Capital investment framework: analysis of responses and next steps

Summary

1. In 2005 the HEFCE Board agreed to consult on a future capital investment framework for implementation from April 2008, subject to the outcome of the 2007 Comprehensive Spending Review. Following discussions with other funders and sector bodies we issued 'Capital investment framework – consultation on a new approach' (HEFCE 2006/04).

2. This document summarises the responses, and the action we have taken as a result. If you responded to the consultation and would like to discuss any issues raised by this report, please contact Andrew Smith (tel 0117 931 7001, e-mail a.smith@hefce.ac.uk).

Issues for consultation

3. The consultation proposed that all higher education institutions (HEIs) should manage their physical infrastructure as an integral part of their strategic and operational planning processes. For institutions where this is the case we plan to provide capital funding in a more flexible way.

4. We said that we would work with sector representative bodies to determine how this proposal can be realised. This would include assessing:

- the processes within HEIs to integrate capital investment with strategic and operational planning systems
- how planning processes demonstrate that levels of capital investment are sufficient for long-term infrastructure requirements
- how actual levels of capital investment are monitored against the strategies.

5. We know that a number of HEIs already have a strategic approach to capital planning and funding, with capital investment seen as an integral part of planning processes. In such cases assumptions are made about future levels of capital grants and plans are revised, if necessary, in the light of funding announcements. These HEIs have also considered the total size and configuration of the estate that is required and is affordable.

6. It would be beneficial for all HEIs to use this approach, and in a climate of increased uncertainty there are greater benefits from forward planning and risk management.

7. Where HEIs are not able to demonstrate a strategic approach to capital planning, or where plans are not satisfactory, we would continue to require detailed information. However, we hope that all HEIs will be able to take advantage of the new arrangements from April 2008.

8. The new approach would include high level monitoring of HEIs' progress towards realising their plans. This could be achieved through a mix of existing financial returns, the 'trigger metrics' developed by the Research Base Funders' Forum and self-assessment. Monitoring would be integrated within the 'single conversation' between HEFCE and HEIs each year.

9. The main proposals in the consultation were that:

- the focus of capital investment should be on the long-term financial sustainability of HEIs' physical infrastructure

- capital investment should be an integral part of HEIs' strategic and operational planning and monitoring processes

- the monitoring of capital investment should be through the 'single conversation'; and how this might be achieved in practice.

Overall comments

10. We received 87 responses to the consultation; 80 from higher education institutions. The remainder included representative and regional bodies, charities and businesses.

11. Pre-consultation with sector bodies and other funders indicated a high level of support for the proposals and this has been reflected in the consultation responses, although there are some issues to be addressed.

12. The key points from the responses are summarised below.

a. Question 1: Do you agree that the focus of capital investment by HEIs should be on the long-term sustainability of their physical infrastructure?
There were a large number of positive responses, with a small number highlighting that past under-investment needed to be addressed before the focus could be moved to sustainability. Clarification of the terms 'sustainability' and 'infrastructure' was seen as necessary.

b. Question 2: Do you agree that HEIs should be expected to plan such capital investment as part of their strategic and operating planning processes?
Almost all respondents agreed that strategic planning for capital investment should form part of institutions' strategic and operational planning processes. The benefits

of more flexibility in time limits and in how funding is used were highlighted in many responses.

c. Question 3: Do you agree that HEFCE should work with sector bodies so that all HEIs are able to demonstrate a strategic approach to capital planning by April 2008? How might this be achieved?
The vast majority of respondents agreed that HEFCE should work with sector bodies to achieve a strategic approach. A quarter called for capital investment to be integrated with existing corporate planning, and a number cautioned against a 'one-size-fits-all' approach, noting the diversity of the sector.

d. Question 4: Do you have any comments on the proposed changes to how capital funding could be distributed?
Almost half of the responses were explicitly supportive of a combined funding stream, although there were concerns over what formulae would be used in calculating funding. Some respondents called for consideration of the balance of spending between funding for research and for learning and teaching, even in a combined capital funding stream.

e. Question 5: Do you agree that the monitoring of actual capital investment by HEIs should form part of the 'single conversation' between HEFCE and institutions?
The vast majority of respondents agreed that capital investment monitoring should be included as part of the 'single conversation', though some had concerns about the use of metrics, and a number tempered their support with a proviso that monitoring should be genuinely 'light touch'.

f. Question 6: Do you have any other comments?
General comments were made by a small majority of the 87 respondents. These fell into four categories: concerns about maintaining levels of capital funding; appeals for flexibility and a light-touch approach; the differential impact on research-intensive institutions and those focused on learning and teaching; and remarks specific to the respondent.

