWN</b>		
		<b>2004-05</b>	<b>2005-06</b>	<b>TOTAL</b>
<i>Sub-Total</i>				
<i>Sub-Total</i>				
<b>TOTAL</b>				

**INDICATIVE CAPITAL FUNDING FOR LEARNING AND TEACHING  
AND IT INFRASTRUCTURE 2004-05 AND 2005-06**

**NOTES OF GUIDANCE ON COMPLETION OF EXPENDITURE PLANS**

- 1 The following guidance is intended to help institutions ensure that the information submitted is sufficient for the Council's purposes, thereby minimising the need for any requests for supplementary information or clarification.

*Column 1: Description of Proposed Development*

- 2 In this column, you are asked:
- to name the institutional strategy/strategies which relate to the proposed development. (Relevant strategies include the teaching and learning strategy, the widening access strategy, the estates strategy, and disability provision plans.)
  - to describe, in general terms, how the funding will be used. **Please ensure that this description is sufficiently full to provide the Council with a clear understanding of the nature of the proposed development.**
  - to indicate the anticipated benefits of the proposed expenditure.
- 3 Where the proposed expenditure builds on earlier developments supported from HEFCW's capital funding, it would be helpful if this could be indicated.

*Column 2: Equipment to be Purchased/Work to be Undertaken*

- 4 Please itemise the equipment to be purchased and/or the estates or other work to be undertaken. It is important that the information provided should:
- be sufficiently **specific** and detailed to provide the Council with a clear understanding of how the funding will be used.
  - be **quantified**. For example, if it is intended to purchase additional PCs, the anticipated number of PCs should be stated; similarly, if it is intended to upgrade audio visual facilities in teaching rooms, the anticipated number of rooms to be upgraded should be specified.
- 5 In the case of any proposals involving new build or substantial refurbishment, please state the floor area involved (in square metres – m<sup>2</sup>).

*Column 3: Expenditure Breakdown*

- 6 Column 3 should show the proposed expenditure on each proposed development, by year and in total. Additionally, in the case of developments for which more than one element of expenditure is listed in column 2, corresponding breakdowns of expenditure should be provided in column 3.
- 7 In the case of any proposals involving new build or very substantial refurbishment work, the Council may subsequently request additional financial information (e.g. option appraisals).