

December 2009/48

**Core funding/operations
Consultation**

Responses should be e-mailed to
HEFCE by Friday 12 March 2010

This document sets out our proposals for the development of the Capital Investment Framework (CIF). These proposals are solely about the assessment process: the amount of capital funding that will be available from April 2011 is dependent on the outcome of the next government spending review.

Capital Investment Framework

Consultation on the assessment process

Alternative formats

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Capital Investment Framework: consultation on the assessment process

To	Heads of HEFCE-funded higher education institutions Heads of universities in Northern Ireland
Of interest to those responsible for	Governance, Management, Finance, Estates, IT
Reference	2009/48
Publication date	December 2009
Enquiries to	Donna Iafrati tel 0117 931 7357 e-mail d.iafrati@hefce.ac.uk

Executive summary

Purpose

1. This document sets out our proposals for the further development of the Capital Investment Framework (CIF). These proposals are solely about the assessment process: the amount of capital funding that will be available from April 2011 is dependent on the outcome of the next government spending review.

Key points

2. Higher education institutions (HEIs) need to be able to demonstrate that public funds are being well used and that capital funding is delivering real value. The second CIF will continue to enable them to demonstrate this, and it addresses two new areas:
 - a. **Reducing carbon emissions:** in the 2008 and 2009 grant letters to HEFCE from the Secretary of State, he set out the need for HEIs to contribute to the Government's targets for reduction in carbon emissions.
 - b. **Improving space usage:** there is a need to improve space usage in HEIs, as identified in the most recent Estate Management Statistics annual report (HEFCE 2008/41).
3. The second CIF has updated questions and self-assessment categories. The requirements for supporting evidence and metrics have also been reviewed. We are now seeking comments on these changes, and the proposed second CIF is presented in Annexes B and C.
4. The HEFCE Board agreed in November 2009 how it would take account of the outcomes of the second CIF assessments in distributing any capital funding through the capital investment fund.

Action required

5. Comments are invited on the proposed second CIF using the response form at Annex A.

Respondents should download and complete the electronic version of the form, which can be found at www.hefce.ac.uk alongside this document under Publications, and e-mail it to capital@hefce.ac.uk by **Friday 12 March 2010**.

Introduction

6. The first Capital Investment Framework (CIF) was implemented in April 2008 following the consultation ‘Capital Investment Framework – consultation on a new approach’ (HEFCE 2006/04). The finalised arrangements for the CIF were outlined in ‘Arrangements for the Capital Investment Framework’, HEFCE Circular letter 21/2007.

7. The CIF was developed to encourage higher education institutions (HEIs) to manage their physical infrastructure as an integral part of their strategic and operational planning.

8. The first CIF was assessed through strategic questions and metrics derived from Estate Management Statistics (EMS). The questions and metrics were designed to show whether the following elements were evident in each HEI’s strategic planning:

- a. Infrastructure planning integrated within strategic and operational planning processes.
- b. Infrastructure being sufficient in terms of amount, fitness for purpose and condition to meet the needs of the institution.
- c. The institution’s income being adequate to cover the capital, maintenance and operating costs of infrastructure.
- d. The level of infrastructure investment required and planned being affordable.
- e. Capital projects had been subject to option appraisal.
- f. Whether infrastructure is being used effectively.
- g. The cost of correcting backlog maintenance in relation to income and insurance replacement value.
- h. The amount expended on infrastructure investment as a proportion of income and insurance replacement value.

Proposals for the second CIF

9. In developing the second CIF we have revised the strategic questions, self-assessment categories, supporting evidence and metrics that were in the

first CIF. The proposed revisions are designed to build on the fundamental principles of the first CIF, while taking account of new issues related to carbon emissions and space management. The new requirements mean HEIs will need to demonstrate that:

- they have a sustainable carbon management plan that will contribute to the sector meeting government targets on carbon reduction
- space is utilised efficiently.

10. The proposed strategic questions for the second CIF have been designed to be relevant and unambiguous.

11. For each question the descriptions of the self-assessment categories A to D are intended to ensure a difference between each category that is sufficient to differentiate between institutions that meet the standards required under the second CIF and those that have to make further progress to be eligible to be funded under the CIF process.

12. The evidence required in the supporting statements below each question should be sufficient to underpin the response given to the questions.

