



Financial Statements Benchmarking 2022/23

Outcome requested:	FIC is invited to note the early financial statements benchmarking for 2022/23.
Executive Summary:	<p>Universities are normally required to publish audited financial statements in mid-January each year. Comprehensive data collection is then undertaken by HESA (Higher Education Statistics Agency) with the publication of sector wide benchmarking information later in the spring of each year. We will report on this HESA data to the Finance and Investment Committee once published: generally, QMUL will use the Russell Group Institutions as its benchmarking set of most similar peers for composition and scale.</p> <p>Early benchmarking has been completed taking high level information from the Russell Group Institutions' published financial statements. It is notable that 6 Russell Group providers missed the mid-January deadline for financial statement publication, with these all being published in subsequent weeks running to early February. A narrative on core financial measures and change within the 2022/23 financial statements is included within this report, and in Appendix 1 a number of infographics have been included demonstrating both 2022/23 financial performance and comparisons of core metrics over a number of financial years.</p> <p>Of particular note, QMUL's research income grew at one of the highest rates out of the Russell Group in the 2022/23 financial year, with only Glasgow, Durham and York growing research income at a higher rate (the latter two having significantly smaller research income than QMUL).</p>
QMUL Strategy:	Financial sustainability
Internal/External regulatory/statutory reference points:	OfS and Research England regulatory requirements
Strategic Risks:	KPI 12 – Cash generation
Equality Impact Assessment:	Not applicable
Subject to prior and onward consideration by:	FIC
Confidential paper under FOIA/DPA YES/NO*	No

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Date:	FIC 7 th March 2024
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A summary of the benchmarking is provided below, with graphs provided in Appendix 1.

Total Turnover

Queen Mary were 16th in the RG in 22/23 when ranked by total turnover, the same position as the previous year. Average income growth in 22/23 for Russell Group providers was 7%, Queen Mary is in line with this. Manchester, UCL, and Cambridge have growth their income >10%, Birmingham, Cardiff, Durham, Glasgow, and Nottingham's growth in income looks slower at <5%

Staff Costs (excluding pension liability movements)

Average growth in staff costs for Russell Group providers during 2022/23 was 8%. Queen Mary's staff costs grew 13%. Queen Mary's staff costs as a proportion of turnover (51%) are slightly lower than the Russell Group average of 53% (excluding Oxbridge where staff spend is a significantly lower proportion of income).

Tuition Fee Income

Queen Mary were 15th in the RG in 22/23 when ranked by total tuition fee income, the same position as the previous year. Average tuition fee income growth in 22/23 for Russell Group providers was 6%, Queen Mary was slightly above the average at 8%. UCL, LSE, Southampton and Liverpool have growth in their tuition fee income >10%, the latter three are all smaller than QMUL. Larger providers' tuition fee income grew at lower rates than smaller providers. Cambridge, Edinburgh, Exeter, Leeds, Manchester, Nottingham, Sheffield and York's tuition fee income grew by <5%, and Kings' and Cardiff's tuition fee income decreased slightly.

Research Income

Queen Mary were 16th in the RG in 21/22 for total research income, and improved on this moving up to 14th in the Russell Group in 22/23, overtaking both Cardiff and Nottingham.

Average growth in research income in 22/23 for Russell Group providers was 6%. Queen Mary has significantly outperformed most of the Russell Group in 22/23 with growth of 12%. Only Glasgow, York and Durham have grown their research income at a higher rate. Durham, Oxford, Glasgow, QMUL, Exeter, York and LSE increased their research income by >10%, Nottingham, Sheffield, Birmingham, Manchester and UCL's research income fell or flatlined.

Note: Research Income includes Research Capital Grants, which can explain some year on year volatility.

