UNIVERSITIES FACE MORE CUTS

Some universities may lose over 10 per cent of their grant over the next four years through the combination of declining Government funds and the new selective research policy.

This is the grim forecast to vice-chancellors in a letter from the University Grants Committee (UGC) outlining its strategic planning framework for the late 1980s.

The letter, which is reproduced in full in a special "Bulletin Extra" inside, deplores the Government's failure to accept its call for level funding and states that "all universities must prepare for support from public funds (i.e. recurrent grant and home tuition fees) to decline in real terms year by year: universities which suffer less than the average can only do so at the expense of other universities".

The letter continues, "For the purpose of its review the Committee has decided on a working hypothesis of an average annual decline in the recurrent grant for each institution of 2 per cent in real terms - taken here to mean an annual increase of about 2 per cent below the general rate of inflation." Such a cut, if concentrated on one institution, would be the equivalent of closing a middle-sized university every year.

On top of this, universities which do badly under the selective research funding policy face a further 1.5 per cent grant loss in the first year, with strong hints of a greater rate of loss in subsequent years, which in total could result in a cut of more than 12 per cent over four years.

In response to the UGC letter the Vice-Chancellor, Sir Denis Wilkinson, has established a Research Review Group to begin the process of gathering information about recent and planned research activity within the University.

AND SOME MAY CLOSE

The closure or amalgamation of whole institutions during the next 10 years is foreseen in the Government's new Green Paper, "The Development of Higher Education into the 1990s".

In addition, a two-tier university system could emerge, differentiating between those universities with research funding and those where research funding has been withdrawn.

The Green Paper, which sets out the Government's intention to produce a higher education system more attuned to the needs of the economy, warns that, "unless the country's economic performance improves, we shall be even less able than now to afford many of the things that we value most including education for pleasure and general culture and research as an end in itself".

It also projects a substantial fall in student numbers in the 1990s, and says that planning to accommodate the changes should begin shortly to avoid wasting resources.

The five main themes of the Green Paper are:

- the contribution of higher education to the economy
- increased emphasis on intellectual competence, motivation and maturity for access to higher education
- the raising of quality and standards
- the pursuit of efficiency and value for money
- selectivity and planning in the funding of research

The Green Paper includes chapters on:

HIGHER EDUCATION AND EMPLOYMENT - Expresses the Government's concern that industry is handicapped by an inadequate supply of graduates in certain high-technology fields. Emphasis is being given by the Government to promoting technological and vocational courses at all levels in order to secure a switch in graduate output.

ACCESS TO HIGHER EDUCATION - The Government accepts the revised "Robbins Principle" proposed by the UGC and the National Advisory Body that access to higher education should be open to those able to benefit from it. However the Green Paper stresses that "so long as taxpayers substantially finance higher education, the benefit has to be sufficient to justify the cost". The chapter contains projections of future student numbers and under the heading "Student Support" says it can be argued "that a greater financial engagement on the part of students would cause them to take greater care over their choice of study.

As has been announced, a consultative paper will be published shortly to launch a review (of student financial support) and consultation will be widely undertaken.

RESEARCH AND POSTGRADUATE EDUCATION - There is a need for closer and better working with industry, commercial and public services, more funding from private sources and better management yielding greater value for money. The Government hopes that new selective planning and allocation arrangements can be formulated and begin to operate by the 1986-1987 academic year. Researchers should seek to exploit commercially their innovation and universities should develop explicit policies to promote and assist such exploitation.

INSTITUTIONS AND THEIR MAISON - Institutions should have clear and appropriate objectives and management structures which enable difficult decisions to be taken about the management of resources. Sound management is based on efficient use of resources and on the effectiveness of results achieved which argues the need to develop and use measurements of performance. The chapter also looks briefly at pay changes to pay, or awards for those who make an exceptional contribution to the university or who offer expertise in a much-demanded discipline - and Student Unions - the protection of the right of free speech within the law.

FINANCE & LONGER TERM PLANNING - The Government's expenditure plans will require continuing gains in efficiency across the whole of higher education, if standards are to be maintained, entailing rationalisation of provision and selectivity in the utilisation of the resources available.
STUDENTS’ UNION ELECTIONS

Labour students swept the board in the recent sabbatical and executive officer elections for 1985-86.

The next President of the Union is Martin Wright, a second year History major in the School of European Studies.

The other officers are: Sally Hunt (VP Finance), Ty Goddard (VP Communications), Dominic Lees (VP Education), Paul Bish (VP Social Services) and Phil Dawson (VP Sport).

The latter, standing as an Independent, is the only non-Labour Student to be elected as a sabbatical officer.

Another student from Nigeria has arrived at the University as part of the British Council’s Academic Exchanges programme. Sunday Olayeye, (plotted above) will be spending three months at the university where he will be researching the economics of education and manpower planning as part of the PhD in Economics which he is doing at the University of IFE in Nigeria.

Making acceptable teaching timetables has proved increasingly difficult in recent years. On June 16, the Senate will be considering proposals from the Buildings Committee which may ease these difficulties. The paper which Senate will receive has been circulated in advance to School offices. Teaching faculty are invited to make their views on the proposals known to their School’s representatives on the Senate or to send comments to Mr. J.H. Farrant (Sussex House) by June 19.