13. The metrics we have identified should be sufficient to demonstrate, against agreed targets and timescales, that:

- a. Actual investment, taking one year with another, is in line with HEIs’ plans for having a sustainable physical infrastructure.
- b. There is continued improvement in the condition of the estate.
- c. A baseline of carbon emissions has been set, with progress being made to reduce carbon emissions.
- d. There is continued improvement in the use of space.

14. The proposed revised questions – along with the assessment categories, the supporting requirements and details of the metrics – are at Annexes B and C.

15. We are seeking views on whether these proposals will meet the updated requirements.

Assessment of second CIF submissions

16. The assessment of CIF submissions will be carried out by HEFCE institutional, assurance and estates¹ teams. As with the first CIF an advisory panel, drawn from the higher education sector, will review all submissions that are assessed as not meeting the requirements of the framework, and a sample of other submissions and assessments.

The second CIF timetable

17. The proposed timetable for this consultation and subsequent assessment of proposals for the second CIF is below.

Responding to this consultation

18. Comments are invited on the proposed changes to the questions, self-assessment categories, supporting evidence and metrics using the response form at Annex A. Respondents should complete the electronic version of the form, which can be found at www.hefce.ac.uk alongside this document under Publications, and e-mail it to capital@hefce.ac.uk by Friday 12 March 2010.

19. All responses may be disclosed on request, under the terms of the Freedom of Information Act. The Act gives a public right of access to any information held by a public authority, in this case HEFCE. This includes information provided in response to a consultation. We have a responsibility

to decide whether any responses, including information about your identity, should be made public or treated as confidential. We can refuse to disclose information only in exceptional circumstances. This means responses to this consultation are unlikely to be treated as confidential except in very particular circumstances. Further information about the Act is available at www.informationcommissioner.gov.uk.

Capital funding from April 2011

20. As indicated in paragraph 1, capital funding from April 2011 is dependent on the outcome of the next spending review. No assumptions on future capital funding can be made at this stage.

21. However, the HEFCE Board agreed in November 2009 how it would take account of the outcomes of the second CIF assessments in distributing any capital funding through the capital investment fund.

22. The arrangements, as can be seen at Annex D, will be:

- a. All HEIs will receive 60 per cent of their allocations for all years of capital funding.
- b. Those HEIs that meet the second CIF requirements by 31 March 2011 will receive 100 per cent of their allocations².

Proposed timetable

Consult with the sector on the content of the second CIF	December 2009 to 12 March 2010
Analyse the responses to the consultation	12 March to mid-April 2010
HEFCE Board considers consultation outcomes and agrees final form of the second CIF	May 2010
Announce final form of the second CIF and invite proposals from HEIs	May 2010
HEIs submit second CIF proposals	June to mid-September 2010
Assessment process including moderation and quality assurance	mid-September to mid-November 2010
External advisory group meeting to review a sample of submissions to quality assure outcomes	End November 2010
HEFCE chief executive to agree recommendations on assessment outcomes	December 2010
Advise HEIs of outcome of the assessment process	December 2010

¹ The estates assessment may be resourced externally.

² By meeting the requirement of the second CIF HEIs will be deemed to have met the requirements of the first CIF.

- c. Any HEI that met the requirements of the first CIF but cannot meet the higher standards of the second will be given one year to do so. If successful the remaining 40 per cent will be profiled.
- d. If an HEI (under paragraph c above) is unable to meet the standards of the second CIF after one year it will be required to provide an action plan, with clear milestones, to show how it will meet the requirements in full. Once accepted the proportion of the remaining 40 per cent funding from the year of compliance will be allocated, but payment will be conditional on meeting the agreed milestones over the remaining years. If milestones are not met then future payments will be withheld until a revised plan is agreed.
- e. Those HEIs that did not meet the requirements of the first CIF and do not meet the second CIF requirements will be required to submit an action plan immediately, with clear milestones, to show how they will meet the requirements in full. Once accepted the proportion of the remaining 40 per cent funding from the year of compliance will be allocated, but payment will be conditional on meeting the agreed milestones. If milestones are not met then future payments will be withheld until a revised plan is agreed.
- f. All payments to HEIs will be on a profile basis set by HEFCE.

23. Further details will be provided when funding from April 2011 is announced and the HEFCE Board has considered how those funds should be distributed.

