

Scenarios illustrating the financial impact of planned future RCF policy from 2019/20

Forecasting RCF income for individual recipient organisations across a number of years is not possible with any degree of accuracy because:

- The total quantum of RCF allocated by DHSC to NIHR each year is not predictable
- RCF budgets are determined and allocated to individual recipient organisations on an annual basis,
- RCF allocations depend on how successful organisations are in gaining qualifying NIHR funding.

However, to aid understanding of the impact of the planned changes to RCF, we have developed three scenarios which illustrate what the changes will mean for NIHR income to a number of fictitious recipient organisations under a number of wider assumptions for the period 2018/19 to 2023/24. In summary, the scenarios are:

- Scenario 1 - NHS trust 'A' with a BRC, a CLAHRC, Other Infrastructure, significant programme funding and a large number of SIs
- Scenario 2 - NHS trust 'B' with significant programme funding and a small number of SIs
- Scenario 3 - A CCG with some programme funding and no other NIHR income streams. When this funding decreases it remains eligible for RCF due to its patient recruitment activity.

The assumptions underpinning these scenarios are outlined below.

- Total income from NIHR awards is constant over five years for scenarios 1 and 2. Scenario 3 shows a decrease in NIHR awards income resulting in a switch to RCF based solely on patient recruitment
- In the year that an existing SI Awards ends, it is replaced by a new SI award, so the total number of SIs is constant
- Total NIHR income is the sum of the income from NIHR awards and RCF income. The increase in SI Personal Awards from £15k to £20k is paid to the SI's associated University or NHS Trust.
- Formula weightings reflect the new RCF policy, as summarised in Table 1

Table 1 RCF per £ of qualifying NIHR award income

Year	18-19	19-20	20-21	21-22	22-23	23-24
Centres	0.128	0.105	0.082	0.059	0.036	0.013
CLARHCS	0.128	0.105	0.082	0.059	0.036	0.013
Other Infrastructure	0.089	0.074	0.058	0.043	0.028	0.013
Programmes	0.280	0.280	0.280	0.280	0.280	0.280

For each of the scenarios, we provide:

- The profile of SIs affiliated to the relevant organisation. The RCF associated with each SI depends on the year of their appointment as an SI
- The quantum of funding to the organisation gained from various NIHR awards
- The quantum of RCF gained as a result of different qualifying NIHR funding awards
- An illustration of NIHR income to the relevant organisation over the period 2018/19 to 2023/24.

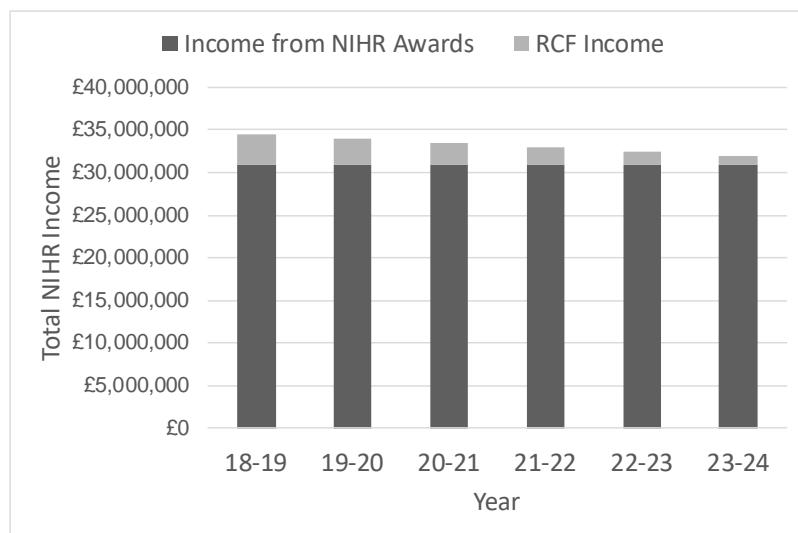
Scenario 1 – NHS trust ‘A’ with a BRC, a CLAHRC, Other Infrastructure, significant programme funding and a large number of SIs

SI Profile Scenario 1	18-19	19-20	20-21	21-22	22-23	23-24
Contract ending 18-19	3	0	0	0	0	0
New contract 19-20 (ending 23-24)		3	3	3	3	3
New Contract 20-21 onwards			3	5	6	6
Pre 19-20 SI contract ending 19-20	3	3	0	0	0	0
Pre 19-20 SI contract ending 20-21	2	2	2	0	0	0
Pre 19-20 SI contract ending 21-22	1	1	1	1	0	0
Senior Investigators Total	9	9	9	9	9	9

Income from NIHR Awards	18-19	19-20	20-21	21-22	22-23	23-24
Centres	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
CLARHCS	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Other Infrastructure	500,000	500,000	500,000	500,000	500,000	500,000
Programmes	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Other Incl Networks	11,500,000	11,500,000	11,500,000	11,500,000	11,500,000	11,500,000
SubTotal Awards	31,000,000	31,000,000	31,000,000	31,000,000	31,000,000	31,000,000

