

**Distribution of 2022/23 stipend uplift pressure****To approve****Committee Name:** Executive Committee, WMM 16 November 2022

Previously discussed by: Executive Committee, September 2022

Author: [REDACTED]

Cleared by: [REDACTED]

SRO: [REDACTED]

**Circulation:** Executive Committee, Strategy Committee, PFO, Council talent leads, Finance Business Partners**Summary**

At the end of August 2022, the Executive Committee (ExCo) agreed to the higher uplift for doctoral student stipends of £1,606 in Academic Year (AY) 2022/23 - a ~10% uplift on the previously announced figure. The Chief Secretary to the Treasury agreed to this increase with an announcement made on the 2nd of September, resulting in an estimated pressure of £19M / £27M / £26M on budgets in this SR period (FY022/23 to FY2024/25).

Using underspend in the Future Leaders Fellowships line and over-profiling, the majority of the pressure is addressed, but leaves a residual pressure of £5.0M in 2024/25. ExCo agreed in September that this should be drawn from councils' core budgets.

This paper presents options for distributing the pressure (and consequently the FLF/over-profiling funds) to councils. The options fall under one of two approaches to distribute the funding based on A) levels of student activity or B) the impact on council's core budgets.

As councils may choose to address their share of the residual pressure by reducing student numbers, it is important that we inform Research Organisations (ROs) of the flexibility they may need to build into their current recruitment processes. As many ROs start to confirm student offers in January, we propose contacting them now, indicating a student reduction of up to 20% may be required. We should also highlight possible opportunities to fund studentships through Horizon Europe alternative funding. In addition, Research Organisations are waiting for confirmation about the additional funding they will receive to support stipends between April and Sept 2023, and we will use this opportunity to update them on that aspect.

The Executive Committee is asked to:

- **Decide** which option is the preferred collective response to distributing the residual pressure
- **Agree** to RO communications issued in November indicating the level of flexibility they should build into their recruitment processes at this time

## 1. Issue

- 1.1. At the September 2022 meeting, ExCo members were presented with a paper on the affordability of UKRI doctoral stipend uplifts (Paper 5. 2022-E132). Of particular focus was the additional costs created over the current spending review period by uplifting the 2022/23 academic year (AY) minimum stipend level by £1,606 to £17,668 (~10% increase compared to the 2022/23 stipend level previously announced).
- 1.2. ExCo agreed to the use of Future Leaders Fellowship (FLF) underspend and over-profiling to mitigate reducing student numbers in the first instance. This leaves a residual pressure in the 2024/25 financial year (FY) which ExCo agreed should be managed within councils, either by reducing student numbers, or from other areas of core council budgets. Following some uncertainty over the figures presented in September, the authors were asked to work with councils to confirm the additional costs, confirm the residual pressure, and draw up options for how the residual pressure can be fairly distributed amongst the councils. This is presented in this paper.

## 2. Financial implications

### *Funding the £1,606 uplift*

- 2.1. Councils' have confirmed their planned studentship spend over the current spending review in a 2% inflation scenario (Annex 1). Table 1 confirms the additional cost of the 2022/23 stipend uplift in each financial year to be £19M / £27M / £26M across the Spending Review period. Table 2 confirms a residual pressure of £5.0M in 2024/25 once FLF underspend and over-profiling is used to mitigate these costs (ExCo were previously advised £5.3M).

<b>Council</b>	<b>22/23 half year, £M</b>	<b>23/24, £M</b>	<b>24/25, £M</b>
AHRC	1.28	2.72	2.83
BBSRC	1.27	2.64	2.77
ESRC	1.73	3.03	3.09
EPSRC	6.65	12.63	11.94
MRC	0.80	1.65	1.52
NERC	0.87	1.84	1.96
STFC	0.69	1.40	1.47
AI CDTs	0.43	0.86	0.77
<b>Sub-total</b>	<b>13.72</b>	<b>26.78</b>	<b>26.34</b>
<b>Adjustment for co-funder contributions</b>	<b>19.40<sup>1</sup></b>	<b>26.78</b>	<b>26.34</b>

Table 1 shows the additional cost for each council resulting from the 9.9% increase to the 2022/23 stipend level over the current spending review period.

<sup>1</sup> The additional cost to UKRI for Q3 and Q4 of 2022/23 is higher than an uplift to council stipend payments because ExCo agreed that UKRI will cover co-funder contributions for this 6-month period. £16.6M has already been issued to Research Organisations relating to this period, with the remainder due to be released in the January pay runs to cover grants that didn't start until October this year.

