

2018-22 Financial forecasts: assumptions

- 1 At this stage we are able to confirm only that the funding for academic year 2018/19 remains in line with the information provided in the Welsh Government's remit letter to HEFCW for 2018/19 and in our circular 'HEFCW's Funding Allocations 2018/19' (W18/10HE). No funding decisions have yet been made beyond the 2018/19 allocations.

Fee Plans:

- 2 We will expect financial forecasts to take into account the fee plans/fee and access plans submitted to us covering 2017/18, 2018/19 and 2019/20.

Fee Levels:

- 3 We will expect financial forecasts to assume no growth in fee levels (Home) over the forecast period. If any growth is shown, we would expect an appropriate sensitivity analysis to also be provided.

Student numbers

- 4 Institutions should not assume any growth in HEFCW-funded numbers for part-time provision.
- 5 Assumptions for student number forecasts should be consistent with those used in the preparation of the financial forecast tables.

HEFCW funding

- 6 For planning purposes, the 2018/19 allocations announced in 'HEFCW's Funding Allocations 2018/19' (W18/10HE) should inform the baseline of the forecasts. However, funding levels for future years will be subject to further change, in the context of future levels of Welsh Government budgets and the implementation of the Diamond review recommendations. As future funding levels are uncertain institutions should not forecast any increase in HEFCW funding beyond a return to baseline levels by 2019/20.

Strategy and initiative allocations

- 7 Assumptions for strategy and initiative allocations should be based on funding that has already been committed by HEFCW.

Capital

- 8 The forecast should identify all significant individual capital projects by name or function as well as the actual or intended source of capital funds including allocations of HEFCW capital funding. The proposals should be consistent with the current estates strategy or other accepted capital proposals for your institution, and should include proposed or possible purchases of land or buildings as well as intended refurbishment or new build projects.
- 9 The forecast should include reference to any plans for long-term capital maintenance projects. Any significant changes to these proposals should be explained within the commentary.