

## Cost savings: £ € ¥ \$



**It is essential that our consultancy team generate a financial gain for a college or university that is commissioning advice for the development of their estate.**

1. It is possible to calculate the cost of courses on the basis of average, or actual, salary costs, space utilisation levels, audited space costs and expenditure on equipment for teaching and research met by host institutions. The cost of courses is important for a numbers of reasons.
  - 1.1 Course costs provide important support for potential students when they are selecting their course applications.
  - 1.2 Course costs vary on the basis of course designs and provide teaching teams with guidance when reviewing the nature and viability of study programmes.
  - 1.3 Modular programmes can enhance the level of choice available to students but they do reduce utilisation levels and increase space costs. The costing of modular units can assist the design and scheduling of course elements.
 

The operation of scheduling systems enables the simultaneous generation of staff, student and room timetables. The identification of staff teaching hours can identify realistic costs for group activities.
  - 1.4 The calculation of course costs makes it possible to establish the number of students needed to ensure the financial viability of study programmes.
  - 1.5 The costing of courses makes it possible to review the provision of study programmes by institutions and refine provision in relation to estate development strategies and planned student enrolment numbers.



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2. In March 2011 the National Audit Office produced a report called 'Getting value for money from the education of 16-18 year olds'. The recommendations of the report draw attention to the need to generate analyses based on financial data and other objective assessments such as retention levels, pass grades and employment.

Our research team has identified a number of advantages for clients. The capabilities of the modelling system are reflected in our space savings in the further and higher education sectors. The reduction in estate areas has saved maintenance costs and reduced capital budgets. Case studies illustrate these financial savings.

2.1 Highbury College, Portsmouth space modelling saved an estimated £25 million in capital costs. It is estimated that the unique space planning strategies developed by the consultancy team has saved £625 million in the further education sector.

2.2 The new estate developed for Queen Margaret University represents a saving of 8,881 square metres. At a development cost of £3,500 per square metre, this space saving represents a total reduction in capital costs of over £30 million. The financial benefits of Stellae's unique space modelling system represent a saving of over £750 million across the higher education sector.

2.3 The new estate of Queen Margaret University:

- represents one of the most efficiently used sets of accommodation in the higher education sector;
- takes into account innovative teaching methods and new methods of course delivery;
- ensures the provision of high quality study programmes that are financially viable;
- transforms the financial position of the relocated institution and has helped to avoid the collapse of valued degree programmes which has occurred in many universities.

**Queen Margaret University is a case study adopted by the Space Management Group to illustrate the benefits of space modelling for the higher education sector.**

**The space savings identified by the consultancy team are accompanied by workable timetables. All student choices of study programme are retained in modelled estate scenarios. The risks that may be associated with new building developments are greatly reduced by our proven modelling software.**