13. A more detailed analysis of the consultation is given in Annex A and a quantitative analysis in Annex B.

Next steps

14. Given the positive response to the consultation, the HEFCE Board agreed that we should take forward the proposals, through a steering group. The steering group comprises representatives from government, funders, relevant sector bodies, and senior management from institutions. The timetable is shown in Table 1.

Table 1 Timetable for implementing a new capital investment framework

Steering group meeting 1: agree work programme	13 July 2006
Discussions with sector bodies and testing of framework	July to December 2006
Steering group meeting 2: review progress; consider funding parameters	October 2006
Steering group meeting 3: review progress; finalise development framework; finalise recommendations on funding parameters	December 2006
Board paper to approve framework and funding parameters	January 2007
Announce details of framework and funding parameters	February 2007
Assessment of HEIs against framework	March to December 2007
Comprehensive Spending Review announcement	July 2007
Capital funding due for 2008-11 confirmed by DfES (see paragraph 15)	December 2007 or January 2008
Board paper to agree capital allocations to HEIs for 2008-10	January 2008
Announce capital funding 2008-11	February 2008

15. We expect capital funding from 2008-11 to be announced in the 2007 Comprehensive Spending Review, although there is no guarantee of such funding.

16. One of the main objectives of this work is to reduce the accountability burden. As far as possible, assurance arrangements will draw on processes routinely maintained by well managed HEIs. Compliance costs should therefore be lower than for existing arrangements.

Steering group terms of reference

17. The terms of reference for the group are set out below:

a. Within HEFCE's development of 'the single conversation':

- to devise a methodology to enable HEIs to demonstrate by April 2008 that they have a strategic approach to capital planning and investment; and that this is integral to their strategic and operational planning, monitoring and reporting processes. The methodology should enable institutions to identify the level of investment required to sustain their physical infrastructure

- identify performance indicators which demonstrate that actual capital investment, taking one year with another, is in line with HEIs' plans for sustainable physical infrastructure.

b. To explore with the DfES the nature of any additional assurances that might be given regarding the timescales and future of capital funding.

c. To advise HEFCE on how the process of capital funding could be streamlined further.

d. To advise HEFCE on the formula to be used for distributing capital funding for 2008-11.

Annex A
Analysis of responses

> **Consultation question 1**
> Do you agree that the focus of capital investment by HEIs should be on the long-term sustainability of their physical infrastructure?

1. A principal theme of this proposal is to encourage HEIs to look at the long-term financial sustainability of estates, and the ability of the infrastructure to meet the needs of the institution.

2. Eighty-six respondents replied to this question. Two did not agree, six agreed in principle and thirty-two agreed but made no further comments. The remaining forty-six respondents made further comments as outlined below.

3. Two respondents disagreed with this proposition. Both felt that past under-investment had to be completely addressed before the focus could move to sustainability.

4. Of those who agreed, several respondents stressed that they also felt that past under-investment was still a major issue affecting their estates. Nine respondents felt that under-investment issues remained and some of these were not happy to commit to focusing on sustainability until their estates were of a reasonable standard.

5. The term 'sustainability' was understood in different ways by different respondents. A number felt that sustainability should make specific provision for different types of infrastructure. Many responses referred to IT as a high cost, short lifespan area of expenditure which should either be approached separately or be catered for specifically within the framework. Others thought that sustainability should cover repairs and maintenance. It was also felt that cross-cutting services such as administration should be taken into account. There was some concern that its emphasis on large-scale plans might not accommodate short-term or opportunistic projects.

6. One research-intensive institution outlined the issue as follows:

> *'Consideration should be given to the distinction between buildings, other equipment and IT expenditure. IT and other equipment are a major capital expenditure for research-led universities, but are less significant in long-term sustainability terms.'*

7. A number of responses considered that the focus of sustainability should be to ensure that the estate supports the institution's academic plans and the needs of students and staff. It was felt by some participants that institutions should have the flexibility to adapt spending to support their own priorities and academic planning.

8. There was a consensus that the capacity to adapt infrastructure to meet future demand should be taken into consideration. This may mean changing the purpose of

buildings and equipment as courses develop in the future. Many respondents welcomed the increased flexibility afforded by the proposal and would like to see this extended to the ability to adapt their estates to cater for short-term or unforeseen requirements and opportunities.