	<b>22/23 half year, £M</b>	<b>23/24, £M</b>	<b>24/25, £M</b>
Total additional costs required	19.40	26.78	26.34
Funding available	19.40	26.70	21.30
Residual pressure	-	0.07	<b>5.04</b>

Table 2 shows the total additional costs to UKRI of increasing the 2022/23 stipend, the funding available through FLF underspend and over-profiling, and the resulting residual pressure over the current spending review period.

### ***Distributing the residual pressure***

- 2.2. UKRI-wide student investments led by a council (e.g., UKRI AI CDTs (2018)) will be paid for from the FLF underspend and/or over profiling first. The rest of available funds will then be distributed to councils. Two approaches have been considered to fairly distribute the available funds and therefore the residual pressure.

**Approach A** - Distributing based on a council's level of student activity

**Approach B** – Distributing based on councils' core budgets

- 2.3. A number of options are available under each of the approaches described in paragraph 2.2. These are discussed below with benefits, disadvantages, and risks described.

### ***Approach A***

- 2.4. The first approach (Approach A) is to distribute the residual pressure on the basis of a council's level of student activity. Two options have been considered under approach A:

**Option A1** - The proportion of UKRI's total stipend spend in 2024/25 FY held by a council is equal to the proportion of the residual pressure they bear

**Option A2** - The proportion of UKRI's student population in 2023/24 AY held by a council is equal to the proportion of the residual pressure they bear.

- 2.5. One key benefit of approach A is that it directly links a council's exposure to the residual pressure to the strategic decisions they have made about the proportion of their funding that should support students. This approach can be considered fair because of that linking, but it must be recognised that councils make these decisions in the context of their overall budget. The amount of funding each council would have to find in this approach varies widely, especially relative to their overall budget.
- 2.6. A key concern for approach A is that the outcome leads to a wide variation in the impact on the communities. Councils who will bear a higher pressure relative to their overall budget (Table 3) are likely to require more significant reductions to their non-student activity and/or student numbers.
- 2.7. Following consultation with the Talent Strategy Leadership team (previously known as the Collective Working Coordination Group which comprises of the talent leads across councils), **we would not recommend option A2**. Student numbers are only an estimate as recruitment for October 2023 starts is not complete and we use fully funded equivalent figures as we do not know how many individuals will be co-funded (Annex 2). Further complexities are added because students are not all paid the same stipend and student numbers are based on academic years rather than financial years. AS a result, this option creates a significant risk that the distribution of the residual pressure decided now will differ significantly from the actual distribution of the uplift pressure.
- 2.8. **Should Approach A be preferable, we would recommend option A1**. Councils have clear financial plans for stipend payments. The financial figures are more robust than those of option A2 and inherently remove the complications mentioned in paragraph 2.7.

Council	A1, £M	A1 as proportion of overall budget	A2, £M	A2 as proportion of overall budget
AHRC	0.56	0.47%	0.56	0.48%
BBSRC	0.54	0.14%	0.47	0.12%
ESRC	0.61	0.36%	0.79	0.47%
EPSRC <sup>2</sup>	2.35	0.28%	2.18	0.26%
MRC	0.30	0.04%	0.42	0.06%
NERC	0.39	0.12%	0.32	0.10%
STFC	0.29	0.10%	0.30	0.10%
<b>Mid-point</b>		<b>0.22%</b>		<b>0.23%</b>

Table 3 shows the distribution of the residual pressure in 2024/25 under options A1 and A2 relative to the core budget of the council (excluding partitions) in that financial year. To indicate the level of variance, cells highlighted in orange show a figure more than 20 percentage points above the mid-point, blue cells more than 20 percentage points below.

### Approach B

2.9. The second approach (approach B) is to distribute the impact of the uplift decision by distributing the residual pressure based on council core budgets. In doing so, the overall impact of the uplift decision is evened out across the councils. We considered whether partitioned budgets should be considered. We concluded that as they support activities that benefit communities across UKRI's remit e.g., international subscriptions, they should be treated differently from other council activities and excluded. Excluding partitioned budgets aligns with our approach to not distribute the additional cost of the stipend uplift for UKRI-wide student investments to the leading council (see paragraph 2.2).

