

Circular

Supplementary Capital Funding Allocation 2008

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To: Heads of higher education institutions in Wales
Response by: 30 April 2008
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This Circular announces a supplementary capital funding allocation for 2008.

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Introduction

- 1 This Circular announces a supplementary capital funding allocation for 2008.

Background

- 2 The Council has agreed to provide a supplementary capital funding allocation of £5.5 million in 2008. This funding is intended to make some contribution to addressing the shortfall in capital funding for learning and teaching in Welsh HEIs which was identified in the study commissioned from JM Consulting in 2006. It is also provided to support investment in infrastructure which will enable the sector to respond strongly to the Welsh Assembly Government's Science Policy for Wales. The funding has been made available from a variety of sources, including the funding reclaimed from the sector for under-recruitment in 2006/07.

Allocations

- 3 As indicated above, the funding is intended to help address a shortfall in learning and teaching capital, and to support additional capital investment relevant to the Assembly's Science Policy for Wales. Taking account of those objectives, the funding has been allocated as follows:
 - 50% has been allocated in proportion to institutions' 2007/08 formula-based allocations for teaching in the Science, Technology, Engineering and Mathematics subjects, with a minimum allocation of £30k.
 - 50% has been allocated in proportion to the number of Units of Assessment which were rated 4 in the 2001 Research Assessment Exercise. This recognises the potential of these departments whilst also acknowledging that they may, in general, be less well-placed to attract research grants carrying FEC support.
- 4 The allocations are set out at **Annex A**. They will be released in March 2008.

Eligible Uses

- 5 The funding must be used for capital investment in physical infrastructure for learning and teaching and/or research. Institutions are free to determine their own division of funding between learning and teaching and research in the light of their particular circumstances and priorities, and there is no requirement to replicate the proportions contained in the allocation formula.

- 6 As with the Council's mainstream capital funding allocations, expenditure should be consistent with wider institutional strategies. Such strategies include the learning and teaching strategy, the widening access strategy, the estates strategy, disability provision plans and the research strategy.
- 7 Examples of specific areas of activity which institutions might wish to support include the following:
- Refurbishment of premises for learning and teaching and/or research
 - Equipment for learning and teaching and/or research
 - Enhancement to IT infrastructure, including enhancement of campus communications networks, research repositories, managed learning environments, e-learning and management information systems
 - Construction or acquisition of new premises for learning and teaching and/or research, where this is a better solution than refurbishment
 - Measures to reduce environmental impact and carbon emissions, including measures to improve energy or water efficiency
 - Infrastructure developments required to ensure compliance with disability legislation
 - General physical infrastructure underpinning learning and teaching and research.
- 8 Since the funding has been provided partly in order to support additional investment in areas relevant to the Welsh Assembly Government's Science Policy, institutions are encouraged to have particular regard to the following:
- investments which will support learning and teaching in the STEM subjects
- and*
- investments in research infrastructure of relevance to the three priority areas identified in the Assembly's Science Policy - health, low carbon energy systems, and enabling sustained economic and social renewal – where these would build on existing institutional strengths.
- Investment in other areas is, however, also acceptable.
- 9 Institutions are reminded that it is a Welsh Assembly Government requirement that all new builds and extensions funded in full or in part with capital funding provided by or through HEFCW must meet BREEAM

standards of excellence, and must use at least 10% recycled materials by value. Previous guidance on this point was provided in Circular W07/30HE.

- 10 Since this is capital funding, it may not be used for the support of staff posts, nor for the employment of contractors.

Action Required

- 11 Institutions should incorporate their plans for the expenditure of this supplementary allocation into the Capital Investment Strategy which has already been requested in connection with the Council's main Capital Investment Fund (Circular W08/8HE refers). The supplementary funding allocation should be shown as a separate income line for the first year of the strategy in the *Sources of Funding* section of the pro forma supplied with Circular W08/8HE (i.e. Annex C2).

Note: Any institution which has already been notified by HEFCW that it does not qualify to receive funding on the basis of a capital investment strategy will be asked to provide more detailed plans for the use of its supplementary allocation. Information about these requirements, and the associated monitoring arrangements, will be provided separately,

Monitoring

- 12 The supplementary funding allocation will be covered by the existing monitoring arrangements for institutions' Capital Investment Strategies, as set out in paragraphs 23 and 24 of Circular W08/0HE.

Responses and Further Information

- 13 Institutions' responses to this Circular should be incorporated into their Capital Investment Strategies. As indicated in Circular W08/8HE, these should be submitted to HEFCW by email and as a signed hard copy by **30 April 2008**, addressed to Emma Morris.
- 14 Any queries arising from this Circular should be directed to Linda Tiller (linda.tiller@hefcw.ac.uk; 029 2068 2228).

ANNEX A

SUPPLEMENTARY CAPITAL FUNDING ALLOCATIONS 2008

INSTITUTION	2007/08 TEACHING FUNDING FOR STEM SUBJECTS £	NUMBER OF 4-RATED UoAs IN 2001 RAE	SUPPLEMENTARY CAPITAL FUNDING ALLOCATIONS		
			ALLOCATION BASED ON TEACHING FUNDING FOR STEM SUBJECTS £	ALLOCATION BASED ON NUMBER OF 4-RATED UoAs £	TOTAL ALLOCATION £
University of Glamorgan	25,264,379	2	509,165	144,737	653,902
Aberystwyth University	9,931,606	8	200,156	578,947	779,104
Bangor University	12,284,029	7	247,566	506,579	754,145
Cardiff University	44,362,916	7	894,067	506,579	1,400,646
University of Wales, Lampeter	520,278	2	10,485	144,737	155,222
Swansea University	15,594,265	11	314,279	796,053	1,110,331
University of Wales Institute, Cardiff	10,381,267	1	209,219	72,368	281,587
University of Wales, Newport	4,269,585	0	86,047	0	86,047
North East Wales Institute	7,979,244	0	160,810	0	160,810
Swansea Metropolitan University	4,376,695	0	88,206	0	88,206
Trinity College, Carmarthen	261,582	0	30,000	0	30,000
TOTAL	135,225,846	38	2,750,000	2,750,000	5,500,000

Note: For the purposes of this allocation, STEM subjects are defined as: preclinical medicine and dentistry; clinical medicine and dentistry; subjects and professions allied to medicine; science; engineering and technology; mathematical sciences, IT and computing.