Annex A

Consultation questions

Responses to the consultation should be made using the electronic version of this form, which can be found on the HEFCE web-site with this document at www.hefce.ac.uk under Publications.

Name.....

On behalf of (name of institution or organisation)

Date.....

Consultation question 1: Are the strategic questions sufficiently clear? Do you think HEIs will be able to comprehend the desired outcome?

Yes/No

Comments

Consultation question 2: Is there sufficient distinction between the criteria set out in the response classifications A to D for each strategic question?

Yes/No

Comments

Consultation question 3: Is the evidence being sought in the supporting statement to each of the strategic questions sufficient and appropriate?

Yes/No

Comments

Consultation question 4: Are the metrics identified fit for purpose?

Yes/No

Comments

Consultation question 5: Do you have any other comments?

Yes/No

Comments

Annex B

Capital Investment Framework – proposed submission form

This is the proposed submission form for the second CIF. Consultation questions 1 to 3 relate to this annex.

Institution name:

A Strategic questions

The categories A-D reflect different levels of progress in the development of good practice in each area. Please identify which category best matches your level of progress and provide a supporting statement of not more than 200 words in respect of each. Institutions must demonstrate their progress since the first CIF (CIF1) in 2007. Supporting statements should be evidence-based, drawing on the metrics and including references to the dates of strategy and policy documents, condition and satisfaction surveys.

Number	Question	A	B	C	D
1	<p>Current condition and functional suitability</p> <p>Does the institution have the physical infrastructure in terms of condition and fitness for purpose to deliver the institution's mission?</p>	A very substantial proportion of the non-residential estate is in condition categories A & B and in functional suitability categories 1 & 2.	A majority of the non-residential estate is in condition categories A & B and in functional suitability categories 1 & 2.	A majority of the non-residential estate is in condition categories C & D or in functional suitability categories 3 & 4.	A majority of the non-residential estate is in both condition categories C & D and functional suitability categories 3 & 4.
Assessment (Please tick corresponding box)					
<p>Supporting statement, which must include evidence of how the institution has reached this assessment; for example peer group benchmarking, functionality and condition surveys, staff and student satisfaction surveys. Details of the scope and date of surveys should be provided. Additionally, institutions should describe the progress achieved since CIF1 in 2007. Where there has been no progress, details of the reasons for this should be provided.</p> <p>(word limit = 200 words)</p>					

Number	Question	A	B	C	D
2	<p>Space efficiency</p> <p>Is the institution challenging space use to ensure that assets are used efficiently and effectively?</p>	<p>A master development plan exists to show how the estate is expected to evolve. Space allocation and management is actively supported by the senior management team and there is continuous monitoring through an inventory of all space. Regular reviews of fitness for purpose take place; all space utilisation rates and accommodation costs are known and benchmarked. The institution is able to quantify the efficiencies achieved over time.</p>	<p>Development plans exist for the estate; central timetabling is in use; the estate has been assessed for fitness for purpose and space utilisation is benchmarked. An effective space allocation system is in operation and space use is monitored regularly.</p>	<p>The institution believes that there are gains to be made from using infrastructure assets more efficiently and is taking steps to pursue this.</p>	<p>The institution is planning to address efficient use of assets and has staff engaged on this.</p>
<p>Assessment (Please tick corresponding box)</p>					

Supporting statement, which must include details of how this has been assessed, improvements in space utilisation achieved and how utilisation is expected to be improved further.

Details should be given of how the institution is working to achieve an efficient and fit for purpose estate that meets the needs of modern higher education. Information on improvements in space use should include references to the CIF metrics and any others considered relevant, such as academic office provision or carbon savings achieved through space efficiency. Details of peer group benchmarking undertaken would be helpful. Information on processes used should include details of the space management committee or equivalent, details of space standards adopted and the use made of good practice material produced by the UK HE Space Management Group at www.smg.ac.uk. This includes models which predict estate size based on factors such as subject mix and income, and allow space needs to be calculated at subject level based on contact time, cohort size and other parameters. Additionally, institutions should describe the progress achieved since CIF1 in 2007. Where there has been no progress, details of the reasons for this should be provided.

