## GuildHE consultation response.

## Annex A: Consultation questions

**Question 1: Overall, do you mostly agree or disagree with the proposed funding approach?**

* Neither agree nor disagree

Please provide any additional comments:

As one of the two formal representative bodies of higher education in the UK – with many members that are small, specialist and distinctive universities, we welcome the continued commitment by HEFCE to provide additional funding to support the cost of teaching in a smaller or more specialist institution.

Generally we agree with the principles the HEFCE board have set out to distribute this much needed funding out fairly, giving more of the money to those in greater financial need, and those with especially high cost provision. However, we would argue that restricting the money to be used exclusively for a specific subject would stifle an institutions ability to innovate and be agile to the needs of their students and their local economy. There seems to have been an assumption made that within the eligible institutions there are the same clear academic divisions between departments which can usually be seen in large multi-disciplinary institutions. Whilst there may be some differences in a small institutions academic portfolio meaning that their subject spread falls into 2 or more subject codes, from our experience of GuildHE institutions, departments are often extremely collaborative and their subjects are often routed in the same overall industry or discipline. The ring-fencing of funding to one particular subject may therefore have a negative impact on the institutions ability to engage in disciplinary developments and industry need. It could also lead to a bureaucratic system of managing finances, and at a small institution where resources are finite this additional burden would be challenging.

We welcome the calculation criteria used to distribute finances to those who need it most, and that there will be a minimum allocation given to all those who meet the initial criteria for application. However we think the board could further clarify their approach to calculation to ensure that those who have less income for teaching are given greater support regardless of their overall financial position.

**Question 2: Overall, do you mostly agree or disagree with the proposals for transition funding?**

* Neither agree or disagree

Please provide any additional comments:

We are grateful that HEFCE acknowledge that the changes to the way this money is distributed will have negative consequences for institutions who no longer meet the threshold, or will receive a significantly smaller proportion of the money in future. In the most part we agree that one year’s transition money will be sufficient to offset the loss of the fund, however we hope that the level of transition funding offered to institutions is calculated on their financial position and ability to manage the additional risk. We know that for some institutions that are no longer eligible, this fund had made up a significant proportion of their income and we would hope that HEFCE will be responsive to ensuring that these institutions are given appropriate levels of transition funding over a period longer than a year if required so that they are able to adapt to their new funding levels. Similarly we hope that where an institution is able to subsume the loss of the fund with little or no negative impact, the level of transition funding will be significantly lower or non-existent.

Fundamentally, we believe that transition funding should be calculated based on the impact the loss of funding has had on the institutions overall financial position. We disagree with the notion that the transition funding will divert money away from world-leading teaching, as many of the institutions now not eligible for funding are world leading in their fields, but no longer meet the ‘specialist’ aspect of the funding. As was mentioned in our response to Question 1, many of the institutions which no longer meet the criteria would still be classed as specialists in the sector; but have recruited students equally between a few subject areas which are routed in the same industry which makes them no longer eligible. We therefore believe that HEFCE should be mindful of this when calculating the level of transition funded needed; and those who are small, specialist and have the greatest financial need for transition funding should be given priority over bigger, less specialist and more financially stable institutions who are no longer eligible.