2.10. Two options have been considered for approach B:

**Option B1** - Each council is asked to find the same percentage of their non-student core budget (excluding partitions) to fund the residual pressure (i.e., core budget with the studentship budget element of their shadow Collective Talent Funding allocation deducted)

**Option B2** - Each council is asked to find the same percentage of their total core budget (excluding partitions) to fund the residual pressure

2.11. One key benefit of approach B is that distributing the impact of the uplift decision could be seen to recognise better that a collective decision was made and that collectively we bear the additional cost and impact. UKRI would have the ability to clearly communicate the high-level, equal, impact on UKRI, which externally could be viewed as fair e.g., to cover the additional stipend uplift announced in September, UKRI will be reducing investment in other areas across all the councils by [B1 or B2 percentage value] in 2024/25. Early indications are that councils will meet the residual pressure in different ways meaning below this level, the impact will be felt differently.

2.12. A key concern for approach B is that while the impact on a council's budget is proportionally the same, approach B decouples the distribution from councils' strategic decisions on their support for doctoral education. It is up to ExCo to consider if this is a benefit or disadvantage of approach B. Councils with a larger core budget and relatively little student activity would have reduced flexibility to decide how to respond. As their relative share of the pressure would be much larger than their share of studentships, they would have limited ability to absorb it through reducing student numbers. The impact of approach B relative to council student budgets is provided in Table 4.

<sup>2</sup> The AI CDT budget has been removed from EPSRC's core budget as the additional funding required to support this investment will be supported by central funds and does not form part of the residual pressure.

- 2.13. Option B1, which focusses on evening out impact on non-student activities, has been considered as additional funding cannot be found from within existing studentship spend plans. However, as approach B disassociates the distribution from the level of student activity and drawing from non-student budgets is not the only choice for responding, it could be considered counter intuitive to include only the non-student core budgets. Doing so could also be seen to unfairly advantage councils with proportionally higher student activity. Therefore, **should evening out the impact be preferable, we would recommend option B2.**

Council	B1, £M	B1 relative to planned studentship spend	B2, £M	B2 relative to planned studentship spend
AHRC	0.16	0.41%	0.21	0.53%
BBSRC	0.73	1.73%	0.70	1.65%
ESRC	0.26	0.58%	0.30	0.67%
EPSRC <sup>3</sup>	1.34	0.65%	1.52	0.73%
MRC	1.39	6.01%	1.23	5.31%
NERC	0.59	1.88%	0.56	1.78%
STFC	0.57	2.56%	0.52	2.37%
<b>Mid-point</b>		<b>1.97%</b>		<b>1.86%</b>

Table 4 shows the distribution of the residual pressure in 2024/25 under options B1 and B2 relative to the total planned (live + new investments) studentship spend of a council in that financial year. To indicate the level of variance, cells highlighted in orange show a figure more than 20 percentage points above the mid-point, blue cells more than 20 percentage points below.

#### **Option recommendation**

- 2.15. Option A1 distributes the residual pressure to councils based on their level of student activity (stipend spend). The key advantage is that the pressure is linked to strategic decisions of the councils about their relative support for students within their portfolio. The key disadvantage is that the amount a council must find, as a percentage of their core budget, varies widely and will be more difficult for some councils. This could lead to more significant impacts on their student numbers and/or research investments compared to other councils.
- 2.16. Option B2 distributes the residual pressure by council core budget, with the same percentage sought from each council. At a high level, the advantage of this is clear communication of equal impact across UKRI. At lower levels, because councils will likely choose different responses, the impacts will be felt differently across the communities. The key disadvantage is that the amount a council must find is not linked to their student activity levels and where this activity level is small, could limit a council's flexibility in choosing from where to meet the pressure.
- 2.17. Table 5 aids comparison between option A1 and B2. **We do not make a recommendation in choosing between option A1 and option B2.** Both have merits and risks. It is for ExCo members to consider which option best reflects the move to a commitment to Collective Talent Funding, while being mindful of the capacity of the councils (particularly those who will pay more under each option) to absorb the pressure through, for example, reducing the number of research grants awarded or student numbers.

<sup>3</sup> EPSRC's spend on the AI CDTs has been removed as the additional funding required to support this investment will be supported by central funds and does not form part of the residual pressure.



Council	A1, £M	Relative to core budget	Relative to studentship spend <sup>4</sup>	B2, £M	Relative to core budget	Relative to studentship spend
AHRC	0.56	0.47%	1.41%	0.21	0.18%	0.53%
BBSRC	0.54	0.14%	1.29%	0.70	0.18%	1.65%
ESRC	0.61	0.36%	1.36%	0.30	0.18%	0.67%
EPSRC	2.35	0.28%	1.14%	1.52	0.18%	0.73%
MRC	0.30	0.04%	1.29%	1.23	0.18%	5.31%
NERC	0.39	0.12%	1.23%	0.56	0.18%	1.78%
STFC	0.29	0.10%	1.31%	0.52	0.18%	2.37%
Mid-point		0.22%	1.29%		0.18%	1.86%

Table 5 shows option A1 and B2 together to aid comparison. To indicate the level of variance, cells highlighted in orange show a figure more than 20 percentage points above the mid-point, blue cells more than 20 percentage points below.