(word limit = 200 words)

Number	Question	A	B	C	D
3	Carbon reduction Is the institution fully committed to reducing carbon emissions? Does the institution have a convincing carbon management plan which will reduce carbon emissions in line with sector level targets ³ ?	The institution has a carbon management plan which fully meets the requirements set out below. The institution can demonstrate an absolute reduction in scope 1 and 2 carbon emissions in the period from either 1990 or 2005, to 2008. The institution can identify projects that will lead to an absolute reduction in carbon emissions by 2020.	The institution has a carbon management plan which fully meets the requirements set out below. The institution can demonstrate an absolute or relative reduction ⁴ in scope 1 and 2 carbon emissions in the period from either 1990 or 2005, to 2008. The institution can identify projects that will lead to an absolute reduction in carbon emissions by 2020.	The institution has a carbon management plan but this does not fully meet the requirements set out below. The institution cannot demonstrate an absolute or relative reduction in scope 1 and 2 carbon emissions from either 1990 or 2005 to 2008.	The institution is formulating a carbon management plan.
Assessment (Please tick corresponding box)					
What is your 1990 (academic year 1990-91) baseline? (if using) ⁵				Thousands of tonnes of CO ₂	
What is your 2005 (academic year 2005-06) baseline?				Thousands of tonnes of CO ₂	
What is your 2008 (academic year 2008-09) baseline?				Thousands of tonnes of CO ₂	
What is your 2020 carbon reduction target for scope 1 and 2 emissions against the 2005 baseline ⁶ ?				%	
Supporting statement, including how the assessment of current performance has been reached. This should include details of how the plan meets the requirements of a carbon management plan set out below, carbon reduction target(s), emissions reductions achieved, actions undertaken and achievements in key areas. Evidence may include achieving the Carbon Trust Standard; completion of the Carbon Trust's Higher Education Carbon Management Programme; participation in the Revolving Green Fund. Additionally, the institution should describe what reductions have been made since 1990 or 2005. (word limit = 200 words)					

³ See 'Carbon reduction target and strategy for higher education in England' (HEFCE 2010/01), to be published in January 2010.

⁴ Relative reductions may be in relation to combined full-time equivalent staff and student numbers or income.

⁵ See 'Carbon management strategies and plans: a guide to good practice' (HEFCE 2010/02), to be published in January 2010. Institutional baselines for 1990 and 2005 will be made available for most HEIs in early 2010 and HEIs may use these if they wish. These will be made available at www.hefce.ac.uk under Leadership, governance & management/Sustainable development/Reducing carbon emissions.

⁶ In calculating these institutions should follow 'Carbon management strategies and plans: a guide to good practice' (HEFCE 2010/02), due to be published in January 2010.

The requirements of a carbon management plan are:

- a. A carbon management policy or strategy – this could be part of a wider environmental/sustainability policy.
- b. A carbon baseline for 2005 which covers all scope 1 and 2 emissions. Institutions are encouraged to measure a baseline for scope 3 emissions, and in the longer term we would expect these to be included.
- c. Carbon reduction targets. These must:
 - cover scope 1 and 2 emissions, but institutions may choose to set additional targets for scope 3 emissions
 - be SMART (specific, measurable, achievable, realistic and time-bound)
 - be set against a 2005 baseline. Institutions may choose to set their reductions in context by setting additional targets against an alternative baseline year
 - be set to 2020, because this is the timescale for interim government targets. Institutions may also set interim milestones.
 - be publicly available.
- d. An implementation plan to achieve carbon emission reductions in scopes 1, 2 and 3 including timescales and resources. These should cover capital projects and actions to embed carbon management within the institution, for example, through corporate strategy, communication and training.
- e. Clear responsibilities for carbon management.
- f. A commitment to monitor progress towards targets regularly and to report publicly annually.
- g. The carbon management plan, including targets, must be signed off by the governing body.

Number	Question	A	B	C	D
4	<p>Non-carbon environmental performance</p> <p>How is infrastructure and facilities management aligned with the goal of managing environmental impact and conserving biodiversity?⁷ What action is being taken?</p>	<p>The contribution of infrastructure and facilities management to environmental performance, particularly in terms of waste and water, is fully recognised across the institution and embedded in its mission and/or strategy. There are appropriately trained staff with responsibility for environmental performance; performance indicators are monitored and published at least annually and are improving. The institution has been awarded a recognised environmental management standard. The institution is committed to obtaining BREEAM 'Excellent' or 'Outstanding' for all future construction projects over £2 million in value.</p>	<p>The institution has an environmental policy that includes objectives and targets relating to waste and water. There are appropriately trained staff with responsibility for environmental performance. Meaningful performance improvement has been achieved in a number of key areas such as energy management, procurement, waste, water and transport. The institution is committed to obtaining at least BREEAM 'Very good' for all future construction projects over £2 million in value.</p>	<p>The institution is developing an environmental policy and staff are actively taking initiatives forward. Improvements have been achieved in a number of key areas such as energy management, procurement, waste, water and transport.</p>	<p>The institution is formulating its approach to environmental sustainability.</p>
Assessment (Please tick corresponding box)					