The main proposal is to increase the number of teaching periods each day from eight to nine, the new periods being:

9.00 - 10.00 a.m.
10.00 - 11.00 a.m.
break
11.15 a.m.-12.15 p.m.
12.15 - 1.15 p.m.
(1.15 - 2.15 p.m.)
2.15 - 3.15 p.m.
3.15 - 4.15 p.m.
4.15 - 5.15 p.m.
5.15 - 6.15 p.m.

The start of the day has been moved forward by ten minutes; the mid-morning break reduced by five minutes; and the lunch break extended by 15 minutes to a full timetabled period. Lest students be timetabled continuously without a break for lunch, the 1.15 p.m. period will not normally be used for timetabling undergraduate teaching. But the timetablers want to retain the option of using that period if they are confident that the tutors and students are not timetabled for the previous period.

Tutors and students can arrange to use the 1.15 p.m. period for tutorials. Meetings which do not involve undergraduates will be scheduled then if that eases the making of the timetable. This implies moving certain Subject Group Meetings which are not scheduled for Wednesday and are provided for in teaching time every week.

The 9 a.m. start, and more teaching periods in the 1.15 p.m. period, may cause problems for some staff and students with children in the creche.

The Community Services Area is seeking extra finance to allow longer opening hours.

COMPUTING CENTRE CONTACTS

Day to day problems concerning the operation of the computers should be addressed to the Shift Leader on duty. Programming advice is available from the Duty Programmer but the Computing Centre has also designated various members of its staff to act as liaison officers with a number of academic groups throughout the University.

One purpose of this arrangement is to provide a route through which the Centre can be informed of additional services required or of problems with using the services currently available. The named contact person will also be glad to advise new or potential new users of the services available.

If you wish your group to be added to the list, please contact either the Manager of the Computing Centre, Ken Lewis, or the Centre’s Information Officer, Roger Discombe.

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<thead>
<tr>
<th>Group</th>
<th>Computing Centre Contact</th>
<th>Int. tel.</th>
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<tbody>
<tr>
<td>Biology</td>
<td>Roger Discombe</td>
<td>09-290</td>
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<tr>
<td>Cognitive Studies</td>
<td>Steve Kirby</td>
<td>09-323</td>
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<td>EAPS</td>
<td>Graham Mills</td>
<td>09-316</td>
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<td>Economics</td>
<td>Tom Browne</td>
<td>09-473</td>
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<td>Education</td>
<td>Caroline Leary</td>
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<td>Exp. Psychology</td>
<td>Brian Williams</td>
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<td>Geography</td>
<td>Tom Browne</td>
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<td>IDS</td>
<td>Paul Hackney</td>
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<td>MAPS</td>
<td>Peter Croydon</td>
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<td>MOLS</td>
<td>Dave Newell</td>
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<td>Other Arts Groups</td>
<td>Roger Discombe</td>
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<td>Psychology</td>
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<td>SPRU</td>
<td>Paul Hackney</td>
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The Community Services Area is seeking extra finance to allow longer opening hours.

£70,000 GRANT FOR YTS EVALUATION

The University has received a £70,000 grant from the Manpower Services Commission to evaluate the results of a Youth Training Scheme experiment. The experiment involved the use of new proposals for the framework and certification of YTS courses.

Work began last November under the direction of Dr. Michael Ewart, Reader in Education, with Joseph Burke as research fellow and project manager.

An unusual feature of the project has been the recruitment from polytechnics and further education colleges of past graduates from the MA (Curriculum Development in Higher and Further Education) to carry out case studies on 15 sites in various parts of the country.

This independent qualitative evaluation is complementary to an internal evaluation by the Employment Department which uses standard survey techniques. The aims are (1) to obtain evidence of the impact of the framework and record of achievement on managing agents, supervisors and trainees; and (2) to study problems encountered by Area Office staff in introducing the innovations. The work will be completed by August.

SILVER JUBILEE POSTER

The University and Brighton Polytechnic are working together this summer to prepare for the celebration of the University’s Silver Jubilee in 1986.

Students in the Department of Visual Communication in the Polytechnic’s Faculty of Art and Design are being given the opportunity to enter competition to design a special Silver Jubilee poster for the University.

The winner of the competition, whose poster will be selected in next year’s jubilee events, will receive £100, with £30 each going to the two runners-up.

The competition closed at the beginning of the Autumn Term with the winners being selected in October.

ISLE OF THORNS

ALL FACILITIES AT THE ISLE OF THORNS, INCLUDING THE SWIMMING POOL, WILL BE CLOSED FROM JULY 7 - 9 TO ALL MEMBERS OF THE UNIVERSITY. During this time, it will be reserved for the exclusive use of members of the Isle of Thorns Trust.
THE CHINA CONNECTION

Over the last few years the University has built up a number of links with the People’s Republic of China. In the first of a two-part series exploring those links we look at an example of a formal collaborative venture, and a less formal lecture tour of China by a member of faculty.