## 2.18. ExCo is asked to decide which option, A1 or B2, is the preferred collective response to distributing the residual pressure

### 3. Next steps in stipend discussions

3.1. This paper focusses on the existing decision to raise the 2022/23 stipend and the distribution of the pressure that it creates. We plan further discussions with ExCo in the coming months to position UKRI to set future stipend levels. Our planned next steps are:

- December – A non-financial discussion focussed on strategic positions i.e., ExCo to discuss the parameters they would ideally like to work within in relation to stipends such as: limiting student reductions, level of protection (or not) compared to the rest of the portfolio, etc.
- January – Affordability plan. We will present what flexibility UKRI will need to raise the 2023/24 stipend level in line with the December discussion and financial options. This will follow on from a discussion of the wider inflation framework being brought to an executive level meeting in Late Nov/early Dec by Finance.
- February/March – ExCo will make a decision on what the 2023/24 stipend level should be. It has been agreed that we will need to engage Treasury at this point as this was requested when they reviewed the 2022/23 stipend.

### 4. Research Organisation communications

- 4.1. It is our plan to communicate with Research Organisations (ROs) later this month to provide further advice on the recruitment of students starting in the 2023/24 academic year. It is expected that at least some grant holders will be asked to recruit fewer students in response to the residual pressure detailed above. In addition, indicating possible reductions in student starts next year gives UKRI greater flexibility to set a stipend level for 2023/24 that is greater than a 2% increase is that is deemed appropriate. Furthermore, spreading any student reduction over two intakes reduces the total student reduction required.
- 4.2. We suggest indicating a maximum of a 20% reduction to 2023/24 student starts for two reasons 1) The advice in the Sept ExCo paper (Paper 5. 2022-E132) suggested that a 24% reduction would be needed in 2023/24 if another ~10% uplift was required and no additional funding was used, and 2) In engagement with the Russell Group, they indicated strong expectations of stipends rising

<sup>4</sup> Option A1 distributed the residual pressure by proportion of stipend spend (the origin of the pressure). Total studentship spend includes additional costs such as fees and project costs. Stipends constitute different proportions of a council's studentship spend so the percentages in this column will be not be the same.

with inflation and a need to reduce student numbers. There was not a strong negative reaction when we suggested reductions might need to be at a level around 20%.

4.3. It is important that we communicate now because recruitment processes are already underway and formal offers are usually made between January and March. The communications will:

- Ask ROs (and its grant holders) to act with prudence and to expect that the number of new studentships supported through UKRI funding may need to reduce by up to 20%.
- Indicate that the stipend level won't be decided until spring of 2023.
- Highlight that there may be opportunities presented by the plan B MSCA work for further studentships.
- Provide confirmation that the remaining funding required for the 2022/23 academic year (April-Sep 2023 for the 2022/23 stipend uplift) will be paid by UKRI and that further details about how they will receive the additional funding will follow.

**4.4. ExCo is asked to agree to RO communications issued in November indicating the level of flexibility they should build into their recruitment processes at this time**

## **5. Risk**

5.1. As mentioned in the Sept ExCo paper (Paper 5. 2022-E132), there may be potential emerging underspends in the Strategic Themes programmes and other cross-cutting programmes that would help mitigate stipend related inflation pressures. There is a risk that councils will act now to cover pressures from their core budgets and are then asked to make rapid, quick spend, decisions in 2024/25 in response to those underspends. This will need to be considered alongside the other pressures that UKRI may look to accommodate as part of the wider work on inflation, and we recommend that this risk is considered as part of that work.

## **6. Conflicts of interest**

6.1. [REDACTED] has two family members who are in receipt of a UKRI stipend. [REDACTED] has a family member in receipt of a UKRI stipend.

## **7. Annex**

- Confirmed planned spend on studentships across live and planned new investments
- Estimated student numbers resulting from live and planned new investments

**Annex 1 Confirmed planned spend on studentships across live and planned new investments**

All of the following tables show councils' plans for studentship spending in a 2% inflation scenario.