Supporting statement, including how the assessment of current performance has been reached. This should include details of environmental staff, policy and management systems, performance against targets, mode of reporting publicly, actions undertaken and achievements in key areas. Evidence may include certification to an environmental management system such as EcoCampus, ISO14001 or the eco-management and audit scheme EMAS; participation in Universities that Count; BREEAM ratings for new builds and refurbishments; annual environmental or corporate social responsibility report; Fairtrade accreditation; Considerate Contractors; and awards such as the Green Gown Awards. Additionally, institutions should describe the progress achieved since CIF1 in 2007. Where there has been no progress, details of the reasons for this should be provided.

(word limit = 200 words)

⁷ Biodiversity is short for 'biological diversity', the variety of life on Earth. It includes all living organisms and the ecosystems in which they occur. Abundance and diversity of ecosystems, species, genes and the interactions between them are a key part of biodiversity. Together they ensure the continuance of life by providing oxygen, fresh water and other resources that are essential for our long-term survival. Definition taken from the 2006 publication 'Biodiversity on Campus: An EAUC practical guide' available on the web at www.eauc.org.uk under Resource Bank/Biodiversity.

Number	Question	A	B	C	D
5	Affordability Has the institution been through a systematic process to identify the annual sum required for investment in infrastructure? Is the institution investing at this level; if not how and when will the required level be reached?	The institution has identified the infrastructure investment required and is confident that current and planned expenditure is sufficient to meet future needs.	The institution has identified the infrastructure investment required but other areas for investment are currently taking priority. The institution plans to begin investment at the required level within the next three to four years.	The institution is not confident that it can devote sufficient funds to infrastructure investment within the next five years.	The institution is likely to have considerable difficulty in releasing sufficient funds for infrastructure investment within the next five years.
Assessment (Please tick corresponding box)					
<p>Supporting statement, including details of the process used to identify infrastructure investment requirements, how costs have been assessed along with the levels of capital investment required. Evidence of an approved financial or strategic plan should be provided. Details of how planned capital investment is expected to be funded should be included. Additionally, institutions should describe the progress achieved since CIF1 in 2007. Where there has been no progress, details of the reasons for this should be provided.</p> <p>(word limit = 200 words)</p>					

Number	Question	A	B	C	D
6	Institutional sustainability Does the institution have a clear long-term strategy for providing infrastructure that is fit for the purpose of delivering the institution's mission, both now and in the future?	The institution has a well developed, formally agreed and costed strategy for providing infrastructure that is fit for the purpose of delivering the institution's mission. The strategy has targets and timescales for delivery.	The institution has an up-to-date infrastructure strategy; however some aspects require refinement or formal agreement. Maintaining fit for purpose infrastructure is implicit in the institution's long-term vision.	The institution has made meaningful progress in developing an infrastructure strategy.	Infrastructure planning is not well advanced.
Assessment (Please tick corresponding box)					
<p>Supporting statement, including the date and time-span of the strategy and when it was approved by the governing body, details of the integration of infrastructure planning with corporate and academic strategies, references to how estate/infrastructure strategies are underpinned by master development plans and available resources, a review of progress and details of implementation plans. A brief outline of the strategy might be included along with details of how the institution identifies and manages risk. Additionally, institutions should describe the progress achieved since CIF1 in 2007. Where there has been no progress, details of the reasons for this should be provided.</p> <p>(word limit = 200 words)</p>					

Annex C

Capital Investment Framework – specification of the metrics

This is the proposed specification of the metrics for the second CIF. Consultation question 4 is about this annex.

All data are non-residential, and where income is stated it excludes residences and catering operations.