SCIENCE POLICY IN CHINA

You wouldn’t necessarily expect a Communist State to welcome advice from advisors from the West. But the Science Policy Research Unit (SPRU) at Sussex has influential links with the Chinese State in the field of science and technology policy, and SPRU’s advice has already proved to be of great value.

The collaboration began two and a half years ago when China decided to establish the National Research Centre for Science and Technology of Development, in Beijing. Recognising the similarities between the Centre and SPRU, the Director of the Centre, Wu Ming Yu, visited Sussex and proposed a formal programme of collaboration in science and technology policy research to promote closer ties and greater understanding between the two institutions. Formal links were established, with funding on the British side from the British Council.

The first joint research programme to be set up studied the transfer of technology to the offshore oil industry, with the Chinese team concentrating on the situation in China and the SPRU team looking at the rest of the world. The programme had the full support of the Chinese National Offshore Oil Corporation and most of the foreign companies exploring for oil off the coast of China. Previous attempts at the transfer of technology in this area had been very disappointing.

Professor Geoff Oldham and Alison Warhurst visited China and, with two of the Chinese research team, interviewed all of the companies supplying technology and all of the Chinese companies trying to absorb it. Following their investigations the research teams produced a report which was sent to all of the companies involved and gained a very positive response. The outcome was that the report helped both sides to understand the other’s viewpoint and thus considerably facilitated the transfer of technology.

Members of SPRU are now having discussions with a research group at the Massachusetts Institute of Technology (MIT) in the United States and a different Chinese research group to look at the transfer of technology to the automotive industry.

Six visitors from China have come to Sussex and five members of SPRU have travelled there so far as part of the joint collaborative agreement.

In addition Professor Oldham was invited to be one of the trustees of a proposed fund to promote scientific links between China and Europe in the fields of agriculture and medicine science policy.

TEACHING RUSSIAN HISTORY IN CHINA

Some of Sussex’s links with China have been developed formally; others, such as the visit of Beryl Williams, Lecturer in History in the School of European Studies, to four Chinese universities last summer, have come about in an almost casual way.

The story started in 1982 when Professor Zheng Zhi-lian of the History Department in Beijing University came to Sussex as part of a six-month tour of Europe to re-establish contacts with European historians. He suggested that some of the Sussex historians might like to go to Beijing to help them fill the gaps left by the “lost ten years” of the Cultural Revolution.

Arrangements were made and, with funding from the British Council, Beryl Williams travelled to China to give a series of lectures on the Russian Revolution and late Tsarist Russia. She spent a month at Beijing University and in the final week of her stay travelled to the Universities of Nanjing, Suzhou and Hangzhou to give lectures to their history departments.

While in Beijing Miss Williams discussed the possibility of establishing an exchange programme involving historians from the two universities. The proposal was also discussed with members of staff at the British Embassy in Beijing and with the British Council back in England.

At the moment it is hoped that the exchange between the two universities will go ahead, although financial problems have been encountered from the Chinese end. If the exchange does take place the first representative from China will arrive this October, and Michael Hawkins, Reader in History in the School of English and American Studies, will go to China in May 1986.

DELEGATION COMES TO SUSSEX

A Chinese delegation from Zhejiang University, Hangzhou visited the University earlier this year as part of a UK tour to inspect research facilities and organisation.

The delegation, comprising the Director of the Central Laboratory of Zhejiang University Lui Ji-Liang, and two of his senior colleagues, spent two days at the University. During their stay they visited the Computing Centre, the Institute of Development Studies and the four Science Schools, and talked with senior members of faculty and senior staff.

The Central Laboratory of Zhejiang University is classified as one of the 12 ‘places of excellence’ of learning scattered throughout China and is held in high regard. During their visit to Sussex, one of only eight UK universities visited, was a great honour.

The delegation found their visit very helpful and in a letter to the Vice-Chancellor expressed their wish to maintain contacts and to continue the co-operation between the two institutions.

Small ads

NON-SMOKER required to share house in central Lewes £30 per week inc. Tel. 475370 after 8 p.m.

FOR SALE: Polaroid Button Camera - Mint condition.
£8. Tel. Hassocks 3375.

FOR SALE: Citroen CX2200 Pallas. 1976 (R), power steering, towbar, 87,000 miles, well maintained. £495 o.n.o. Tel. Hassocks 3375.

WANTED - MOPED. Small, reliable moped. Contact C. Baldock, MAPS Undergraduate Pigeon Holes.
**CENTRE FOR CONTINUING EDUCATION**

**Open Lecture**

**THE TRUTH OF THE ACT**

By Cedric Watts, Professor of English. Tuesday, June 11, 7.30 p.m. Molecular Sciences Lecture Theatre.

**COPYRIGHT AND THE FACULTY COPY COLLECTION**

Members of faculty who wish to deposit photocopied material in the faculty copy collection, may now ask the Personnel Office, Room 204, Sussex House, this list was compiled on May 28.

All posts are full-time, full-year, and for male or female applicants unless otherwise stated.

**Faculty**

Lecturer in Economic History - closing date 10.6.85.
Lecturer in German - closing date 13.6.85.
Lecturer in Psychology - closing date 21.6.85.