RCF Income	18-19	19-20	20-21	21-22	22-23	23-24
Centres	1,922,029	1,576,064	1,230,099	884,133	538,168	192,203
CLARHCS	256,271	210,142	164,013	117,884	71,756	25,627
Other Infrastructure	44,463	36,852	29,240	21,629	14,018	6,407
Programmes	560,149	560,149	560,149	560,149	560,149	560,149
Investigators (See SI profile for Scenario 1)	675,000	675,000	450,000	300,000	225,000	225,000
Other Incl Networks	-	-	-	-	-	-
Recruitment	-	-	-	-	-	-
Sub Total RCF	3,457,911	3,058,206	2,433,501	1,883,796	1,409,091	1,009,385

Total NIHR Income	34,457,911	34,058,206	33,433,501	32,883,796	32,409,091	32,009,385
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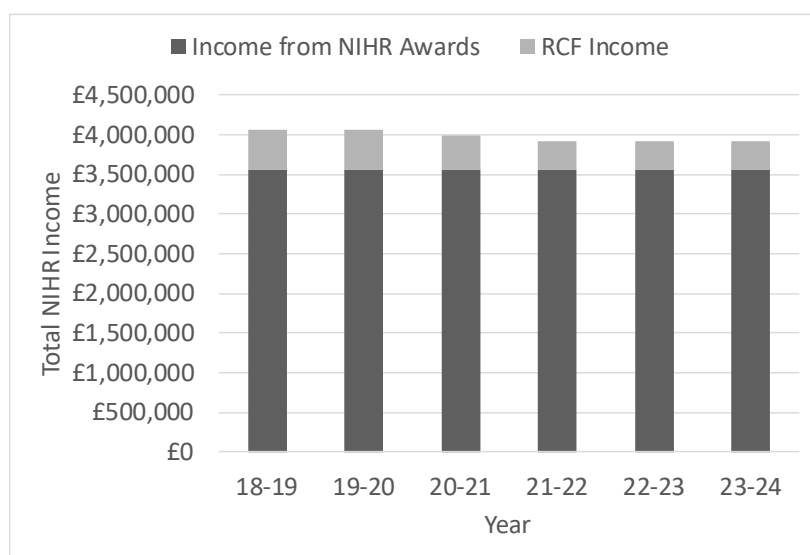
Scenario 2 – NHS Trust ‘B’ with significant programme funding and a small number of SIs

SI Profile Scenario 2	18-19	19-20	20-21	21-22	22-23	23-24
Contract ending 18-19	1	0	0	0	0	0
New contract 19-20 (ending 23-24)		1	1	1	1	1
Pre 19-20 SI contract ending 19-20	1	1	0	0	0	0
Pre 19-20 SI contract ending 20-21	1	1	1	0	0	0
New Contract 20-21 onwards			1	2	2	2
Senior Investigators Total	3	3	3	3	3	3

Income from NIHR Awards	18-19	19-20	20-21	21-22	22-23	23-24
Centres	-	-	-	-	-	-
CLARHCS	-	-	-	-	-	-
Other Infrastructure	-	-	-	-	-	-
Programmes	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Other Incl Networks	2,560,000	2,560,000	2,560,000	2,560,000	2,560,000	2,560,000
SubTotal Awards	3,560,000	3,560,000	3,560,000	3,560,000	3,560,000	3,560,000

RCF Income	18-19	19-20	20-21	21-22	22-23	23-24
Centres	-	-	-	-	-	-
CLARHCS	-	-	-	-	-	-
Other Infrastructure	-	-	-	-	-	-
Programmes	280,074	280,074	280,074	280,074	280,074	280,074
Investigators (See SI Profile for Scenario 2)	225,000	225,000	150,000	75,000	75,000	75,000
Other Incl Networks	-	-	-	-	-	-
Recruitment	-	-	-	-	-	-
Sub Total RCF	505,074	505,074	430,074	355,074	355,074	355,074

Total NIHR Income	18-19	19-20	20-21	21-22	22-23	23-24
	4,065,074	4,065,074	3,990,074	3,915,074	3,915,074	3,915,074



Scenario 3 – CCG with some programme funding and no other NIHR income streams. CCG also recruits over 500 participants into trials each year

Scenario 3 SI Profile	18-19	19-20	20-21	21-22	22-23	23-24
Contract ending 18-19						
New contract 19-20 (ending 23-24)						
Pre 19-20 SI contract ending 19-20						
Pre 19-20 SI contract ending 20-21						
New Contract 20-21 onwards						
Senior Investigators Total	0	0	0	0	0	0

Income from NIHR Awards	18-19	19-20	20-21	21-22	22-23	23-24
Centres	-	-	-	-	-	-
CLARHCS	-	-	-	-	-	-
Other Infrastructure	-	-	-	-	-	-
Programmes	80,000	80,000	40,000	40,000	40,000	40,000
Other Incl Networks	-	-	-	-	-	-
SubTotal Awards	80,000	80,000	40,000	40,000	40,000	40,000

RCF Income	18-19	19-20	20-21	21-22	22-23	23-24
Centres	-	-	-	-	-	-
CLARHCS	-	-	-	-	-	-
Other Infrastructure	-	-	-	-	-	-
Programmes	22,406	22,406	11,203	11,203	11,203	11,203
Investigators N/A	-	-	-	-	-	-
Other Incl Networks	-	-	-	-	-	-
Recruitment	-	-	20,000	20,000	20,000	20,000
Sub Total RCF	22,406	22,406	20,000	20,000	20,000	20,000

Total NIHR Income	18-19	19-20	20-21	21-22	22-23	23-24
	102,406	102,406	60,000	60,000	60,000	60,000