Council	Total Studentship Spend by Financial Year			
	2022/23 Q3&Q4	2023/24	2024/25	2025/26
AHRC	£17,879,091.46	£37,907,371.10	£39,513,512.32	£39,142,194.86
BBSRC	£19,730,920.00	£40,693,570.00	£42,250,240.00	£38,533,637.50
ESRC	£24,702,785.00	£43,740,064.00	£44,593,337.00	£45,652,603.00
EPSRC (exc. AI CDTs)	£101,751,931.11	£207,921,611.97	£207,204,008.43	£194,505,591.72
MRC	£12,210,943.61	£24,981,774.50	£23,173,842.36	£25,973,867.77
NERC	£13,537,500.00	£29,738,000.00	£31,441,000.00	£31,441,000.00
STFC	£10,423,620.14	£21,687,907.58	£22,087,077.15	£23,442,141.22
AI CDTs	£7,499,449.25	£16,821,782.25	£15,424,852.51	£12,284,185.76
<b>Total</b>	<b>£207,736,240.57</b>	<b>£423,492,081.40</b>	<b>£425,687,869.77</b>	<b>£410,975,221.82</b>

This table shows the total planned studentship spend for each council by financial year. This combines current, live, grants and planned new investments that will spend in these years. We have separated out the 2018 AI CDTs from EPSRC's budget as this is UKRI-wide investment, led by that council.

Cost Type	Financial Year			
	2022/23 Q3&Q4	2023/24	2024/25	2025/26
<b>Live Grants</b>				
<b>Total studentship spend</b>	<b>£207,736,240.57</b>	<b>£414,979,044.44</b>	<b>£379,971,924.21</b>	<b>£310,870,107.27</b>
Total scheduled payments	£217,598,714.49	£414,884,293.55	£379,819,491.69	£310,703,440.61
Stipend, fee and RTSG <sup>5</sup> payments	£199,700,541.82	£385,696,703.38	£355,592,151.11	£287,802,477.52
Only stipend payments	£138,569,765.92	£266,718,265.94	£246,216,219.50	£199,133,437.29
<b>Associated with current students only</b>				
Stipend, fee, RTSG costs	£199,360,461.82	£340,254,817.33	£245,135,729.02	£148,307,765.52
Only stipend costs	£138,518,183.92	£233,665,608.16	£170,648,473.32	£99,941,344.36
<b>New, future studentship investments</b>				
<b>Total spend expected</b>	<b>£0.00</b>	<b>£8,513,036.96</b>	<b>£45,715,945.56</b>	<b>£100,105,114.55</b>
Total expected payments	£0.00	£8,513,036.96	£45,715,945.56	£100,105,114.55
Stipend, fee and RTSG costs	£0.00	£6,169,933.66	£29,548,943.58	£84,840,135.95
Only stipend costs	£0.00	£3,749,631.12	£19,816,240.31	£55,967,469.14
<b>Total planned studentship spend</b>				
<b>Total expected spend</b>	<b>£207,736,240.57</b>	<b>£423,492,081.40</b>	<b>£425,687,869.77</b>	<b>£410,975,221.82</b>
Total outbound payments expected	£217,598,714.49	£423,397,330.51	£425,535,437.26	£410,808,555.16

This table shows the total studentship spend for UKRI, with the sub-categories of costs beneath. Grant payments consider outbound expenditure only, not underspend returned or re-charging, so these figures may differ from the spend line in the table.

<sup>5</sup> Research Training Support Grant – this is the element of studentship funding which supports the doctoral project costs.



## AHRC

	Financial Year			
Cost Type	2022/23 Q3&Q4	2023/24	2024/25	2025/26
Live Grants				
Total studentship spend	£17,879,091.46	£37,907,371.10	£38,402,401.21	£36,919,972.64
Total scheduled payments	£17,879,091.46	£37,907,371.10	£38,402,401.21	£36,919,972.64
Stipend, fee and RTSG payments	£17,071,804.99	£36,168,069.00	£36,599,572.00	£35,139,532.96
Only stipend payments	£12,939,692.21	£27,455,455.00	£27,772,862.00	£26,654,970.00
Associated with current students only				
Stipend, fee, RTSG costs	£17,071,804.99	£33,559,115.00	£24,881,184.00	£14,664,477.00
Only stipend costs	£12,939,692.21	£24,324,711.00	£21,282,678.00	£10,631,013.00
New, studentship future investments				
Total spend expected	£0.00	£0.00	£1,111,111.11	£2,222,222.22
Total expected payments	£0.00	£0.00	£1,111,111.11	£2,222,222.22
Stipend, fee and RTSG costs	£0.00	£0.00	£1,055,555.56	£2,111,111.11
Only stipend costs	£0.00	£0.00	£800,000.00	£1,600,000.00
Total planned studentship spend				
Total expected spend	£17,879,091.46	£37,907,371.10	£39,513,512.32	£39,142,194.86
Total outbound payments expected	£17,879,091.46	£37,907,371.10	£39,513,512.32	£39,142,194.86