**Research**

Research Fellow IA Social Sciences, Arts, temporary for 4 years.

**Clerical and Related**

Word Processor/Typist, Grade 1/2, Refectory.
Clerk/Typist, part-time, 1/2, Academic Secretariat, Sussex House.
Secretary, 1/2, Research Team, Science Policy Research Unit, Manett.
Accounts Clerk, 2, Financial Accounts, Sussex House.
Secretary, 1/2, MAPS.
Secretary, 3, Vice-Chancellor's Office, Sussex House.
Secretary, 1/2, Occupational Advisory Service, Falmer House.

**Manual and Ancillary**

Foreman/Electrician, £139 p.w., Estates.
Tradesperson-In-Charge, 238.9p p.h., Sports Pavilion.
Technical Storekeeper, 3, Central Stores.
Cleaners, part-time, 195.6p p.h., Park Village.
Catering Assistant, part-time, 198.48p p.h., Sports Pavilion.
Bar Staff Assistant, part-time, 198.48p p.h.
Foreman Fitter, £8,268 p.a.

**Technical**

Computer/Mathematical Technician, Education Development Building.
Architectural Draughtsman/Technical Assistant temporary for 31 months, Estates.

**NOTICE BOARD**

Meeting House Chapel: recitals on Tuesdays at 1.15 p.m. today (June 4) John Birch (organ), June 11 - no recital, June 18 (E. Envelop), June 25 - Meeting House Choir and Orchestra - Mozart Requiem.

The Sussex Trugs play main stream/traditional jazz on Fridays from 1 to 2 p.m. in the Playing Fields Pavilion.

Gardner Centre: June 7, 1.15 p.m. The Gemini Lutuvian Project - a new mix of Indian, rock, jazz, classical music, followed by workshop - observers welcome. Tickets £1.05.

Gardner Centre: June 13, 1.15 p.m. Concert of opera, "Cruel: But Once Again." Entrance by programme, 30p, inc. raffle ticket. Contact June 4 tickets 3373 for more details.

Gardner Centre: June 21, 1.15 p.m. Recital - soprano, clarinet, piano. Works by Satie, Gaviliny, 1st performance of work by Barry Seaman.

Gardner Centre: June 20, 1.10 p.m. Concert of students' compositions.

**KULUKUNDIS GROUP AGM**

The fourth annual general meeting of the Kulukundis Group will be held on Friday, June 14, at 6 p.m. in Kulukundis House. After the formal business it is hoped that there will be a discussion with former residents of Kulukundis House who have been invited back for this meeting two of them are now employed by the GLC Disaster Recovery Unit. Everyone attending the AGM is invited to stay for a party afterwards. The annual subscription, payable at the AGM, is £2.00.

**BULLETIN**

The Bulletin is published every three weeks during term-time. The next edition, and the last for this term, will appear on Tuesday, June 25. Copy must be received in the Information Office, Sussex House, by midday on the Tuesday before the publication date.
We reprint below the letter of May 9, 1985 from the Chairman of the University Grants Committee, Sir Peter Swinnerton-Dyer, to the Vice-Chancellor, together with a precis of the annexes to the letter.

Circular letter 17/86 of 19 November 1984 outlined the Committee's intention to review the present Grant distribution in the light of universities' future plans, particularly on the research side. This letter sets out a strategic framework within which universities should formulate their plans (para 2-10), describes the organisation and nature of the review (paras 11-18), and specifies the information which the Committee needs (paras 19-30 and annexes).

**STRICTIC FRAMEWORK**

**Finance**

2. In its Strategy Advice last year the Committee urged the Government to maintain truly level funding for the rest of the decade, and to provide appropriate extra resources where the universities were asked to take on additional tasks. The Committee has now been told that the recurrent grants embodied in the Public Expenditure White Paper (Cmdn 9928) published in January were

\[
\begin{align*}
FY 1985/86 & \quad \text{£1280.4m} \\
FY 1986/87 & \quad \text{£1313.1m} \\
FY 1987/88 & \quad \text{£1346.8m}
\end{align*}
\]

These figures include provision for the final year (AY 1983/86) of the new blood and IT programmes. They exclude the £31m of new money for the £31m programme over 3 years which was announced on 19 March for additional places in electronic engineering and related subjects (the 'shift') they do of course include the £12m which the UGC itself is contributing out of recurrent grant towards the programme.

3. The figures given above provide for increases in universities' costs that are on average 1.3 per cent below the Government's own assumptions about general inflation over the three years 5.0 per cent, 6.3 per cent and 3.8 per cent respectively. They also reflect the fact that in 1984 the Government removed £14m from the previously planned provision for FY 1985/86 and £22m from FY 1986/87 on the basis that universities were expected to operate with increased economy. (Now that the Jarratt Committee has reported, the Committee's preliminary view is that its recommendations will not lead to substantial economies.)

4. It is clear therefore that, so far at least, the Government has not accepted the case for truly level funding. The Committee deplores this and will continue to press the case. It is to be seen whether the Government's Green Paper on the development of higher education, which is expected to be published later this month, discloses a different prospect. Meanwhile all universities must prepare for support from public funds, i.e., recurrent grant and home tuition fees, to decline in real terms over the next 3 years. Universities which suffer less than the average can only do so at the expense of other universities.