9. One institution responded to this question as follows:

> *‘Yes, but many factors may input to change this. For example, the Disability Discrimination Act and Carbon Trading have all had an impact which may well have skewed capital investment away from previous medium-term planning. Similarly, the new Part L of the Building Regulations is likely to increase previously planned capital expenditure by at least 10 per cent.’*

10. Several participants felt that future financial and capital sustainability hinged on a commitment to long-term capital funding by HEFCE. Some feared that our proposal signalled the possibility of a future reduction in funding, and that the combined approach to funding might mask a reduction in investment by the Government.

11. Several responses emphasised the importance of longer lead times for project funding. Short lead times discourage institutions from planning and undertaking long-term or complex projects spanning several years.

12. A few responses mentioned the need for capital investment to take environmental sustainability into account.

13. Another comment endorsed the principles set out in our report on ‘Capital funding for learning and teaching, research and infrastructure’ (HEFCE 2005/08). They said that they would like to see the outputs from capital investment more clearly communicated.

Consultation question 2
Do you agree that HEIs should be expected to plan such capital investment as part of their strategic and operating planning processes?

14. Eighty-four respondents agreed to some extent with the proposal to link capital investment to each institution’s strategic and operating plan. One respondent felt that this should be optional. Fifty-nine broadly agreed, while twenty-five respondents made fuller comments which are outlined below.

15. A quarter of those who commented on this issue highlighted the need for increased flexibility, especially in terms of the time given to realise projects. Several respondents also felt that it was highly desirable to be able to use funding in a more fluid fashion between projects or in a more reactive fashion. This should include the flexibility to take up opportunities as and when they arise. Respondents did however acknowledge the need to plan for unexpected developments in their mid-term plans, and where possible in their strategic plans.

16. One respondent outlined their concerns over short time frames as follows:

> *'Under the current system, allocations are only announced a few months in advance and they have to be spent within a strict, and quite short, time period. This discourages institutions from using the money for major infrastructural improvements as such projects often take longer to plan and construct than the time available for spending HEFCE capital allocations under the current system.'*

17. Two respondents highlighted that capital funding is already available over more than one year, and that this was not clear in our publication. Many participants also felt that more flexibility in the time allowed to spend capital funding would be greatly beneficial. Several responses highlighted that more flexibility in timescales would allow greater scope in the choice of building projects. One response suggested that any unused money should be re-invested in the initial fund and distributed to other HEIs on application.

18. Almost half of those who made comments in this area commented on the uncertainty of future HEFCE capital funding. Many stressed that they cannot themselves commit to strategic capital planning if they do not know the level or scope of future funding. One respondent felt that HEFCE should try to engage the Government in a commitment to a minimum amount of funding for the future. This reflects concerns over the future and predictability of capital funding. There were some comments on what would happen to funding from other sources given our new approach. Several participants would like to see some certainty concerning overall funding, including HEFCE capital funding.

> **Consultation question 3**
> Do you agree that HEFCE should work with sector bodies so that all HEIs are able to demonstrate a strategic approach to capital planning by April 2008? How might this be achieved?

19. There were 72 responses to this question. Sixty-eight respondents agreed, one disagreed and three gave a mixed response. Some clarity was needed over the definition of 'sector bodies'; some responses included HEIs in this grouping, others did not; and still others recommended additional interested parties such as the Council of Heads of Medical Schools, as well as the Association of University Directors of Estates and the British Universities Finance Directors Group.

> *'There is no specific reference to OSI and the Research Councils and their relevant priorities and strategies, no mention of RDAs and the regional agenda, and no reference to potential involvement by business and the public sector.'*

20. Notwithstanding this, there was overwhelming support for working with sector bodies to ensure ‘buy-in’.

21. Concerns were raised by a handful of respondents that April 2008 was too tight a deadline, with one suggesting transitional arrangements may be needed. The majority felt the timetable was realistic.

22. Twenty-two respondents agreed that capital planning strategies should be integrated into the corporate planning process, for example, included as part of the estates strategy. Many institutions already do this and were keen that monitoring should build on HEIs’ existing arrangements. Moreover, those who had already adopted a strategic approach stated clearly that additional accountability requirements were not welcomed.

