



# Newcastle University Finances

Summary for Students  
2020/21

From Newcastle. **For the world.**



# Introduction

Newcastle University is one of the largest universities in the UK. Our total income in 2020/21 was more than **£536 million**.

This summary aims to demonstrate where our income comes from and how we use that money to pay our staff, provide financial and well-being support to students and cover all other costs required to keep the University running today and in good shape for the future.

The information is prepared using a template developed by Universities UK so all universities provide information on a consistent basis. If you want to know more about us then please [visit](#) our Integrated Annual Report and Financial Statements.

Our total expenditure of just under **£531 million** in 2020/21 was almost £6 million lower than our total income. Careful control of expenditure to mitigate continuing uncertainty **created** by the Covid 19 pandemic has remained in place throughout much of 2020/21.

We are a **“not for profit”** charity so do not pay dividends to shareholders. Any surplus is used to invest in improving our teaching and research facilities and investing in our colleagues.



# Impact of Covid 19

During the summer of 2020, the University campus was made 'Covid ready' for the 2020-21 academic year with investment in digital technology for online teaching.

Following the announcement of a second national lockdown in October 2020, large elements of the campus closed and although some in-person teaching and research took place during the year, much of the University's teaching activity was delivered online as a result of these national and local restrictions. This required both significant financial spend and a high degree of adaptability and commitment from staff and students.

The financial impact of Covid-19 has included increased digital teaching costs and a reduction in income from research, accommodation and catering. Some of the areas that the University has invested in to improve and support the student experience during this challenging time are detailed overleaf.

Careful controls put in place during the previous financial year on non-pay expenditure remained in force to help protect staff jobs, preserve cash balances and ensure the financial health of the University. During the year we have been able to release some elements of control and restart work on our capital programme such as the Stephenson, Dame Margaret Barbour & Daysh buildings.





# Value for money

An important element of Newcastle University's Vision and Strategy is to deliver value for money. The target for management is to enhance the economy, efficiency and effectiveness of all activities and promote a culture of continuous improvement. This approach benefits the experience and delivery for students in many ways, including during 2020-21 :-

- Increased investment in Student Wellbeing including the development of blended counselling services with online and app support alongside remote and face to face offerings.
- Hardship and emergency funding continued and a cross-team emergency accommodation framework was created to support students in need.
- Support of students in isolation with over 11,000 calls taken, 5,500 Co-op vouchers and more than 400 food parcels issued as well as 1308 students from disadvantaged backgrounds provided with IT equipment.
- Additional investment in online library resources and support for click-and-send and click-and-collect.
- PGR Support included a switch to remote online oral examinations for Research Degree students, provision of fee-free extensions and move to Thesis e-copies.
- The University became an Alternative Collection Location for biometric residence and a one-stop service for International students was created.
- Continuation of our Careers Service including an expansion of "Ask the Experts" sessions across 29 subject areas with increased engagement.
- The Evolution restructure within IT was launched, a key strategic programme to re-shape IT Services and promote good practice, adding value for money.