## BBSRC

	Financial Year			
Cost Type	2022/23 Q3&Q4	2023/24	2024/25	2025/26
Live Grants				
Total studentship spend	£19,730,920.00	£39,698,470.00	£39,234,415.00	£33,434,125.00
Total scheduled payments	£19,730,920.00	£39,698,470.00	£39,234,415.00	£33,434,125.00
Stipend, fee and RTSG payments	£19,730,920.00	£39,698,470.00	£39,234,415.00	£33,434,125.00
Only stipend payments	£12,803,670.00	£26,032,932.50	£26,077,377.50	£22,348,425.00
Associated with current students only				
Stipend, fee, RTSG costs	£19,730,920.00	£36,273,832.50	£29,161,638.75	£19,622,152.50
Only stipend costs	£12,803,670.00	£23,185,882.50	£17,729,938.75	£10,640,965.00
New, future studentship investments				
Total spend expected	£0.00	£995,100.00	£3,015,825.00	£5,099,512.50
Total expected payments	£0.00	£995,100.00	£3,015,825.00	£5,099,512.50
Stipend, fee and RTSG costs	£0.00	£995,100.00	£3,015,825.00	£5,099,512.50
Only stipend costs	£0.00	£613,687.50	£1,864,132.50	£3,162,525.00
Total planned studentship spend				
Total expected spend	£19,730,920.00	£40,693,570.00	£42,250,240.00	£38,533,637.50
Total outbound payments expected	£19,730,920.00	£40,693,570.00	£42,250,240.00	£38,533,637.50

## ESRC

	Financial Year			
Cost Type	2022/23 Q3&Q4	2023/24	2024/25	2025/26
Live Grants				
Total studentship spend	£24,702,785.00	£43,740,064.00	£38,263,852.00	£26,345,014.00
Total scheduled payments	£24,702,785.00	£43,740,064.00	£38,263,852.00	£26,345,014.00
Stipend, fee and RTSG payments	£22,819,861.00	£41,620,106.00	£36,457,845.00	£25,153,744.00
Only stipend payments	£17,474,997.00	£30,646,979.00	£26,784,995.00	£18,433,286.00
Associated with current students only				
Stipend, fee, RTSG costs	£22,819,861.00	£36,004,042.00	£25,114,630.00	£13,586,000.00
Only stipend costs	£17,474,997.00	£26,591,680.00	£18,587,826.00	£10,061,134.00
New, future studentship investments				
Total spend expected	£0.00	£0.00	£6,329,485.00	£19,307,589.00
Total expected payments	£0.00	£0.00	£6,329,485.00	£19,307,589.00
Stipend, fee and RTSG costs	£0.00	£0.00	£6,056,025.00	£18,482,275.00
Only stipend costs	£0.00	£0.00	£4,377,080.00	£13,388,499.00
Total planned studentship spend				
Total expected spend	£24,702,785.00	£43,740,064.00	£44,593,337.00	£45,652,603.00
Total outbound payments expected	£24,702,785.00	£43,740,064.00	£44,593,337.00	£45,652,603.00

## EPSRC (exc. AI CDTs)

	Financial Year			
Cost Type	2022/23 Q3&Q4	2023/24	2024/25	2025/26
Live Grants				
Total studentship spend	£101,751,931.11	£206,221,611.97	£183,853,515.28	£144,325,222.54
Total scheduled payments	£110,793,217.87	£206,204,642.17	£183,853,515.28	£144,325,222.54
Stipend, fee and RTSG payments	£97,653,922.46	£184,914,915.49	£166,778,600.58	£127,238,727.77
Only stipend payments	£67,205,130.16	£126,384,341.59	£113,755,775.44	£86,763,739.27
Associated with current students only				
Stipend, fee, RTSG costs	£97,653,922.46	£165,241,344.26	£119,572,069.78	£76,524,970.83
Only stipend costs	£67,205,130.16	£113,127,313.67	£81,717,669.04	£52,262,268.54
New, future studentship investments				
Total spend expected	£0.00	£1,700,000.00	£23,350,493.15	£50,180,369.18
Total expected payments	£0.00	£1,700,000.00	£23,350,493.15	£50,180,369.18
Stipend, fee and RTSG costs	£0.00	£1,700,000.00	£10,009,316.68	£36,839,192.70
Only stipend costs	£0.00	£1,224,000.00	£6,863,055.84	£25,177,218.76
Total planned studentship spend				
Total expected spend	£101,751,931.11	£207,921,611.97	£207,204,008.43	£194,505,591.72
Total outbound payments expected	£110,793,217.87	£207,904,642.17	£207,204,008.43	£194,505,591.72