‘This is a difficult balance between the ‘safety net’ of central guidance and the freedom of individual institutions to act with the knowledge of their own particular influences. Institutions should be encouraged to employ managers of sufficient skills to create, operate and control their own strategic plans. However, some trigger point performance indicators may be appropriate to satisfy HEFCE that the financial stability of the institution is not under threat.’

23. A small number of HEIs, and a sector body, stressed that institutions should only be accountable to HEFCE for HEFCE-funded capital. Respondents noted that capital funding came from a number of different sources and highlighted the difficulties for institutions in reconciling the approaches and priorities of, for example, the National Health Service, Department of Health and the Training and Development Agency for Schools.

24. The diversity of institutions was emphasised by seven respondents, discouraging a ‘one-size-fits-all’ approach. For example, one institution described as a burden listed buildings and the extra costs associated with maintaining minimum statutory safety standards; another noted that high space utilisation, while actively encouraged, brought additional maintenance costs. Specialist institutions, such as providers of land-based studies, also flagged their particular needs. One teaching-intensive institution claimed that capital funding has differential – and arguably, inequitable – impact and use within research-intensive institutions on the one hand, and teaching-focused institutions on the other.

'We have an issue with the extent to which grants ostensibly given to support research activities actually end up subsidising teaching activities (for example, through enhancements to a whole building only part of which is used for research activities, or a new research facility which frees up additional capacity to teach) to the prejudice of HEIs which do not get significant research funding. A more even-handed and transparent mechanism is required.'

25. In summary, it was suggested that an institution's history, mission and circumstances should be considered when HEFCE assesses capital plans.

26. A number of respondents emphasised the need to retain flexibility, in order to respond to new opportunities and changing priorities. Two institutions cautioned against HEFCE 'micro-managing' institutions' capital plans.

27. In response to the question of how the sector might achieve a strategic approach to capital planning by April 2008, a number of respondents would welcome examples of best practice from HEFCE, as well as dissemination workshops.

28. Other suggestions for achieving sector-wide strategic planning included employing a mechanism similar to that used for 'Rewarding and developing staff in HE' (HEFCE 01/16) and updating HEFCE guides to good practice, particularly 'Investment decision making' (HEFCE 2003/17).

Consultation question 4
Do you have any comments on the proposed changes to how capital funding could be distributed?

29. Eighty-six respondents commented on this section. Eleven specifically stated that they would like to see the funding streams remain separate. Nine agreed with the proposals and made no further comments, while 66 made further comments which are outlined below. Of these, 31 responses were explicitly supportive of a single funding stream, making further comments and suggestions.

30. Several participants felt that the key aspect of a combined capital funding stream and methodology for future funding allocations was openness and transparency in our approach. One institution expressed this point of view as follows:

'There is a need to ensure a degree of equity across the sector, and the distribution needs to be made on clearly agreed criteria that are open and transparent: eg, size of the HEI, turnover in £s, split between teaching and, research.'

31. Overall there was a call for more clarity from HEFCE over the distribution formulae which may be used. There were several suggestions of possible models, including: the new teaching funding model, proportional distribution according to student numbers, or a

similar model to the Science Research Investment Fund (SRIF). One respondent expressed disappointment that SRIF was not mentioned more explicitly in the consultation.

32. Of the 11 participants who expressed concern over the combined funding stream, several suggested that the balance between research and learning and teaching needed to be maintained, or in some cases redressed towards learning and teaching. Others felt that combined funding would not be beneficial to newer or smaller institutions which are more focused on teaching than on research. There was also some concern expressed over reporting to the Government on the different types of capital expenditure once the streams were merged. One response stated that there is an imbalance between funding for HE in HEIs and HE in further education colleges. They acknowledged that this had been recognised, but felt that it had not yet been properly addressed.

33. Flexibility was called for in the division of spending between research, and learning and teaching. Several of those who replied stated that they would like to see more freedom to move funding from the separate streams so that areas which are multi-functional could be more easily funded. This is illustrated in the following extract from one institution's response:

> *'We would also welcome the opportunity to prioritise between teaching and research investment in a more flexible manner. Consequently, we would be interested in further clarification of the "flexibility" to be associated with a combined capital stream.'*

34. One respondent said that they saw drawbacks to our proposal and suggested a tariff system similar to that used by the NHS, which translates the level of service provided into a revenue tariff. Several responses referred to other funding sources and expressed concern that these should not be overlooked or devalued by our proposal.

35. Full economic costing was also an area for concern. Several participants suggested that changes could only be made to the funding stream after the impact of full economic costing had been assessed.