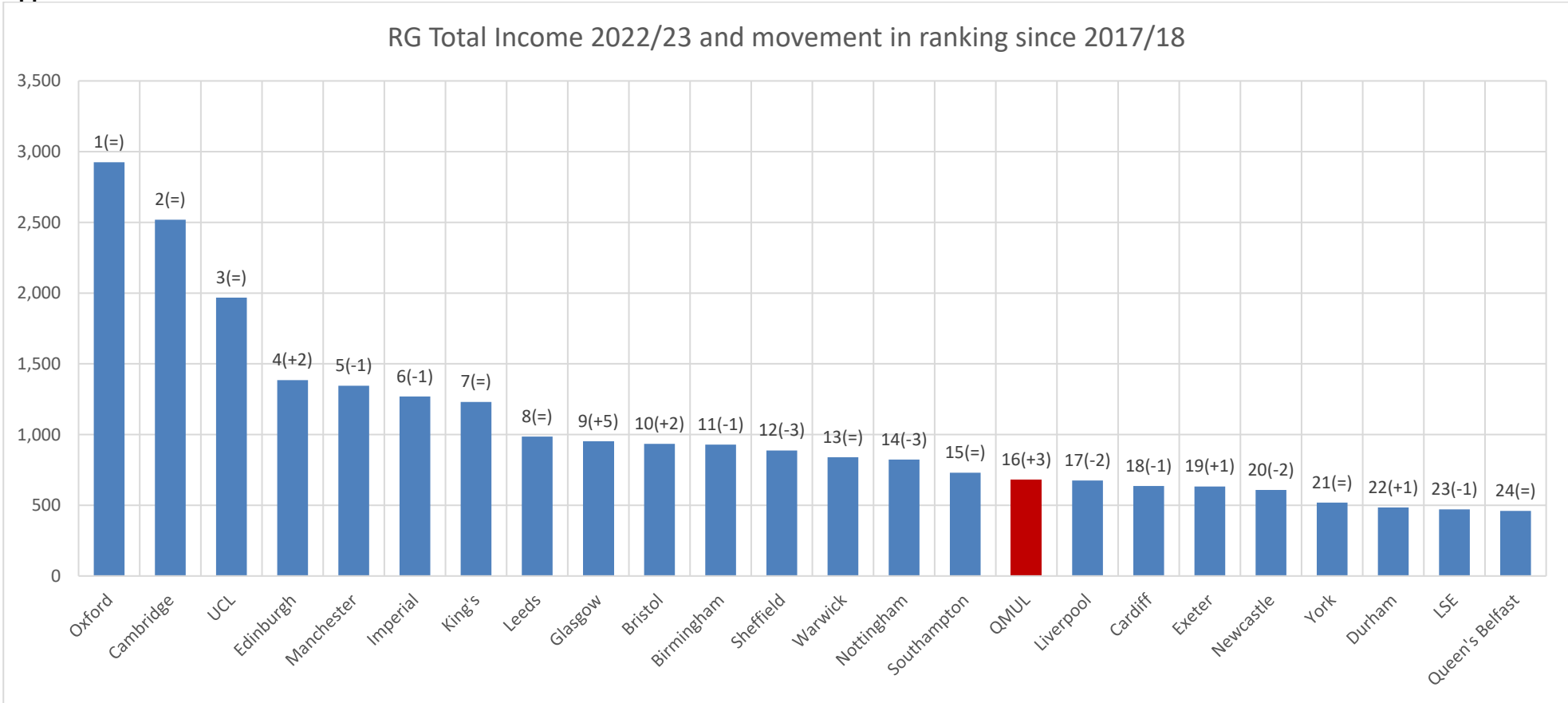
Total Spend (excluding pension liability movements)

Average growth in spend levels in 22/23 for Russell Group providers was 12%, Queen Mary's spend increased by 15%. When measured over two years, average Russell Group provider spend increased by 22% (for those who have published accounts), whereas Queen Mary's increased by 26%: whilst we have a lower cost base than most of the Russell Group, and are more efficient at cash generation, our cost base is increasing at a faster rate than our peers. Major increases in spending at QMUL have included planned strategic investment in areas such as the library and careers as well as volume or scale related growth.