## OFFICIAL

## MRC

	Financial Year			
Cost Type	2022/23 Q3&Q4	2023/24	2024/25	2025/26
Live Grants				
Total studentship spend	£12,210,943.61	£24,898,441.17	£22,656,889.98	£22,714,915.38
Total scheduled payments	£12,214,541.63	£24,820,660.07	£22,504,457.46	£22,548,248.72
Stipend, fee and RTSG payments	£12,263,973.12	£25,168,253.25	£23,264,564.35	£23,589,186.64
Only stipend payments	£8,100,192.83	£16,623,300.02	£15,365,938.56	£15,580,347.31
Associated with current students only				
Stipend, fee, RTSG costs	£12,263,973.12	£17,946,058.84	£10,773,693.32	£3,514,969.19
Only stipend costs	£8,100,192.83	£11,853,135.67	£7,115,882.64	£2,321,590.89
New, future studentship investments				
Total spend expected	£0.00	£83,333.33	£516,952.38	£3,258,952.38
Total expected payments	£0.00	£83,333.33	£516,952.38	£3,258,952.38
Stipend, fee and RTSG costs	0	£83,333.33	£516,952.38	£3,258,952.38
Only stipend costs	£0.00	£0.00	£0.00	£0.00
Total planned studentship spend				
Total expected spend	£12,210,943.61	£24,981,774.50	£23,173,842.36	£25,973,867.77
Total outbound payments expected	£12,214,541.63	£24,903,993.41	£23,021,409.85	£25,807,201.10

## NERC

	Financial Year			
Cost Type	2022/23 Q3&Q4	2023/24	2024/25	2025/26
Live Grants				
Total studentship spend	£13,537,500.00	£27,297,926.37	£28,549,431.08	£26,035,770.73
Total scheduled payments	£13,537,500.00	£27,297,926.37	£28,549,431.08	£26,035,770.73
Stipend, fee and RTSG payments	£13,361,250.00	£26,795,426.37	£28,129,431.08	£26,035,770.73
Only stipend payments	£8,743,912.79	£18,524,792.03	£19,519,031.17	£17,678,669.08
Associated with current students only				
Stipend, fee, RTSG costs	£13,021,170.00	£21,777,211.65	£15,620,506.60	£9,487,698.46
Only stipend costs	£8,692,330.79	£14,786,094.90	£10,791,535.42	£6,568,998.88
New, future studentship investments				
Total spend expected	£0.00	£2,440,073.63	£2,891,568.92	£5,405,229.27
Total expected payments	£0.00	£2,440,073.63	£2,891,568.92	£5,405,229.27
Stipend, fee and RTSG costs	£0.00	£96,970.33	£394,758.96	£4,417,852.25
Only stipend costs	£0.00	£66,843.62	£272,721.97	£3,058,788.88
Total planned studentship spend				
Total expected spend	£13,537,500.00	£29,738,000.00	£31,441,000.00	£31,441,000.00
Total outbound payments expected	£13,537,500.00	£29,738,000.00	£31,441,000.00	£31,441,000.00



## STFC

	Financial Year			
Cost Type	2022/23 Q3&Q4	2023/24	2024/25	2025/26
Live Grants				
Total studentship spend	£10,423,620.14	£18,393,377.58	£13,586,567.15	£8,810,901.22
Total scheduled payments	£10,423,620.14	£18,393,377.58	£13,586,567.15	£8,810,901.22
Stipend, fee and RTSG payments	£10,423,620.14	£18,393,377.58	£13,586,567.15	£8,810,901.22
Only stipend payments	£7,005,495.00	£12,330,262.80	£9,161,390.88	£6,011,942.11
Associated with current students only				
Stipend, fee, RTSG costs	£10,423,620.14	£18,132,388.10	£12,798,784.11	£7,757,314.10
Only stipend costs	£7,005,495.00	£12,166,612.80	£8,561,162.88	£5,332,102.11
New, future studentship investments				
Total spend expected	£0.00	£3,294,530.00	£8,500,510.00	£14,631,240.00
Total expected payments	£0.00	£3,294,530.00	£8,500,510.00	£14,631,240.00
Stipend, fee and RTSG costs	£0.00	£3,294,530.00	£8,500,510.00	£14,631,240.00
Only stipend costs	£0.00	£1,845,100.00	£5,639,250.00	£9,580,437.50
Total planned studentship spend				
Total expected spend	£10,423,620.14	£21,687,907.58	£22,087,077.15	£23,442,141.22
Total outbound payments expected	£10,423,620.14	£21,687,907.58	£22,087,077.15	£23,442,141.22