Consultation question 5
Do you agree that the monitoring of actual capital investment by HEIs should form part of the 'single conversation' between HEFCE and institutions?

36. There were 84 respondents and support for this proposal was overwhelming, representing 82 per cent of the consultation responses. Seventy-one agreed; six disagreed; five expressed serious reservations and two called for further clarification on the single conversation before a judgement could be reached.

37. Many of those who expressed support in principle for including actual capital investment in the Single Conversation, warned against a requirement for 'excessive' detail. Respondents also asked that the Single Conversation, including data on capital

planning, connects to *existing* internal processes, rather than creating additional obligations and workload. For example, one added a cautionary note:

> *'Yes, but care must be taken to ensure that the data requirements do not become overly burdensome.'*

38. Some concerns were voiced over the use of trigger metrics. In particular, 'actual capital expenditure' was thought to be a misleading indicator, if taken out of context, for both specialist and non-specialist providers. For example, providers of land-based studies and medical schools may have extra capital requirements and others may have listed buildings to maintain. A handful of respondents stressed the need to focus on the 'strategic trajectory' of an institution over the longer term, rather than on performance indicators at one moment in time. Finally, a number expressed doubt over the consistency of data submissions and commented that reliance on metrics would require a review and standardisation of these returns.

> *'The routes include estates management statistics and self-assessment, trigger metrics and financial data. There is no definition of what triggers a concern. Will we have to report on individual estate projects which are not funded by any specific grant? It would not be appropriate for HEFCE to act as both judge and jury. Surely the only way that HEFCE can establish concerns is through trends, which in the case of capital expenditure may be over a long period of years… Difficulties of interpretation may arise when HEIs have different capitalisation limits and more than likely differing views on what is revenue and what is capital.'*

39. Many respondents stressed the need for flexibility, to enable institutions to respond to new opportunities and changing priorities. The single conversation would therefore need to acknowledge individual context.

40. One respondent argued that the consultation had conflated 'capital investment' and 'capital funding' and that HEFCE capital funding, while welcome, was only a part of capital investment. Another noted that expenditure on capital projects is not itself an indicator of good capital management, but should be measured against the condition and functional suitability of the estate.

Consultation question 6
Do you have any other comments?

41. Fifty respondents out of a total 87 took the opportunity to make additional comments. Responses fell into four categories: concerns about maintaining levels of capital funding; appeals for flexibility and a 'light-touch' approach; the differential impact on research-intensive institutions and those focused on learning and teaching; and comments specific to the respondents. Twelve explicitly welcomed the proposals.

42. Three respondents expressed concern that merging capital and revenue grant streams would mask further erosion in the overall level of public funding to HEIs, and noted that there will be multiple demands on tuition fees, meaning HEFCE must maintain capital funding at current levels. A further three respondents argued that the backlog of maintenance still needs to be addressed.

> *'While we agree that the focus may have shifted, the figures given in the document in sections 12-14 indicate that there is still a substantial back-log of underinvestment which remains to be addressed before institutions can move forward to address sustainability issues on a level playing field.'*
>
> *'Paragraph 15 highlights the opportunity for increased fees to remove the HE sector's dependence on centrally provided capital funding. If pushed too far, this could actually result in less investment being available?'*

43. Three respondents commented on the need for flexibility and a 'light touch' from HEFCE in terms of monitoring. Of these, two urged that institutions' existing internal review processes should be used rather than an additional layer of reporting. Six respondents raised concerns over the use of Estate Management Statistics (EMS), in particular. They argued that EMS may reflect spend rather than need; that the results can be misleading if taken out of context; and that data collection processes in individual HEIs need to be reviewed, and definitions co-ordinated, to ensure consistency and fairness.

44. Some respondents raised the potentially differential impact of the proposals on teaching and on research. Two respondents called for a continuation of separate allocations for teaching and research. The research bodies queried the impact of the proposed changes on research priorities. One research-intensive institution called for the capital element to be heavily weighted by quality-related (QR) research income. Another commented that 'research institutions' have more leverage when negotiating on price for capital purchases, so collaborative arrangements would not be welcomed.

45. Four respondents expressed a preference for the self-assessment toolkit; while one institution claimed that such toolkits were unnecessary since they diverted attention from an institution's existing internal processes.