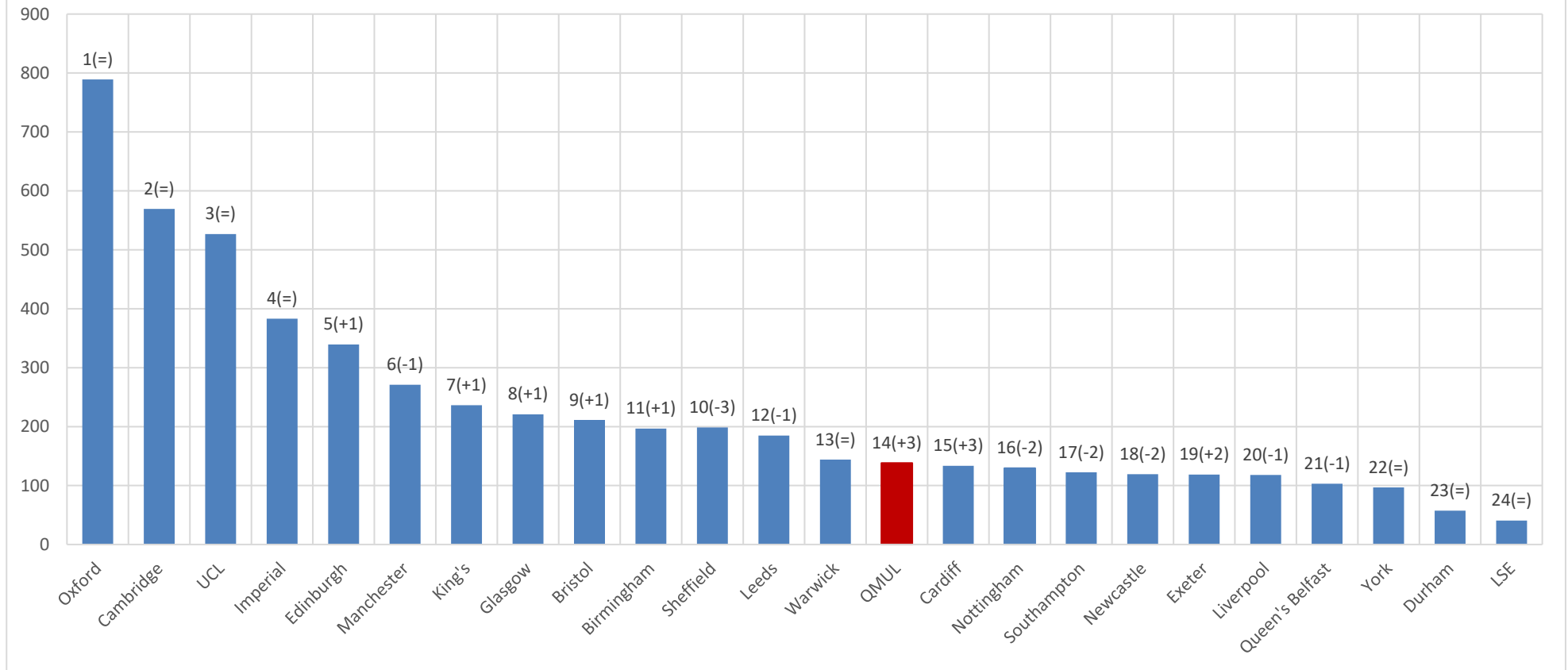
Surplus/Deficit (before pension liability adjustments)

Provider surpluses reduced significantly across the Russell Group in 22/23, with total surpluses generated reducing from £1.8bn in 21/22 to £1.1bn in 22/23, and an average (unweighted) reduction in surplus per provider of 67%. Queen Mary's surplus reduced by 38% which is slightly better than the aggregate surplus reduction. All providers were in surplus in 21/22, but 7 moved into deficit in 22/23: York, Cardiff, Nottingham, Liverpool, Queens Belfast, Durham and Birmingham. Only Kings, UCL and Manchester have increased their surplus between 21/22 and 22/23.