5. For the purpose of its review the Committee has decided to work on the hypothesis of an average annual decline in the recurrent grant for each institution of 2 per cent in real terms - taken here to mean an annual increase of about 2 per cent below the general rate of inflation (see Annex 3). This is a steeper decline than the figures for total recurrent grant might suggest. The Committee may need to withhold part of the total, for example, to support restructuring.

**Student Numbers**

6. The Government's public expenditure plans assume that the number of home and EC students in higher education will remain at about the present level for the rest of the decade. The disposition of these numbers between the universities and the public sector has not yet been discussed with the Government.

7. Meanwhile the Committee has decided to take as the baseline for the review its present student number targets (see Annex 2) including the places associated with the third and final year of the IT programme (1985/86) but excluding the extra students for whom additional grants are being provided under the 'shift'. These last, which are in course of being settled with the universities concerned, will be taken into account by the Committee in the course of the review and should not be included in the figures for 1985/86 that universities submit in response to this letter. The Committee is also asking for information about actual numbers in 1984/85 to complement the information relating to planned numbers. Whatever decision on total numbers by the end of the 1980s results from the discussions referred to in para 4, the Committee is not setting out with the expectation of changing the pattern of distribution between institutions to any significant extent.

8. The planning numbers which the Committee eventually determines for each university will be expressed in terms of the full-time equivalent of full-time and part-time degree and diploma students - see para 2a. They will be the basis for calculating the teaching component of recurrent grant. They will also be used in calculating the student-related components of equipment grant and capital-in-recurrent grant.

**Subject balance**

9. In July 1981 the Committee's plans provided for a shift in the distribution of home and EC students among the three broad subject areas - arts, science and medicine - from 50/41/9 in 1979/80 to 58/42/10 in 1983/84. This has largely been achieved. As universities know, the Secretary of State for Education and Science would like to see a higher proportion of students studying subjects of "vocational relevance". Although he has noted the UGC's view in the Strategy Advice that a significant increase in the number of places in science and technology depends on the provision of the necessary resources, he nevertheless expects the greatest possible shift to science and technology within existing resources. He hopes in particular that it will be possible for intakes in these areas to be maintained at at least the levels planned for 1984 and 1985.

10. It is for each institution to consider how to react to this. Within the broad subject areas there may be scope for shifts to subjects of particular vocational relevance which do not involve substantial redistribution of resources. Shifts from the arts to the sciences obviously raise much greater resource problems.

**ORGANISATION AND NATURE OF THE REVIEW**

The timing and organisation of the review

11. The review will cover recurrent grants for a four-year period starting in the academic year 1986/87 and will involve an increasingly selective distribution of the research component of the grants. The Committee plans to announce the grants for FY 1986/87 in May 1986 and grants for the following three academic years later in 1986.

12. The grants for FY 1986/87 will be firm (subject to the usual proviso about Parliament's voting the necessary funds for the four months from April 1987). The grants for the remaining three years will be provisional for a variety of reasons. One is that the cash available for recurrent grant for the rest of the public expenditure plans in the public expenditure plan for FY 1986/87 will not provide for the full amount of the grant. Another is that, although the Committee believes a four-year planning period for universities is desirable, it can only provide figures for the remaining 16 months by extrapolation from the public expenditure figures. In addition the Committee will wish during the second half of 1986 to consider further the allocations for research for FY 1986/87. It will also discuss with some institutions most affected by the 1986/87 distribution how they should adapt to further reductions. Because of the practical difficulties created for a university when resources are reduced at short notice the Committee has decided to limit the real terms loss which any institution might have to bear in 1986/87: no institution will suffer a reduction in its total grant that is worse by more than 1.3 per cent than the average loss for all institutions. The subsequent rate of loss will depend on the outcome of the discussions referred to above.

13. In order to be able to announce the grants in May 1986 the Committee hopes that universities will respond to this letter as soon as possible this autumn. It recognises the demands which the timetable imposes but it will need to have all responses not later than 30 November. For the Committee the review will take precedence over all other commitments from the autumn onwards. Its programme of meetings will be arranged to ensure that there is time for full consideration of university responses. In view of this, there will be no Committee visits to universities during the first half of 1986. After considering plans for student numbers and research on the basis of academic subjects, the Committee will examine the implications for individual
institutions before taking final decisions. It will pay special attention to the scope for rationalisation and to proposals which involve collaboration with other institutions, whether in the university sector or in the public sector and whether in teaching or research. The Committee will be discussing with the CVCP how much more information universities should be given about the grounds on which the grant decisions have been taken.

14. The Committee’s subject sub-committees will play a full role in examining universities’ academic plans, including plans for research. They are being asked to arrange a programme of meetings which enables them to do this. There will be consultation with Research Councils. The advice of other bodies will be sought as appropriate.