# Investing for the future

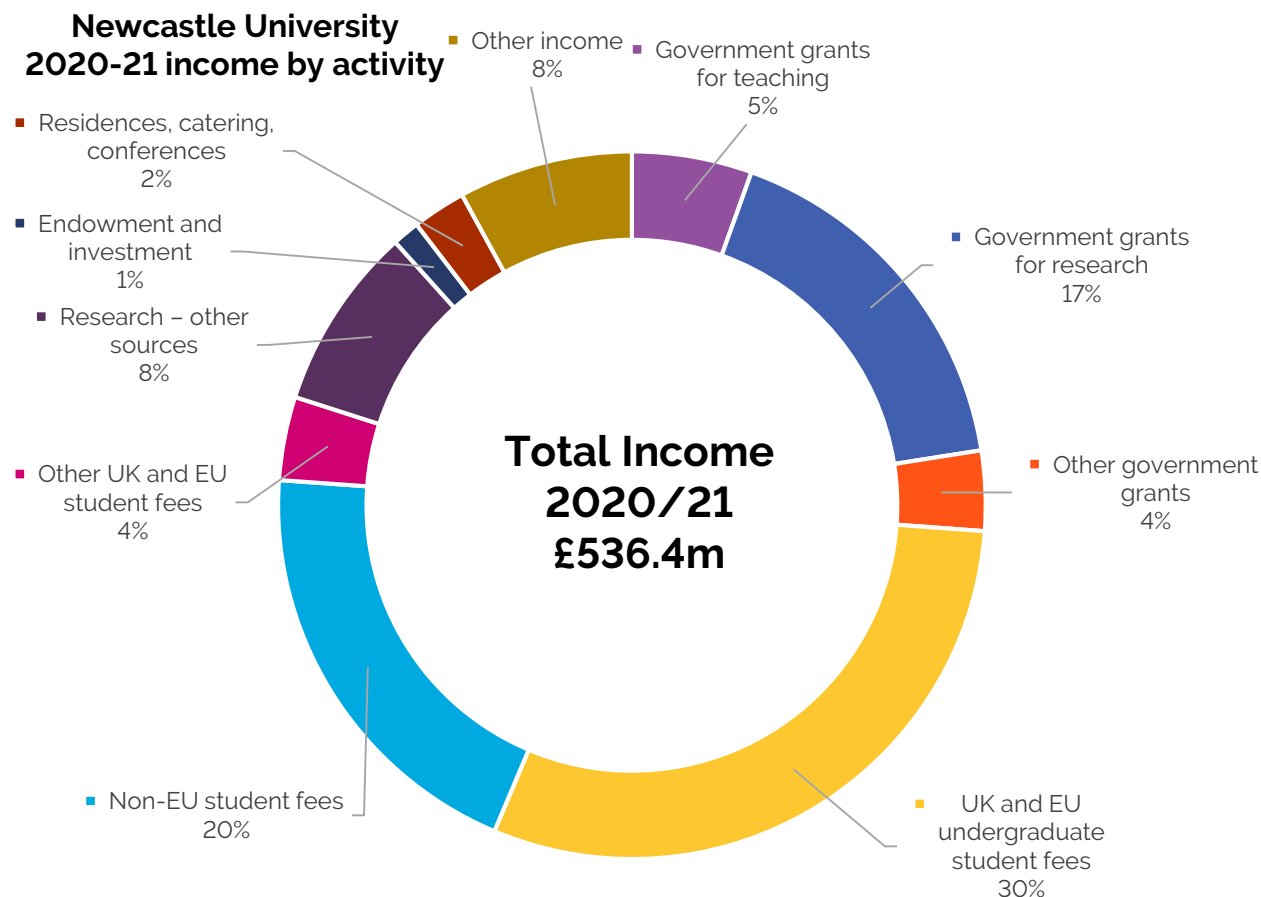
Capital expenditure (investment in buildings, IT, and teaching and research facilities) is not included in the following pie charts. The key investments last year are summarised below. They are funded from external grants (usually from Government), donations from benefactors and from surpluses made in prior years.

During 20-21 the temporary pause to capital projects was lifted and significant projects such as the Stephenson Project were successfully restarted.

	<b>£m</b>
Henry Daysh Building	13.1
Dame Margaret Barbour Building	7.9
Capital Equipment	3.7
Stephenson building	2.4
Health and fitness suite	2.4
Camperdown	1.6
New Sports Centre	1.1
CAV/General Hospital site	0.4
HV upgrades	0.4
Other smaller projects	0.3
	<hr/> <b>33.3</b> <hr/>



# Where our income comes from



We draw on a variety of income sources to support our work, including government grants, student fees, donations and self generated income through commercial activities.