Appendix 1



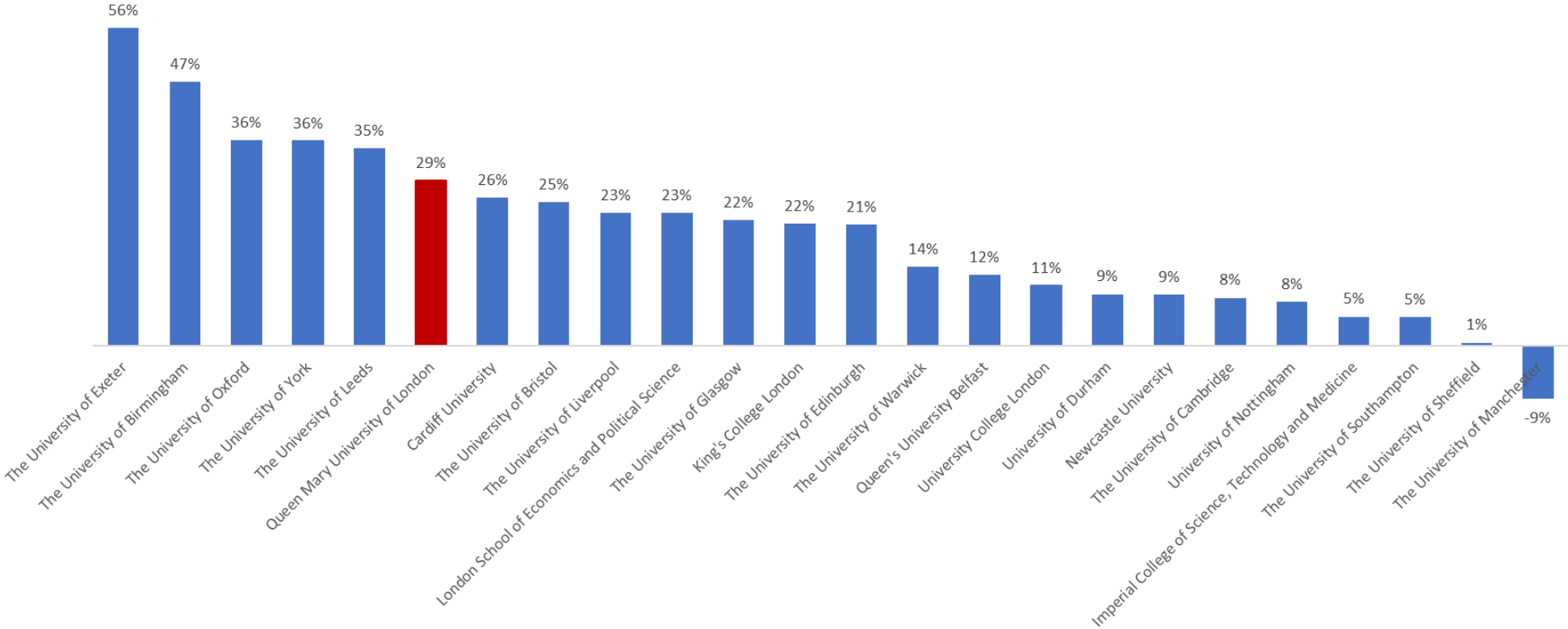
RG Total Research Income 2022/23 and movement in ranking since 2017/18



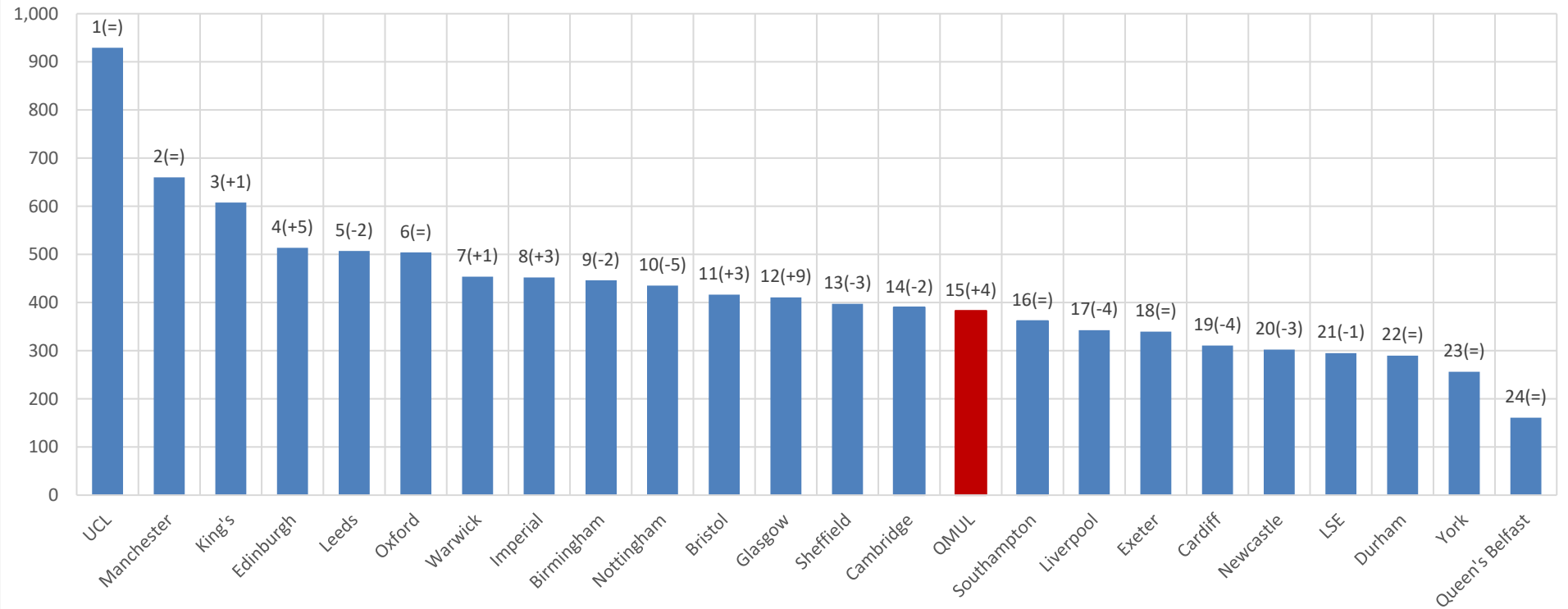
Detail of Research Income Within the Russell Group and relative ranking of providers: 2017/18 – 2022/23