Metric and focus		Data source	Notes
Current condition and functional suitability			
1	Proportion of space (percentage of gross internal area, GIA) in condition A and B ⁸ .	Condition data from EMS D20a. Gross internal area from EMS D11 C13.	CIF1 metric looked at space in categories C & D. This is a more positive approach.
2	Proportion of space (percentage of GIA) with good functional suitability (grades 1 & 2) ⁹ .	Functional suitability from EMS D21 C13. Gross internal area from EMS D11 C13.	CIF1 metric looked at space in categories 3 & 4. This is a more positive approach.
Space efficiency			
3	The size of the non-residential estate as a percentage of the level predicted by the Space Management Group ¹⁰ .	The space management model developed by London Economics.	The comparison used is between an institution's actual space and the predicted space requirement assuming full use of central timetabling and space charging.
4	Gross internal area in m ² per student and staff FTE.	Gross internal area from EMS D11 C13. Student and staff FTE from EMS (D4, C1) and staff FTE (D5, C1 but deducting C14).	Much of the variation here is explained by institutional mission and this metric will be used for context only.
Carbon reduction			
5	Tonnes of CO ₂ per £ of income.	Tonnes of CO ₂ from EMS D38c C13. Total income as per HESA return.	Scope 1 and 2 carbon emissions as defined by the World Resources Institute (WRI) and used by the UN and other bodies.
6	Tonnes of CO ₂ per student and staff FTE. Tonnes of CO ₂ from EMS D38c C13.	FTE from EMS (D4,C1) and (D5, C1 but deducting C14).	Scope 1 and 2 carbon emissions as defined by the World Resource Institute and used by the UN and other bodies.
Non-carbon environmental performance			
7	Waste mass tonnes per student and staff FTE.	Waste mass tonnes from EMS D73. FTE from EMS (D4,C1) and (D5, C1).	This metric has been chosen in preference to proportion of waste recycled because waste minimisation is more important.
8	Water consumption (m ³) per student and staff FTE.	Water consumption from EMS (D38B) C13. Student and staff FTE from EMS (D4 C1) and staff FTE (D5, C1 but deducting C14).	EMS tends to focus on student FTE alone but including staff is appropriate. There will be variation because of subject mix and number of residences.

⁸ Building condition A is defined as 'As-new condition'. Condition B is defined as 'Sound, operationally safe and exhibiting only minor deterioration'.

⁹ Functional suitability grade 1 space is considered 'excellent', providing 'space which is highly suitable for current functions'. Grade 2 space is considered 'good', and is defined as space that 'provides a good environment for the current function in all or most respects'. Definitions abridged from EMS 2008.