15. The Committee’s Secretariat must have the staff and the technical facilities to enable them to provide the analyses of universities’ submissions and the reports to the Committee which will require. This has been recognised by the Department of Education and Science. As part of a reorganisation of the Secretariat a new post is being created on the financial side. The Committee is being informed which will be of special importance during the period of the review, can be filled by the secondment of a university administrator with substantial experience, but the number of nominations received from universities has been very small. Some university administrators are however contributing their expertise to the development of the model referred to in para 16 below. The computing and other facilities available to the Secretariat have been strengthened over the last twelve months. The Committee will be considering whether further provision will be required.

Research Allocation

16. The Committee said in its Strategy Advice that it intended to consider changes in its approach to the distribution of resources. It is now developing a model based essentially on the following components:
   (a) a teaching resource per full-time equivalent home and EC student, adjusted to the sector cost centre but not according to institutions;
   (b) a research resource;
   (c) provision for central costs;
   (d) special factors reflecting unavoidable requirements of certain institutions (London weighting allowing for the most obvious example) or other justifiable adjustments of the basic model.

17. As a part of the work, universities will shortly be invited to comment on their departmental unit costs, on the ratio between departmental costs and external unit costs, and on student/staff ratios in the various departmental subject groups. It has been agreed with the CVCP that there should be a group consisting of members of both committees to discuss the general implications for the universities of the funding model.

Selectivity in funding of research

18. The Committee’s policy to be more selective in its support for research is intended to maintain the quality of university research and the strength of the dual support system as far as possible within the resources available. The general objective is to redistribute resources for research between institutions, and to encourage a redistribution within institutions, towards work of special strength or promise. The Committee recognises that there is considerable concern about selectivity and the possible efficacy of the policy. Some of the issues which have arisen in the three working parties on which representatives of the CVCP and the Research Councils have served cannot be adequately covered by the scope of the review but the Committee has already taken the following decisions:
   (a) it will not start with any preconceptions about particular research areas to be encouraged selectively, and it will take full account of all the information which it will be receiving, including in particular universities’ own choice of priorities as shown in their research plans;
   (b) it will not identify in advance a sum to be distributed selectively for research;
   (c) globally, it will not transfer research resources between the main subject areas - arts, science and medicine - but individual universities are free to do so where they consider it justifiable.

THE SUBMISSION OF UNIVERSITIES’ PLANS

19. Universities are asked to provide:
   (a) a short statement of their overall objectives for the planning period (para 20);
   (b) a research statement (Annex 1);
   (c) forecasts of student numbers (Annex 2);
   (d) financial forecasts (Annex 3).

20. The statement of overall objectives should, when read with the response to Point (a) of Annex 1, cover the university’s overall programme for teaching and research. If the university proposes to expand provision in certain subject areas or to introduce new ones, it should indicate clearly what subjects it will be contracting in or withdrawing from in order to accomplish this. The statement should be developed on the basis of the working hypothesis (para 5) of a 2 per cent annual reduction in the real value of recurrent grant. In preparing the statement and the detail asked for in the annexes, universities are asked to take account of the following paragraphs. Supporting material should be provided as appendices, where appropriate.

Student Numbers

21. Universities are asked to consider what changes they propose to make in the balance of student numbers between, for example:
   (a) arts and sciences;
   (b) "vocational" and "non-vocational" courses;
   (c) full-time and part-time tuition;
   (d) self-financing and grant-aided courses and
   (e) undergraduate and postgraduates.

22. The intakes of home and EC medical students should be maintained at the 1985 level but the Committee, including两者medical students, should not exceed the university’s ‘target’. The total of dental students should be at the level notified to the universities concerned on 2 December 1983. In considering possible developments in particular subjects, universities should bear in mind the results of recent enquiries into provision in pharmacy, oceanography, architecture and agriculture and the proposed targets for initial teacher training. In considering the balance between vocational and non-vocational courses in the ‘arts’ subject area, universities should take account of the high demand from good quality applicants for undergraduate courses in subjects such as business and management studies and accountancy for which there is also a high demand from employers.

Student qualifications on entry

23. In its Strategy Advice the Committee recommended that higher education courses should be available to all who are able to benefit from them and wish to do so. Nevertheless from time to time the Committee is asked whether universities suffer financially if they admit students without the customary academic qualifications. The answer is that the proportion of students admitted without ‘A’ level qualifications or SCE ‘H’ grades has not been (and will not be) a factor in Committee decisions about the distribution of grant. The analyses of ‘A’ level scores and SCE ‘H’ grades that are presented to the Committee are based on the number of entrants ages 20 or less who have such qualifications.

Part-time and diploma students

24. The Committee has decided that the grant for the full-time equivalent of part-time degree and diploma students should be the same as for full-time and sandwich students. This will allow virement within a planning figure that will be expressed in terms of full-time equivalents of full-time and part-time students. It represents a significant improvement over the funding provided in 1981 for part-time students. The Committee will not however compensate for any difference between fee levels for part-time and full-time students, and will no longer be making the assumptions about part-time fees that were introduced in Circular letter 10/81.

