

Descriptions of columns in Tables 1 and 2

Table 1 Resources for academic year 2003-04 (Provisional)

Teaching funds

1. Core funding is derived from the previous year's core. The 2003-04 core funds comprise:

	£M
2002-03 Core funding	3,150
2002-03 Adjustments to core	2
2002-03 Additional funded places	68
Adjustments to 2002-03 baseline because of the consolidation of holdback	-16
Recalculation of fee compensation for ERASMUS/SOCRATES students	-1
Transfer of 2002-03 funding for Ufi (learndirect) students	5
Increase for inflation	72
Adjustment for widening access and improving retention	-180
Part-time premium	-27
Full-time undergraduate mature premium	-10
Miscellaneous adjustments and migration funding (net)	0
Total	3,063

2. Additional funded places shows funds for:

- a. Additional funded places awarded following the bidding exercise announced in HEFCE 2002/39, 'Additional student places and funds 2003-04: invitation to bid' (£21.5 million).
- b. Phased allocations of additional funded places awarded following the earlier bidding exercises, announced in HEFCE 01/54, HEFCE 00/39 and HEFCE 99/56 (£22.5 million).
- c. Increases in quota-controlled undergraduate medical intakes (£19 million).
- d. Funding for new entrants to prototype foundation degree courses, for the projects listed in HEFCE 01/40, 'Foundation degrees: report on funded projects' (£2.6 million).
- e. ITT structural diversification (£3 million).
- f. Funding for eUniversities places (£1.2 million).
- g. Funding for places previously supported through Dance and Drama Awards (£1.3 million).

3. Widening access and improving retention shows allocations of funding for teaching to recognise the extra costs associated with: recruiting and supporting students from disadvantaged backgrounds currently under-represented in higher education (£38 million);

improving the retention of students most at risk of not completing (£212 million); or supporting students who have a disability (£10 million).

Research funds

4. Quality-related research comprises £1,000 million allocated through our main research funding method, and £20 million as a supplement to those departments that achieved a rating of 5* in both the 1996 and 2001 RAEs.
5. Research capability funding is £18 million and is allocated to departments rated 3a or 3b in particular units of assessment.
6. The changes to the allocation methods for research for 2003-04 are described in paragraphs 29 to 37.

Other funds

7. Moderation of teaching and research is a short-term measure to smooth changes in grant. A minimum allocation threshold of £100,000 has been applied.
8. Rewarding and developing staff 2003-04 is an allocation to support the development and implementation of human resource strategies in higher education institutions. For some institutions it remains conditional upon submission of acceptable full human resource strategies. We allocate equivalent funds to the further education colleges that we fund directly, through the development fund for learning and teaching (announced in HEFCE 02/02). These allocations are not shown here.
9. Regulated fee income 2003-04 is the tuition fee for students who receive, or are in principle eligible to receive, awards from the Student Loans Company (SLC), the Student Awards Agency for Scotland (SAAS) or the Department for Employment and Learning (DEL) in Northern Ireland. It is calculated on the basis of 2002-03 student numbers, plus changes in student recruitment levels required for migration in 2003-04, for whose fee income we have made a balancing adjustment to our grant. It excludes fee income for students funded by the TTA.

Table 2 Comparison with 2002-03 academic year recurrent resource

10. Recurrent funding for teaching and research from HEFCE 2002/44 shows 'Total teaching funding' plus 'Total research funding' taken from Table 1 of HEFCE 2002/44, 'Recurrent grants for 2002-03: final allocations'.
11. 2002-03 Adjustments and transfers includes:
 - a. Adjustments to grant for 2002-03 in the light of recruitment that year. This comprises holdback of grant for exceeding the contract range, holdback for shortfalls against the additional student numbers (ASNs) awarded for 2002-03, and additional funding for delivery of 2001-02 ASNs at the second attempt.
 - b. Adjustments to prototype foundation degree funding for 2002-03 in the light of recruitment that year.

- c. Adjustments to fee compensation for outgoing ERASMUS/SOCRATES students.
 - d. Transfer of 2002-03 funding for Ufi (learndirect) students.
 - e. Other miscellaneous adjustments and transfers for 2002-03.
12. 2003-04 Adjustments and transfers includes:
- a. Additional funding for ITT structural diversification, arising from transfers from the TTA.
 - b. Other miscellaneous adjustments and transfers for 2003-04.
13. 2003-04 Additional funded places includes:
- a. All ASN allocations for 2003-04, whether awarded through the most recent bidding exercise (HEFCE 2002/39) or earlier ones.
 - b. Additional funding for increases in student numbers on prototype foundation degree courses.
 - c. Additional funding for increases in medical intakes.
 - d. Additional funding for eUniversities students.
 - e. Additional funding for students previously supported through Dance and Drama Awards.
14. 2002-03 Regulated fee income is the tuition fee for students who receive awards from the SLC, SAAS or DEL, or who are in principle eligible for means-tested support for such awards. It is calculated on the basis of 2002-03 student numbers and excludes fee income for students funded by the TTA.
15. 2002-03 Moderation shows, for comparison purposes, any moderation funding provided in 2002-03, either as previously announced in HEFCE 2002/44, or newly allocated in-year as a result of 2002-03 holdback.
16. Rewarding and developing staff 2002-03 shows the 2002-03 HEFCE and TTA allocations for rewarding and developing staff.
17. Total adjusted resource 2002-03 is the sum of the previous seven columns.
18. Total resource 2003-04 is taken from the final column of Table 1.
19. Percentage change adjusted for volume shows the percentage change in resource between 2002-03 and 2003-04 for reasons other than the award of additional funded places in 2003-04.

20. Percentage change in total resource shows the percentage change including the effects of funding for additional student numbers for 2003-04. The comparison is with the 'Total adjusted resource 2002-03' minus '2003-04 Additional funded places'.

List of abbreviations

ASNs	Additional student numbers
Defra	Department for Environment, Food and Rural Affairs
DEL	Department for Employment and Learning in Northern Ireland
DfES	Department for Education and Skills
DSA	Disabled Students Allowance
FTE	Full-time equivalent
HEFCE	Higher Education Funding Council for England
HESA	Higher Education Statistics Agency
ITT	Initial teacher training
QR	Quality-related research
RAE	Research Assessment Exercise
SAAS	Student Awards Agency for Scotland
SLC	Student Loans Company
TTA	Teacher Training Agency
UOA	Unit of assessment