CUBO
Annual Benchmarking Survey 2025

Foreword from the Executive Director

The CUBO Benchmarking Report is the most comprehensive benchmarking resource available to HE campus and commercial services. As this is the first report published since I joined CUBO as Executive Director, and the sixth edition for the association, I am especially proud to see the level of engagement from our members.

This year's findings highlight both resilience and challenge. While commercial income has grown, rising operating costs and staff wages continue to put financial pressure on institutions. Accommodation remains the dominant revenue stream, but catering, conferencing, and sports services have shown strong growth, demonstrating our sector's ability to adapt and diversify.

At a time of financial constraint and changing student expectations, understanding the key trends spanning our sector is crucial. We are proud to work with Russell Partnership Collection to deliver such a vital tool for institutions to assess their position and identify opportunities to support the long-term sustainability and success of HE commercial and campus services.

I would like to thank all our member universities that participated in this year's Benchmarking Survey, and I hope to see many more join us in contributing to this vital data gathering exercise to aid decision-making within the sector's commercial and campus services.

Nysa Pradhan, Executive Director
CUBO

> **"This year's findings highlight both resilience and challenge"**

Introduction to CUBO

CUBO is the association for commercial and campus services professionals in higher and further education in the UK and Ireland, with a membership of 127 institutions and over 2039 individuals. Amongst other areas, commercial and campus services include the residential portfolio, catering, hospitality, conferencing and events, retail, sport, residence life and soft facilities management.

Executive Summary

The CUBO Benchmarking Report 2025 is the sixth edition of the annual report covering statistics and pricing across the higher education sector for accommodation, conferencing, catering, retail, sport, residence life and soft FM.

Representing approximately one in three UK and Ireland universities and accounting for £1.6 billion in commercial income, this year's report delivers a strong portrayal of the sector and the pattern in which higher education in the UK and the Republic of Ireland is evolving.

Although there has been evidence of stability in the last two years, with campus and working norms appearing to have steadied, commercial data from respondents suggests that the sector continues to face considerable financial pressure. That said, the report highlights the vital role campus and commercial services play in supporting institutions financially and in the delivery of the campus experience.

Key financial challenges continue to include the low level of student funding due to the diminishing value of UK undergraduate fees, the decline in international recruitment, the limited overall growth in student applications, and ever-increasing operating costs.

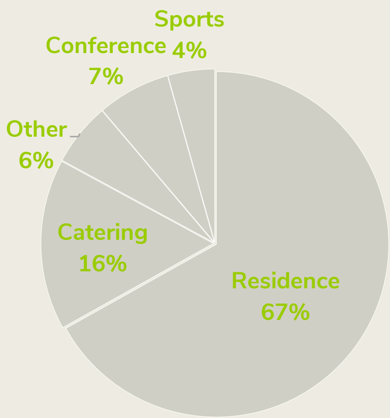
There was marginal growth in total commercial income in the academic year 2023/24, with average total commercial income £33.8m per institution, 2% up on the previous result of £33.0m for 2022/23. Please note that these are not like-for-like figures given the survey respondents this year are from a different set of participants compared to previous years. However, the proportion of income streams remains largely consistent across the last two years. Residential income constituted 67% of commercial income in 2023/24 (previously 68% in 2022/23), with 16% from catering activities. This is an increase of just 1 percentage point from 2022/23. 5% of income came from conferences, as with the prior year, and 4% from sport (previously 5% in 2022/23).

1 in 3
UK and Ireland Universities Represented

£1.6 Billion
Commercial Income Reported

£33.0m (2022/23) | **£33.8m** (2023/24)

Average Total Commercial Income Up 2%



Income Stream

Catering and Conferences

Average catering income per institution was £4.77m, up £80k from £4.69m in 2022/23. This is partly attributed to increasing menu tariffs, with a 7% increase across the products surveyed this year and 11% cumulatively across the two survey periods. However, the overall RPI food inflation between 2022 and 2024 was 28.1%, as reported by ONS, which highlights the price sensitivity of the higher education sector and commitment by institutions to absorb cost increases rather than directly pass them onto the campus community.

Choice, variety, quality, accessibility and affordability of food and drink remain integral in meeting the diverse needs and desires of the campus community, alongside careful consideration toward health, wellbeing and sustainability. The sector remains finely balanced in optimising the food and drink available within universities whilst contributing toward operating and institutional costs. As with last year, 31% of respondents declared that their catering provision is subsidised.

The average total conference income is up 9% to £3.8m this year, with like-for-like institutions reporting an extra £12.7m across the two years, driven by a 14% growth in non-dedicated facilities and a 9% growth from dedicated facilities. With UK Events forecasting the UK conferences and meetings market reaching £25 billion by 2026, up from £16.3 billion in 2022, the HE sector is well placed to further capitalise on the commercial opportunities in this area.

+28%
UK RPI Food Inflation

+7%
University Menu Inflation

Food Inflation 2022-24

£3.8m
Average Conference Income

Conference Income Up 9%

Sector Opportunity

Explore opportunities within conferences and events to drive commercial revenue and contribute toward keeping student and staff offers affordable.

