

Where your fees fit in

The University invests in both outstanding academic provision and the student experience and makes every effort to ensure that income from fees is deployed fairly and appropriately. But where does the University's income come from and how is it invested? This FAQ seeks to explain how tuition fees contribute to the University's finances.

Does the University make a profit?

For the last academic year (2016/17) the balance of income and expenditure of the University resulted in a surplus of £8.5m (see below), which is reinvested to improve facilities. The University is not a private or limited company and has no shareholders.

Figures for 2016/17

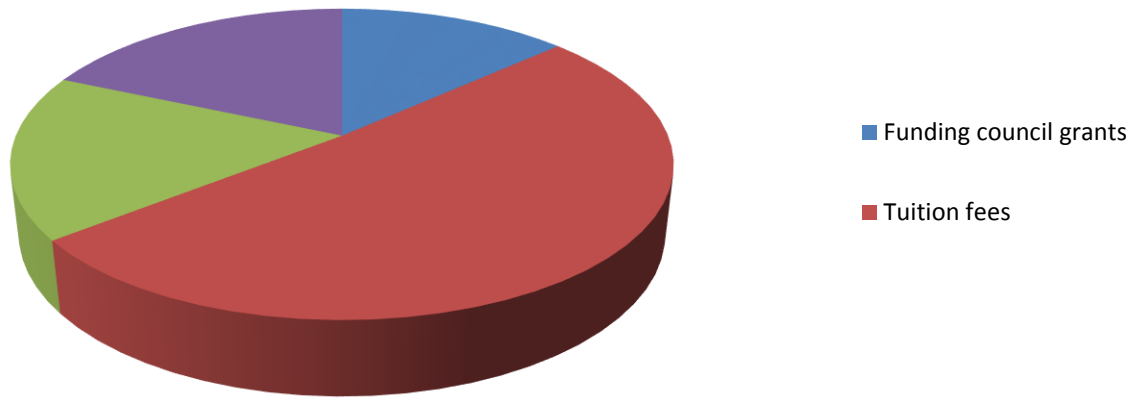
Income	£305.4 million
Expenditure	£300.3 million
Other gains	£3.4 million
Surplus	£8.5 million

So the University's income comes entirely from tuition fees?

Tuition fees actually account for around 50% of the University's income, with the remaining income coming from government grants, research grants and contracts, our trading activities and donations.

All sources of income help support world-changing research, high-quality research-informed teaching, a first-class student experience, a vibrant and inspirational academic community supported by outstanding facilities and talent, and a generous package of support and scholarships that help make a University of Leicester education one of the very best in the UK.

Where does the University's income come from?



What do you mean by research-informed teaching?

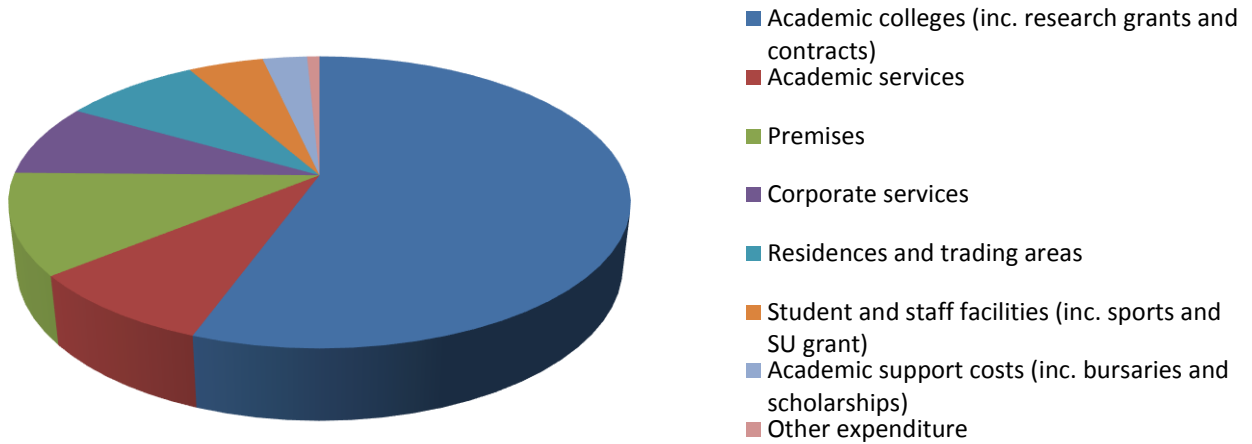
At Leicester we offer inspirational teaching by passionate academics, who are at the cutting-edge of research in their field. This concept of combined, or synergistic, teaching and research is a key part of what makes Leicester distinct from other Universities and it creates an environment that results in the highest quality teaching and an intensive research culture.

From the discovery of DNA fingerprinting to leading [the search for Richard III](#), Leicester academics have a rich and proud tradition of conducting pioneering research. And because we believe that teaching is inspirational when delivered by passionate scholars engaged in world-changing research – and that our research is stronger when delivered in an academic community that includes students – those who study at Leicester are immersed into a stimulating and innovative learning environment.

So the University spends its income on academic departments that support research and teaching?

Investing in academic staff and the various departments and schools is vitally important, but it accounts for just part of the University's overall investment. The University is a community, employing over 3,800 staff and teaching more than 20,000 students. And like any community it needs support services, such as the library, labs, computers and IT services, buildings and the campus estate, and a network of people to keep the community going and provide valuable support. Every effort is made to ensure that income from fees is deployed fairly and appropriately. A breakdown of what the University spends its money on is presented in the chart below.