Sum of Value(£000s) ²	Academic year						Growth v 2017/18	Rank	Change
HE Provider	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23		2022/23	in rank
Cardiff University	105.9	116.0	112.8	112.6	125.4	133.6	26%	15	+3
Imperial College of Science, Technolo	364.2	368.0	347.7	363.0	368.4	383.1	5%	4	=
King's College London	194.4	194.7	200.5	187.9	221.2	236.3	22%	7	+1
London School of Economics and Poli	32.9	33.3	34.2	34.9	36.9	40.6	23%	24	=
Newcastle University	109.5	108.7	97.7	99.6	109.6	119.3	9%	18	-2
Queen Mary University of London	107.0	108.1	114.7	116.2	123.4	138.2	29%	14	+3
Queen's University Belfast	91.7	91.7	88.7	88.6	98.4	103.1	12%	21	-1
The University of Birmingham	134.2	150.6	140.4	168.3	215.0	196.7	47%	11	+1
The University of Bristol	168.6	173.5	161.0	176.4	192.8	211.3	25%	9	+1
The University of Cambridge	524.9	592.4	579.4	588.6	551.8	569.5	8%	2	=
The University of Edinburgh	279.7	285.7	296.1	324.0	331.6	339.5	21%	5	+1
The University of Exeter	76.1	87.0	93.2	94.6	106.8	118.7	56%	19	+2
The University of Glasgow	180.8	195.1	168.8	173.3	196.1	220.9	22%	8	+1
The University of Leeds	137.1	150.8	139.9	130.1	177.3	184.9	35%	12	-1
The University of Liverpool	95.6	98.7	95.1	112.5	113.6	118.0	23%	20	-1
The University of Manchester	298.7	323.5	264.7	237.0	270.6	271.1	-9%	6	-1
The University of Oxford	579.0	624.7	633.6	653.3	711.4	789.0	36%	1	=
The University of Sheffield	197.5	183.2	170.9	163.6	204.8	198.6	1%	10	-3
The University of Southampton	116.6	122.2	120.0	120.1	114.7	122.5	5%	17	-2
The University of Warwick	126.5	137.8	131.7	139.8	139.9	144.1	14%	13	=
The University of York	71.1	75.6	67.8	69.8	79.7	96.8	36%	22	=
University College London	476.3	481.1	467.7	476.9	524.9	526.7	11%	3	=
University of Durham	52.7	51.4	45.3	51.2	50.5	57.5	9%	23	=
University of Nottingham	120.1	124.3	105.0	114.9	131.4	129.5	8%	16	-2
Grand Total	4,641.3	4,878.1	4,676.8	4,797.3	5,196.1	5,449.6	17%		