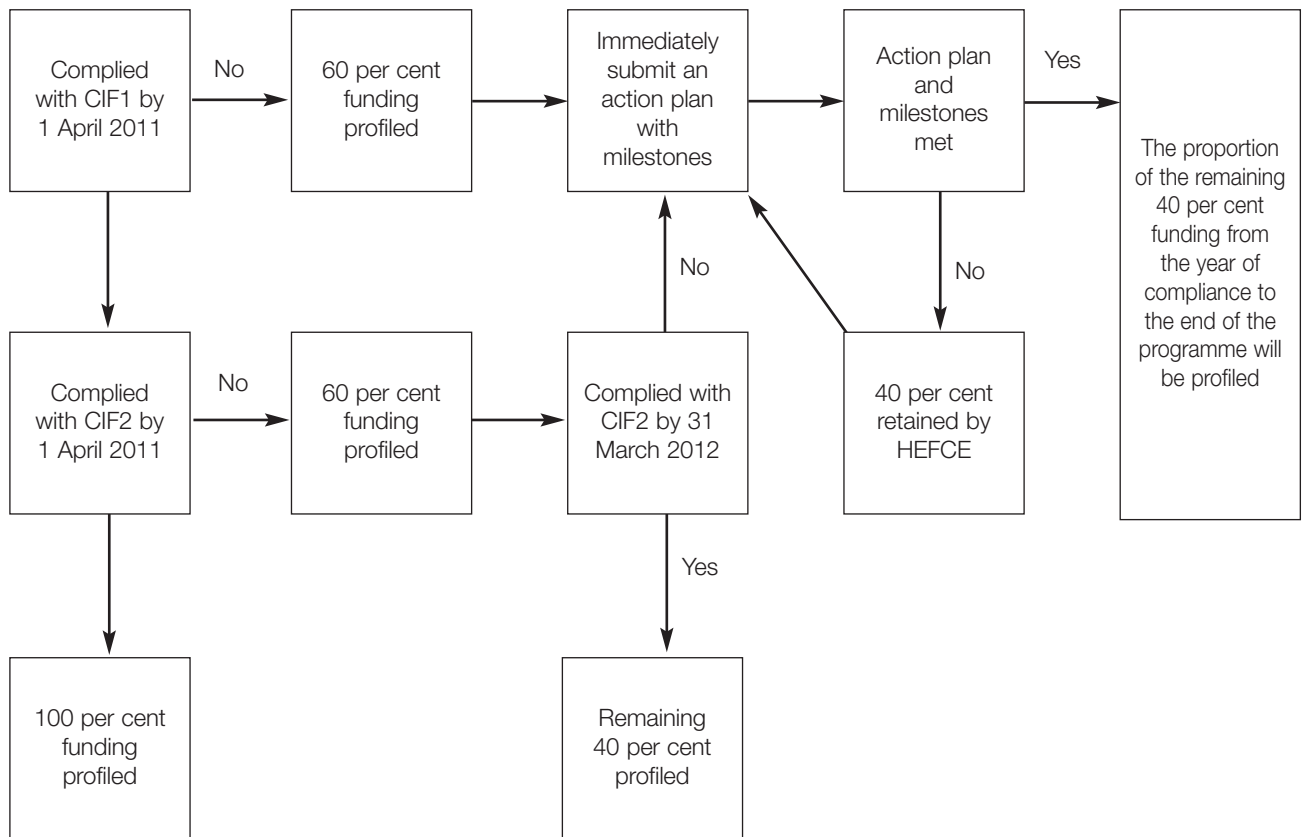
¹⁰ For more information see www.smg.ac.uk



Metric and focus		Data source	Notes
Affordability			
9	Cost to upgrade buildings in condition C and D to condition B as a proportion of total income.	Cost to upgrade from EMS D20b C13. Total income as per HESA return.	An assessment of the affordability of backlog maintenance and a key metric.
10	Cost to upgrade space in condition C and D to condition B as a proportion of insured asset value.	Cost to upgrade from EMS D20b C13. Insurance replacement value from EMS D24 C13.	An assessment of the extent of backlog maintenance relative to the asset base. There should be a correlation with metric 1.
11	Total income per m ² (GIA).	Total income as per HESA return. Gross internal area from EMS D11 C13.	A measure of income generation relative to the size of the estate. There will be variation because of subject mix and geographic location.
12	Insurance replacement value as a percentage of total income.	Insurance replacement value from EMS D24 C13. Total income as per HESA return.	A measure of the performance of an organisation in terms of the level of return (income) generated relative to the size of the asset base.
Institutional sustainability			
13	Expenditure on major and minor works (capital) and repairs and maintenance (recurrent) as a percentage of insurance replacement value	HESA finance return (Table 7: Capital expenditure lines 2a of Column 1 'Total actual spend'). HESA finance return (Table 6 item 4 'Premises' – line 4a of Column 4 'Other operating expenses'). Insurance replacement value from EMS D24 C13.	J M Consulting report ¹¹ advises that expenditure should be close to an indicative 4.5% level or that there should be strong justification if not.
14	Average capital and revenue expenditure on infrastructure over the last three years as a percentage of insured asset value.	Spend on infrastructure – as per HESA finance return above. Insurance replacement value from EMS D24 C13.	J M Consulting report advises that expenditure should be close to an indicative 4.5% level or that there should be strong justification if not. There is a strong correlation with metric 13 but both are considered useful.
15	Average capital and revenue expenditure on infrastructure over the last three years as a percentage of income.	Spend on infrastructure – as per HESA finance return above. Total income as per HESA return.	

¹¹ 'Future needs for capital funding in higher education: A review of the future of SRIF and learning and teaching capital'. Report to HEFCE by J M Consulting. September 2006, available at www.hefce.ac.uk under Publications/Research & evaluation.

Annex D

Capital funding arrangements – from April 2011





**Higher Education Funding Council for England
Northavon House
Coldharbour Lane
BRISTOL
BS16 1QD**

**tel 0117 931 7317
fax 0117 931 7203
www.hefce.ac.uk**