What does the University spend its money on?



You've been investing in improving the campus and academic experience then?

The University has invested over £148 million in campus improvements over the last five years and has developed an ambitious [campus development programme](#). Key student facilities have been transformed through a number of significant investments including £17 million in the Percy Gee Students' Union, £32 million in the David Wilson Library, £11 million in sports facilities and £42 million in the George Davies Centre. In 2016/17 the £18 million refurbishment of the Grade II* listed Engineering Building roof completed and the Fielding Johnson Square was transformed into an outdoor events space.

Capital spend by academic year (£1,000s)

2012/13	2013/14	2014/15	2015/16	2016/17
42,204	19,972	33,178	26,229	26,539

That's great, but what about investing in teaching and research?

The University increased expenditure in academic departments and services by 5% in 2016/17. 59% of the University's expenditure is staff costs, which allows us to offer inspirational teaching by passionate academics and to embark on world-leading research, which is helping to advance knowledge and improve lives around the world.

What support do graduates of the University and other supporters provide?

Philanthropy

The University of Leicester was founded on a legacy gift and the willingness of [alumni and friends](#) to consider the University as one of their causes to support has encouraged us to invest over the last seven years in reconnecting with our own tradition of philanthropy for education. In that time we have raised over £34 million and in the last year alone over 1,300 donors supported the University. We have achieved so much that would have not been possible without generous philanthropic support; notably, the £12.5 million New Gallery at the Attenborough Arts Centre, the award-winning David Wilson Library, the state of the art £12.5 million Cardiovascular Research Centre (CRC) at Glenfield Hospital, hundreds of student scholarships, and most recently the £42 million George Davies Centre.

Philanthropy Facts and Statistics

Report on philanthropy in 2016/17: Facts and statistics

The year in numbers (funds secured)

£9,722,216 NEW FUNDS RAISED*

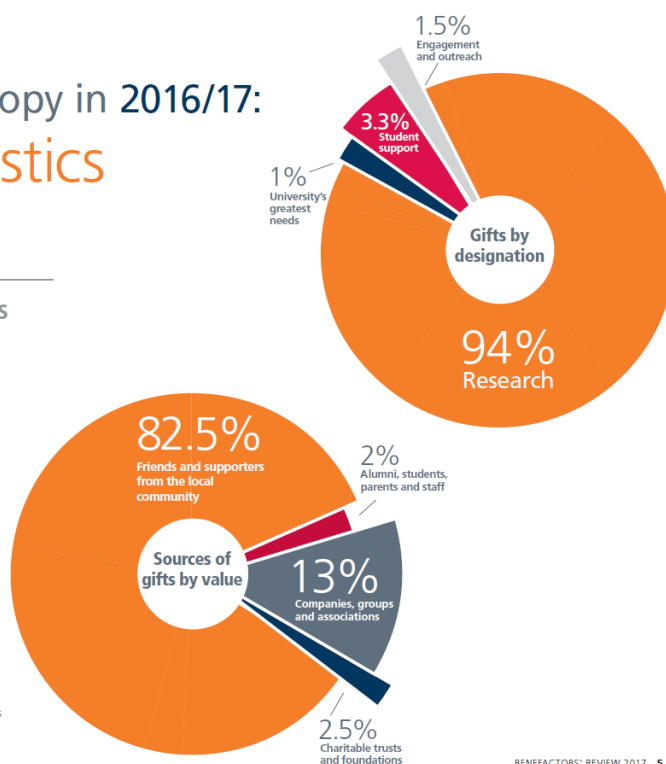
£126,923 ANNUAL FUND TOTAL

1,366 TOTAL NUMBER OF DONORS

366 NUMBER OF DONORS GIVING FOR THE FIRST TIME

693 NUMBER OF DONORS CHOOSING TO GIVE REGULARLY BY DIRECT DEBIT

*The funds secured in 2016/17 include new cash and confirmed pledges raised in the year, but exclude pledged payments from past years.



BENEFACTORS' REVIEW 2017 5

For more information on the big impact made by the generosity of our supporters please read the University's [Benefactors' Review](#).

It seems like I'm paying quite a lot per teaching hour?

Fees contribute to much more than the cost of a lecturer or contact hours. Choosing a university isn't like buying a mobile phone contract where you compare providers based on how many minutes they include in a bundle. Whereas all phone minutes might be of a similar quality, clearly teaching isn't. At Leicester you can be sure that you're benefitting from high-quality, research-informed teaching.

To use an analogy, if you book a week's B&B at a hotel you are on the face of it paying for seven nights in a bedroom and seven breakfasts. However, the total experience is much more than that. The value comes

from the quality of the hotel, the service of the staff, the proximity to the beach, extra amenities such as a swimming pool or gym, the great weather etc.

Similarly, time spent at a university is not just about the number of hours spent in lectures or seminars but about the quality of that teaching and facilities such as the library, academic and personal support services, careers advice, the Students' Union etc. In that sense, the term 'tuition fee' is misleading because this money pays for much more than tuition.

So the value of the Leicester experience is more relevant than the cost per contact hour?

The university experience at Leicester provides an outstanding opportunity to be part of a rich academic community and discover more about yourself and your passion for knowledge. Whether that's working towards your dream job with the support of the careers service, immersing yourself in your subject, making the most of a ready-made network of staff and peers, taking advantage of outstanding facilities, developing life-long friendships or learning new skills in clubs and societies.

To think solely in terms of cost per contact hour is to miss the true value of the university experience and wholly underestimate the benefits that a University of Leicester education will continue to deliver throughout a lifetime.