## AI CDTs (2018)

	Financial Year			
Cost Type	2022/23 Q3&Q4	2023/24	2024/25	2025/26
Live Grants				
Total studentship spend	£7,499,449.25	£16,821,782.25	£15,424,852.51	£12,284,185.76
Total scheduled payments	£8,317,038.39	£16,821,782.25	£15,424,852.51	£12,284,185.76
Stipend, fee and RTSG payments	£6,375,190.11	£12,938,085.69	£11,541,155.95	£8,400,489.20
Only stipend payments	£4,296,675.93	£8,720,203.00	£7,778,848.95	£5,662,058.52
Associated with current students only				
Stipend, fee, RTSG costs	£6,375,190.11	£11,320,824.98	£7,213,222.47	£3,150,183.45
Only stipend costs	£4,296,675.93	£7,630,177.63	£4,861,780.59	£2,123,271.95
New, future studentship investments				
Total spend expected	£0.00	£0.00	£0.00	£0.00
Total expected payments	£0.00	£0.00	£0.00	£0.00
Stipend, fee and RTSG costs	£0.00	£0.00	£0.00	£0.00
Only stipend costs	£0.00	£0.00	£0.00	£0.00
Total planned studentship spend				
Total expected spend	£7,499,449.25	£16,821,782.25	£15,424,852.51	£12,284,185.76
Total outbound payments expected	£8,317,038.39	£16,821,782.25	£15,424,852.51	£12,284,185.76



**Annex 2 Estimated student numbers resulting from live and planned new investments**

With the exception of current students, the numbers shown are fully funded equivalent. The actual number of new students (and therefore the student population) is likely to be higher but is dependent on the level of co-funding received.

**Student population**

	Academic Year			
	2022/23	2023/24	2024/25	2025/26
Current students				
AHRC	2500	1500	1000	500
BBSRC	1570	1245	830	415
ESRC	3000	2300	1500	600
EPSRC (exc. AI CDTs)	8685	5798	3320	1853
MRC	1500	1130	760	390
NERC	1036	777	518	259
STFC	1157	832	513	251
AI CDTs	614	610	469	253
<b>Total Current</b>	<b>20062</b>	<b>14192</b>	<b>8910</b>	<b>4521</b>
Planned through live grants				
AHRC	0	500	1000	1500
BBSRC	0	415	830	905
ESRC	0	519	519	519
EPSRC (exc. AI CDTs)	0	1789	2797	2797
MRC	0	370	740	1110
NERC	0	351	639	639
STFC	0	20	40	60
AI CDTs	0	128	128	128
<b>Total planned (live)</b>	<b>0</b>	<b>4092</b>	<b>6693</b>	<b>7658</b>
Planned through new investments				
AHRC	0	0	50	100
BBSRC	0	0	0	415
ESRC	0	0	520	1048
EPSRC (exc. AI CDTs)	0	197	822	2431
MRC	0	0	0	0
NERC	0	8	24	298
STFC	0	225	450	675
AI CDTs	0	0	0	0
<b>Total planned (new)</b>	<b>0</b>	<b>430</b>	<b>1866</b>	<b>4967</b>
<b>Total</b>	<b>20062</b>	<b>18714</b>	<b>17469</b>	<b>17146</b>

This table shows the estimated student population over time supported from live and planned new investments in a 2% inflation scenario. The planned populations are likely to be higher in reality due to co-funding.

**Student starts**

	<b>Academic Year</b>			
	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
AHRC	n/a	500	550	550
BBSRC	n/a	415	415	490
ESRC	n/a	519	520	528
EPSRC (exc. AI CDTs)	n/a	1986	1633	1609
MRC	n/a	370	370	370
NERC	n/a	359	304	274
STFC	n/a	245	245	245
AI CDTs	n/a	128	0	0
<b>Total</b>	<b>n/a</b>	<b>4394</b>	<b>4037</b>	<b>4066</b>

This table shows the estimated number of student starts (fully funded equivalent) per council from live and planned new investments in a 2% inflation scenario. 2022/23 students are considered current students and therefore do not feature in this table.