Continuing education

25. The Committee will continue to assume that courses of continuing education would cover their costs, including the appropriate level of overheads, without significant subsidy from recurrent grant. The Committee does however recognise the value of some grant provision for pump-priming purposes or to compensate for extra-mural courses of liberal adult education for which support is provided by the Education Departments and local authorities. It has therefore decided to provide modest support at about the present level (approximately £50 per PTE student on vocational courses and £75 for non-vocational courses). It is in addition considering introducing a scheme for support of post-experience vocational education that would be highly selective both as to subject and as to institution.

Rationalisation of departments

26. The Committee intends to comment shortly on various aspects of how universities might tackle the rationalisation of departments. Responsibility for action must then in general rest with universities themselves, both individually and in cooperation. The Committee may be willing to make grants to help to implement arrangements between universities and it will be considering what line to follow on this. It may still need to take the initiative in particular cases, for example where it seems necessary to ensure that provision in certain subjects meets but does not exceed national needs or, conversely, where provision for certain subjects is in danger of being eliminated altogether.

Restructuring costs

27. The continuing squeeze on resources, or changes that a university plans to make in the distribution of student numbers, may involve additional non-recurring expenditure, e.g. to rationalise accommodation, to facilitate retraining of staff or transfers between institutions, or to provide for the premature retirement of staff in the university’s interest. Where this is so, universities are asked to estimate what non-recurring costs, whether capital or revenue, might arise in addition to the levels of funding indicated by the working hypothesis, and how they would propose to finance such expenditure (see Annex 3).

Buildings

28. Universities are asked to say what their plans are for the management of capital resources (provision, use and disposal) of property and financing of the works) which could be approved for inclusion in the state’s capital resources plan for the planning period, so that the Committee may be aware of the accommodation implications when it is making decisions on recurrent grant allocations.

29. The Committee expects universities to take full advantage of the arrangements for retention of sales proceeds and certain rents set out in Circular
letter 3/85. The resources available for major new capital building are unlikely to amount to more than about £12m a year for non-medical projects and about £13m a year for medical projects over the period of the review. The programmes are fully allocated up to 1987/88 and there are already many claims on the programmes for succeeding years. As to projects costing less than £1m, universities should assume for the purpose of the review that the cash resources available through capital-recurrent grant will increase at the same rate as recurrent grant.

30. Universities' plans should show the provision they intend to make for the long-term maintenance of their property (see Annex 3, Table 3).

OTHER MATTERS

Equipment grant

31. By providing an additional £18m over three years for selective distribution the Secretary of State has already made some acknowledgement of the case set out in the Strategy Advice that the present equipment grant is seriously inadequate. The Committee awaits a full response in the Green Paper. Meanwhile, the planning figures, in cash terms, available to the Committee are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 1985/86</th>
<th>FY 1986/87</th>
<th>FY 1987/88</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>£95.0m</td>
<td>£98.7m</td>
<td>£132.0m</td>
</tr>
</tbody>
</table>

32. The Committee expects to announce the distribution of equipment grant for 1986/87 at the same time as it announces recurrent grant for that year. Before it does so it intends to review some aspects of the method of calculating grant in the light of its decision to be more selective in the distribution of resources for research.

Performance indicators

33. Universities will increasingly be expected to be able to demonstrate that they are using their resources effectively and efficiently. To this end, it will be necessary for the UGC and universities to develop and use appropriate indicators of performance for teaching, research and for the provision of academic services. The Committee intends to discuss this with the CVCP in the light of the Jarratt Report.

CONCLUSION

34. Universities must continue to take excellence as their prime objective in teaching and research. It should be possible for every university to be strong in some subjects both in teaching and in research, but the extent to which excellence can be preserved in all subjects and in all universities depends on the resources available. It is to be expected that there will be increasing differences among universities in the range of subjects they cover, in the nature of the research they do, and in teaching styles. With the prospect of continuing financial stringency, all universities will be faced with hard choices. The Committee endorses what is said in the Jarratt Report, that forward planning is all the more necessary when the future is uncertain.

35. If universities have queries about this letter or the annexes, they can be addressed in the first instance to:

Mr M B Baker (ext 273) - research plans
Mr M C Hutchison (ext 216) - statistical questions and subject classifications
Mr E C Appleyward (ext 219) - all aspects and particularly finance.

ANNEXES

ANNEX I - RESEARCH STATEMENTS

Introductory Notes

1. The purpose of these notes is to suggest a form of presentation which ensures that the information received by the Committee from different universities is broadly comparable. The Committee does not wish to impose a straitjacket on universities' descriptions of their activities and plans. It has therefore restricted Part 3 to a small number of general questions, and left universities discretion in describing research activities in individual subject areas in Part 4.

2. 'Research' for the purposes of the Committee's review is to be understood as original investigation undertaken in order to gain knowledge and understanding. In the humanities it includes scholarship which leads to new or substantially improved insights. In science and technology it includes the use of existing knowledge in experimental development to produce new or substantially improved materials, devices, products and processes including design and construction. It excludes routine testing and analysis of materials, components and processes - e.g. for the maintenance of national standards - as distinct from the development of new analytical techniques.

3. Part 1 ("Present Research Expenditure") will require a tabular presentation. For all questions, universities are asked to supply information for AY 1986/87 on the basis of the 37 departmental cost centres of the revised UGC/USR classification.