RG Change in total research income 2017/18 to 2022/23



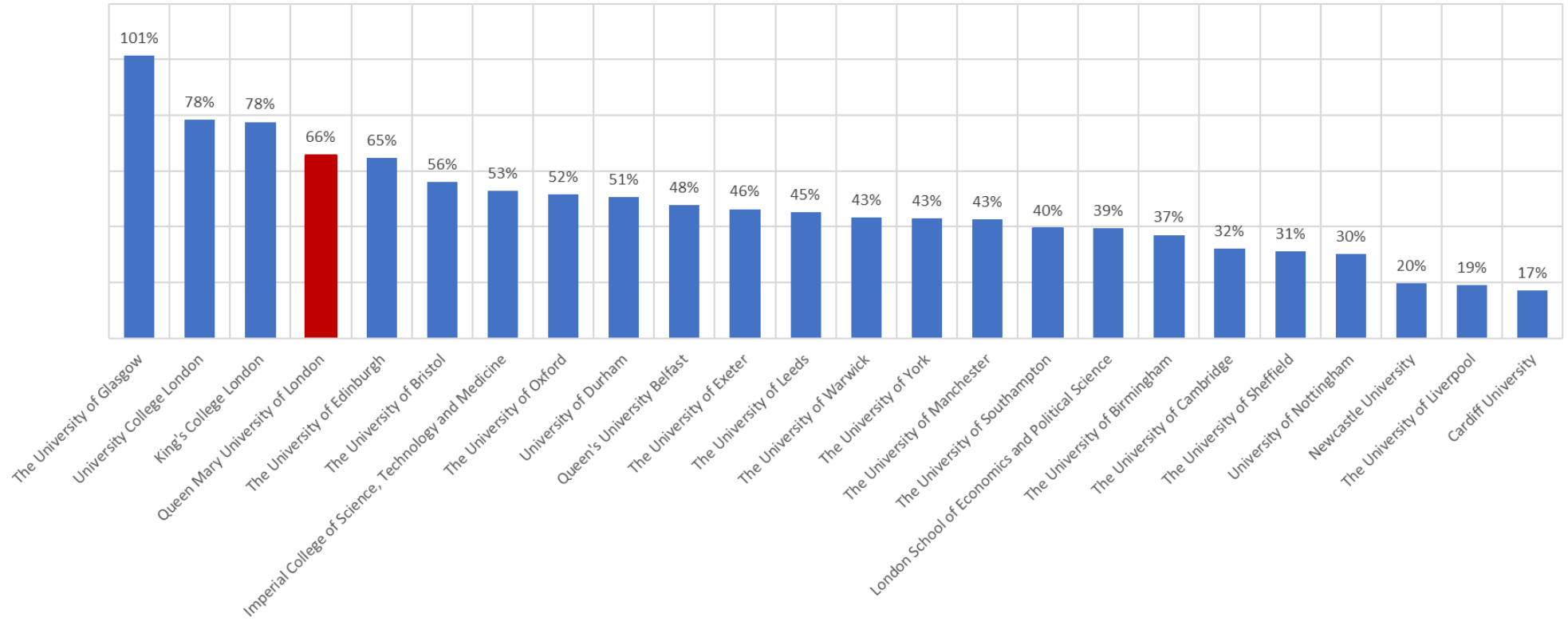
RG Total tuition fee Income 2022/23 and movement in ranking since 2017/18



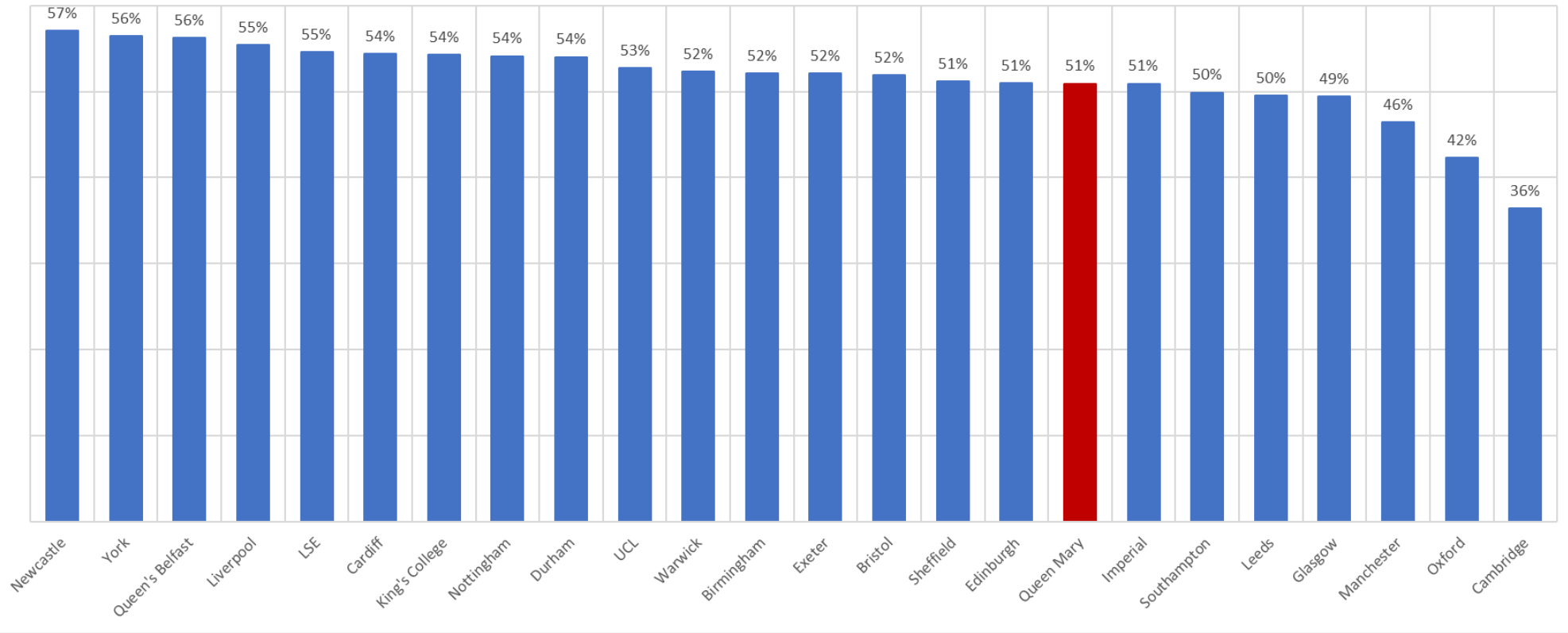
Detail of Tuition Fee Income Within the Russell Group and relative ranking of providers: 2017/18 – 2022/23