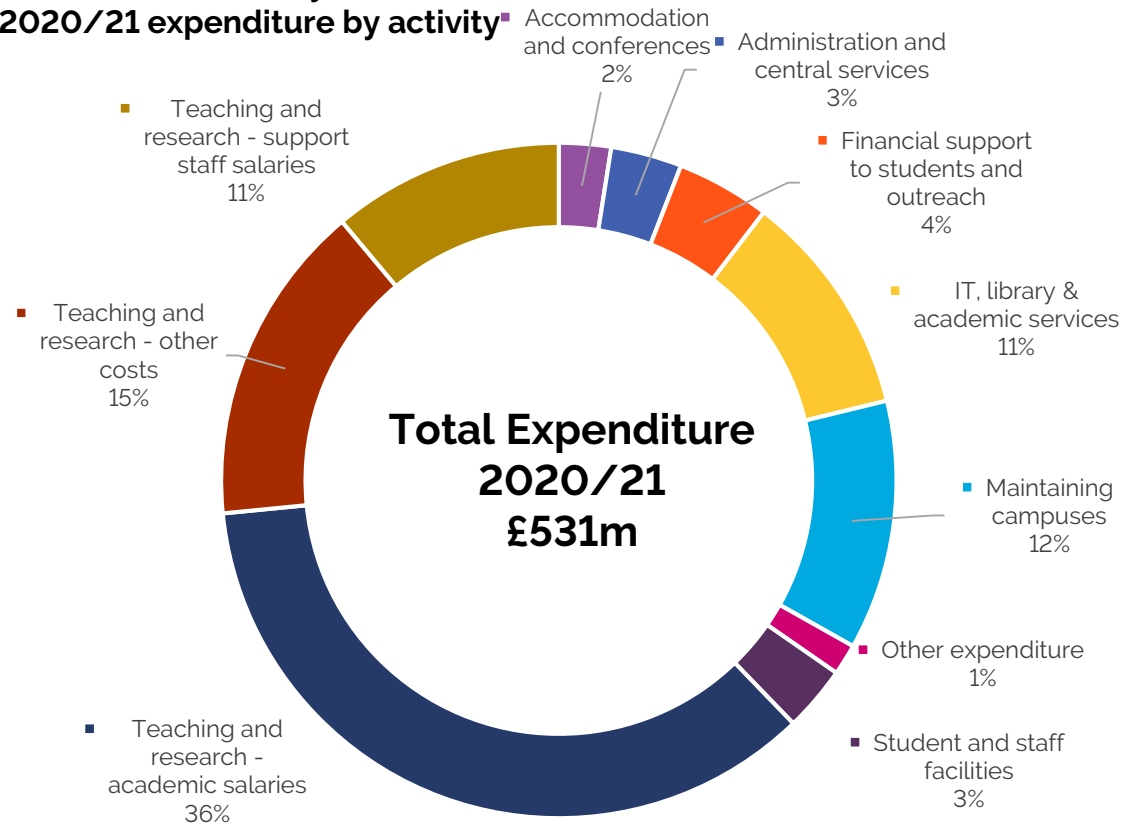
This chart shows the main sources of income in 2020-21. Student fees, in total, made up about 54% of our income.



# How we spend our income

## Newcastle University

### 2020/21 expenditure by activity



This chart shows how we used our income in 2020/21 to support a wide range of activity including education, cutting-edge research, knowledge exchange and community engagement.

Ensuring research led teaching and learning excellence, a quality student experience and student outcome success are at the centre of everything we do at the University.



# Explaining the terminology

## Income

**Government grants:** We receive grants from the Office for Students and UK Research and Innovation to support teaching high cost subjects (science, medicine etc.), to support the costs of our research activity, to help us with widening participation work and to help pay for some of our new buildings (for example in 2018-19, the Catalyst building which was almost entirely government funded).

**Research –other sources:** This is the total of grants received from bodies, other than the UK Government, to support our research work including charities, business and the European Union.

**Endowment and investment:** We have cash in the bank which earns interest and receive donations and legacies from friends of the University to support key areas of research and student experience.

**Intellectual property rights:** Sometimes our research creates results which are valuable to others and they pay us for the rights to use our knowledge.

**Other income:** includes money we receive from the NHS for work that our clinical colleagues do in local hospitals, consultancy work for business, income from our farms, government support from the Coronavirus Job Retention Scheme and many other smaller income streams.

## Expenditure

**Teaching and research:** Support staff salaries include our laboratory technical and colleagues who work in School offices to support students and staff. Other costs include the day to day running costs of the schools and money they spend to undertake research work (which will be covered by research income from our funders).

**Administration and central services:** includes the costs of colleagues in Finance, People Services, Corporate Affairs, Marketing, NU Advancement and the Executive Office.

**Financial support to students and outreach:** includes the costs of all the bursaries and scholarships which we provide to students: both undergraduate and postgraduate and the costs of the work we have to do to encourage local schoolchildren to want to progress to a University.

**Student and staff facilities:** Includes our financial support to NUSU and the costs of training and developing our staff

**Maintaining campuses:** The costs of heating, lighting, cleaning and maintaining our buildings. It also includes business rates paid to the local council and rent costs for buildings which we don't own ourselves.

**Accommodation and conferences:** The costs of running our students accommodation and catering services which would usually be fully covered by the income we receive for those services.