4. Part 2 seeks information about universities' management of resources for research, and arrangements for supporting the research activities of individuals.

5. Part 3 seeks information about universities' research plans and priorities. It is expected that this will be mainly in narrative form.

6. It should not be necessary to reply to Parts 2 and 3 in great detail or at great length as a guide, not more than 3 sides of A4 should be sufficient for Part 2 and 6 sides for Part 3. The Committee wishes to know each university's main priorities and assessment of its major strengths. It will not assume that an activity not mentioned is unworthy of mention.

7. Part 4 asks for a profile of each research area, as defined by the 37 departmental cost centres. Universities may also, within moderation, provide separate profiles for departments, subjects, or research units at a more detailed level of classification. Profiles should also be provided for important interdisciplinary research groups which do not fit conveniently into the 37 cost centre classification.

Part 1 - Present Research Expenditure

Concerns expenditure from general funds on salaries, recurrent expenditure other than pay, equipment. Total recurrent expenditure on libraries and computing. Expenditure from external research income, by subject, from the different sources of funding.

Part 2 - Research Planning Machinery & Practice

Concerns the University's policies and procedures for the allocation of resources for research. Questions asked include how research is dealt with within the general structure of academic and financial planning, what measures are being made of the resource inputs to research, how research performance is measured and evaluated, how decisions are taken on the acceptance of commissions for externally funded research and how far research planning takes account of the research activities and aspirations of faculties, departments or subject areas.

Also whether the University has a 'research committee' to review research, and if not, how the planning of research and the allocation of resources are facilitated.

This section also includes questions concerning internal research awards, study leave and research support.

Part 3 - Overall Research Plans and Priorities

Concerns the strengths of and priorities for research in the University. Asks for plans for research for the four-year period up to 1990, with regard to overall University strategy and priorities and to staffing patterns.

Part 4 - Research Profile of Individual Subject Areas

Asks for a brief description of current and recent research activity and strengths for each subject area, with regard to internal and external support, numbers of research staff and research students,
indicators of research performance, explanation or justification of priorities in terms of likely economic or social benefit or advancement of the discipline and research achievements since 1980 (e.g. titles of books or articles).

ANNEX 2 - STUDENT NUMBERS

Asks for statistics on current and target full-time students by subject, part-time current and target student numbers by subject, undergraduates, postgraduates (taught and research).

ANNEX 3 - FINANCIAL FORECASTS

Asks for an indication of how the University sees its operations being financed over the next few years and how the financial resources will be used. The forecasts should be a reasonable estimate of how the financial situation will change over the next five years, including the resource implications of any proposed shift in the balance of students towards more expensive subjects. They should take account of appropriate economy measures and of the possibility of increased income from non-Exchequer sources.

The following assumptions should be adopted solely for the purpose of the review:

(a) The rate of general inflation over the period of the review is assumed to be:

<table>
<thead>
<tr>
<th>Year</th>
<th>FY (April to March)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1984/85 to 1985/86</td>
<td>5.0%</td>
</tr>
<tr>
<td>1985/86 to 1986/87</td>
<td>4.5%</td>
</tr>
<tr>
<td>1986/87 to 1987/88</td>
<td>3.5%</td>
</tr>
<tr>
<td>1987/88 to 1988/89</td>
<td>3.5%</td>
</tr>
<tr>
<td>1988/89 to 1989/90</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

The first three figures represent current Government assumptions; the last two represent the UGC's extension of those assumptions. For the purpose of your forecasts, assume that the AY inflation rate is the same as the FY rate.

(b) Recurrent grant for your institution will increase in cash terms from AY 1985/86 onwards at 2 per cent below the inflation figures, i.e. a cash increase at 2.5 per cent in 1986/87 and 1.5 per cent each year thereafter.

(c) Home student tuition fees will increase at 1 per cent below the inflation figures, i.e. 3.5 per cent in 1986/87 and 2.5 per cent thereafter.

(d) The rate of inflation of pay and non-pay expenditure will be the same, i.e. both increase at the rates shown in sub-para (a).

(e) The cash value of your capital-in-recurrent grant (that part which comes from the AY 1985/86 is being distributed with recurrent grant) will increase at the same rate as recurrent grant - sub-para (b).

(f) The cash value of your equipment grant will increase at the inflation rates in sub-para (a).

(g) The cash value of your Computer Board grant will increase at the same rate as recurrent grant, i.e. as indicated in sub-para (b).

(h) The Committee will continue to reimburse universities' expenditure on local authority rates for so long as the increases continue to be unpredictable from one year to the next and as between local authorities.

(j) A university's success in attracting additional (new) income from non-Exchequer sources will not lead to a reduction in recurrent grant, i.e. the Committee repeats the assurance given in Circular letter 10/82.

It is important that all universities should prepare their responses on the same basic assumptions even if some of them should appear unrealistic to some universities.

Please identify the other key assumptions concerning non-Exchequer income that underlie your forecasts, including for example overseas student numbers and fees. Say also what assumptions you make about overheads on research contracts. If appropriate, comment on the sensitivity of your forecasts to these key assumptions.