Sum of Value(£000s)2	Academic year							Change in income	Rank	
HE Provider	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2017/18 to 2022/23	2017/18	2022/23	
Cardiff University	265,215	279,521	297,005	306,912	323,510	310,617	17%	15	19	
Imperial College of Science, Technolo	295,861	313,177	337,718	383,472	423,195	452,100	53%	11	8	
King's College London	342,253	393,788	428,828	505,453	610,493	607,815	78%	4	3	
London School of Economics and Poli	211,543	227,406	228,111	250,749	265,772	294,994	39%	20	21	
Newcastle University	252,408	264,476	288,176	292,935	286,948	302,300	20%	17	20	
Queen Mary University of London	230,981	245,551	268,171	285,172	354,153	382,856	66%	19	15	
Queen's University Belfast	108,905	115,508	126,651	143,443	152,247	160,937	48%	24	24	
The University of Birmingham	324,802	351,782	379,166	389,558	418,346	445,050	37%	7	9	
The University of Bristol	266,857	288,788	315,548	349,843	388,432	416,400	56%	14	11	
The University of Cambridge	295,120	320,150	334,477	339,450	376,232	390,100	32%	12	14	
The University of Edinburgh	312,015	346,850	390,583	434,964	496,955	513,700	65%	9	4	
The University of Exeter	232,065	247,898	274,463	287,491	326,635	339,498	46%	18	18	
The University of Glasgow	203,956	228,234	248,926	292,809	380,717	410,800	101%	21	12	
The University of Leeds	349,213	400,182	432,313	406,517	500,511	507,211	45%	3	5	
The University of Liverpool	287,909	309,014	324,279	304,430	308,241	342,500	19%	13	17	
The University of Manchester	462,845	483,283	500,553	577,880	638,205	659,945	43%	2	2	
The University of Oxford	332,440	353,837	392,482	427,591	466,833	504,200	52%	6	6	
The University of Sheffield	303,218	331,406	354,232	370,038	379,257	397,500	31%	10	13	
The University of Southampton	259,212	250,701	266,472	239,028	326,114	361,632	40%	16	16	
The University of Warwick	316,617	344,496	360,070	389,674	429,565	453,800	43%	8	7	
The University of York	179,421	188,525	196,656	229,082	252,799	256,284	43%	23	23	
University College London	521,147	564,898	602,884	720,048	778,553	929,347	78%	1	1	
University of Durham	192,566	209,299	229,210	241,301	272,353	289,887	51%	22	22	
University of Nottingham	334,224	356,615	388,987	387,687	433,704	435,400	30%	5	10	
Grand Total	6,880,793	7,415,385	7,965,961	8,555,527	9,589,770	10,164,873	48%			

RG Change in total tuition fee income 2017/18 to 2022/23



RG Staff costs (excl pension liability movements) as a % of turnover 2022/23



RG Total costs (excl pension liability movements) as a % of turnover 2022/23