46. One respondent asked for high space utilisation to be rewarded.

> *'…Institutions that have a high space utilisation may have to spend more on repairs and maintenance in order to keep the building in the same condition. Higher utilisation also increases the business risk to the institution if there were a business interruption. This needs to be considered. '*

47. HEIs asked that higher education delivered in colleges be taken into account in the new proposals.

48. One institution claimed that defining ‘capital’ in terms of learning and teaching and research *only* was unduly limiting.

> *‘I can see no good reason for excluding as a sound object for investment, IT systems to administer the organisation, particularly in view of the self-service functionality now required by students, but also given the need overall to drive efficiency of support operations as part of the ‘Gershon’ drive.’*

49. One institution asked that statutory obligations, for example, relating to asbestos or the Disability Discrimination Act 2005, be taken into account when allocating funding.

50. The long-term approach was welcomed by a number of institutions.

> *‘Sustainability means committing to funding that may not be able to be met from revenue budgets in the short term operating cycles… Short term profit and loss management can be more easily achieved where an institution favours a long term maintenance programme (chargeable to revenue) rather than a capital programme (capitalised on the balance sheet) as it is easier to delay and re-purchase such spend on a major building project….’*

51. One smaller institution noted that, while proportionately smaller allocations under the current system seemed reasonable, it made it more difficult to leverage funding for large projects.

52. Finally, three respondents called for HEFCE to be more radical in its proposals for capital funding, and one cautioned that the success of the proposed capital investment framework depended on the successful implementation of the single conversation.

> *‘We welcome the consultation on much-needed reform of the capital funding system but urge the Funding Council to undertake more radical thinking, challenging old principles which have straitjacketed publicly funded investment for so long.’*
>
> *‘We welcome the consultation…but sense the danger that a good opportunity for adopting a more radical, mature and enabling approach will not be seized.’*

Annex B
Quantitative analysis of the responses

Q1 Do you agree that the focus of capital investment by HEIs should be on the long-term sustainability of their physical infrastructure?

Comments	Total	HEIs	Other respondents	%
Population:	**87**	**80**	**7**	**100**
Broadly supportive	38	35	3	44
Not supportive	2	2	-	2
Mixed Response	46	42	4	53
No response	1	1	-	1

Q2 Do you agree that HEIs should be expected to plan such capital investment as part of their strategic and operating planning processes?

Comments	Total	HEIs	Other respondents	%
Population:	**87**	**80**	**7**	**100**
Broadly supportive	59	54	5	68
Not supportive	1	1	-	1
Mixed Response	25	24	1	29
No response	2	1	1	2

Q3 Do you agree that HEFCE should work with sector bodies so that all HEIs are able to demonstrate a strategic approach to capital planning by April 2008?

Comments	Total	HEIs	Other respondents	%
Population:	**87**	**80**	**7**	**100**
Broadly supportive	68	64	4	78
Not supportive	1	1	-	1
Mixed Response	3	2	1	3
No response	15	13	2	18

Q3 (cont.) How might this be achieved?

Comments Population:	Total 87	HEIs 80	Other respondents 7	% 100
Good practice dissemination/workshops	11	10	1	13
Integrate Capital Investment with Corporate Planning	22	21	1	25
Self-assessment tool	4	3	1	5
Recognise diversity of sector	7	7	-	8
Other or no comments	43	39	4	49

Q4 Do you have any comments on the proposed changes to how capital funding could be distributed?

Comments Population:	Total 87	HEIs 80	Other respondents 7	% 100
Support combined funding	31	28	3	36
Do not support combined funding	11	10	1	13
Welcome increased flexibility	2	2		2
Welcome clarification on terms (sustainability/infrastructure/metrics)	22	20	2	25
Other responses	20	19	1	23
No additional comments	1	1	-	1

Q5 Do you agree that the monitoring of actual capital investment by HEIs should form part of the 'single conversation' between HEFCE and HEIs?

Comments Population:	Total 87	HEIs 80	Other respondents 7	% 100
Broadly supportive	71	68	3	82
Not supportive	6	5	1	7
Mixed Response	7	7	-	8
No response	3	0	3	3

Q6 Do you have any other comments?

Comments Population:	Total 87	HEIs 80	Other respondents 7	% 100
Funding maintenance backlog, concerns about over-reliance on tuition fees & to maintain overall funding levels	5	5	-	6
Call for 'light touch' and flexibility.	3	3	-	3
General 'one-off' or institution-specific comments	27	25	2	31
Call for more radical approach	3	2	1	3
Explicitly welcome proposals	12	10	2	14
No additional comments	37	35	2	43