Sport

Sport continues to play an integral role in campus and commercial services. Across our sample of respondents, an average £4.64 million per reporting institution has been invested in sports facilities over the last five years. The argument for investment in sport grows stronger, with a growing body of research highlighting the positive impact sport and activity has on student recruitment, retention, attainment, health and wellbeing, and employability. The 2023/24 BUCS Participant Research Report identified how 89% of respondents agreed sport positively contributed to their higher education experience and their mental wellbeing.

Total sports income across the respondents was £70.5m, compared to £63.9m for the same respondents in 2022/23. This was an increase of £6.6m (+10%), equating to an average of £1.81m per institution compared to £1.64m in 2022/23. Revenue has, in part, been driven through a greater proportion of non-student memberships (+5%) and higher average membership prices (+22%), though these variances will be due in part to the variance in participants reporting year-to-year, which was not like-for-like for this data, and the variety of sports services offered within accommodation or membership packages.

Sports Impact on Students

Recruitment

Retention

Attainment

Health and Wellbeing

Employability

£1.81m

Average Sport Income

Sport Income Up 10%

Residential Income

Total residential income, as reported by 50 institutions, was £1.079 billion, with an average of £21.6m per institution. This is 1% down from the £21.8m average income reported in 2022/23 and reflects the UCAS end-of-cycle data for 2023, confirming 1.6% less accepted applicants in 2023/24 than the previous year. This is driven by a 3% decline in international students and a 1% drop in UK students. Occupancy levels in this year's survey further corroborate this trend, with a reported 93.4% average compared to 95.4% in 2022/23.

With UK universities reliant upon an increasing proportion of UK students, the continual pressures on student finances, and rising operating costs, the sector is at a delicate point in delivering affordable accommodation whilst protecting financial sustainability. The rising cost of student accommodation continues to be reported widely in the sector, with rent accounting for approximately 49% of their monthly living costs, as reported by Save the Student. Within their report, sector-wide average rents in university accommodation for 2024 are up 4% compared to private PBSA up 9%. Our survey data further corroborates this, with rent for participating CUBO member's university accommodation increasing by 4% for undergraduates and 3% for postgraduates. This further demonstrates how institutions are responding to student price sensitivity, absorbing cost increases with minimal uplift in rental tariffs.

One area in which institutions continue to see growing opportunities is in commercial accommodation. 40% of respondents provide year-round accommodation, equating to an average of £2.2m per institution. This was an increase of £0.3m total revenue compared to 2022/23, equating to 16% growth in average income per institution. Average daily rates are well below that of sector norms, and the outlook for the UK hotel market looking strong, with PwC forecasting 2% growth forecast for both occupancy and revenue per available room (RevPAR) in 2025.

4%
Increase in Accommodation Costs for Undergraduates

£21.8m
Average Residential Income

Residential Income Down 1%

£2.2m
Average Commercial Accommodation Income

Commercial Accommodation Up 16%

Sector Opportunity

Seek opportunities to drive growth in commercial accommodation outside of term and year-round.

Residence Life

The benefits of residence life programs are widely attributed to attracting, engaging and retaining students, with research from ACUHO-I (2020) identifying retention rates 2 percentage points higher when students live on campus. Across the 51 responding institutions, 248,700 students were served by a residence life programme in 2023/24, at an average cost of £31 per head, up from £28 last year. 17,045 students received ongoing support from residence life programme teams, such as with mental health concerns. 16,745 events and activities were delivered in 2023/24, with an estimated 6% year-on-year increase planned for 2024/25.

248,700
Students Engaged Across the Sample

16,745
Events and Activities Delivered

17,045
Students Receiving Ongoing Support

Commercial Costs

Year-on-year increases in average staff costs have been seen in staffing across the board. Average entry-level pay rates for catering, cleaning, security and sports are up 6%, with portering up 8%. The overall average 7% increase across commercial services aligns with the 6.7% increase in weekly earnings across all UK jobs, as reported by ONS in April 2024.

Increases to staff costs play a large part in the increase in costs observed across Soft Facilities Management (FM), with average portering staff costs up 9% and cleaning staff costs up 13%. Spending across Soft FM in 2023/24 equated to an average of £4.06m per institution. This is up 17% from an average of £3.47m last year from the same respondents. Non-staff costs for cleaning have witnessed an 11% and portering costs are up 10%. Average security costs per institution are also up, with campus security costs up 7% and residential security up 12%.

+7%
Increase in Entry-Level Pay Rates

+10%
Increase in Cleaning and Portering Non-Staff Costs

Driving the Campus Experience

The 2025 CUBO Benchmarking Survey highlights how campus and commercial services play a growing role in driving revenues and in the delivery of the campus experience. However, sector-wide challenges regarding fee income, student numbers, and operating costs, continue to add pressure for institutions to do more with less. Evidentally, the sector is bearing the brunt of the challenges, absorbing costs where possible, and reducing the financial impact on students.

Opportunity remains to capitalise on growing markets such as conferences and events, commercial accommodation, and non-student sports income, to further contribute toward an excellent, value-driven experience.

Report Authors

CUBO has once again partnered with Russell Partnership Collection in producing the annual benchmarking survey report, alongside the interactive dashboard utilised by participants, which enables bespoke anonymised comparison with the wider sector and the ability to apply filters and delve deeper into the data.

Nysa Pradhan, Executive Director, CUBO

Nysa joined CUBO in October 2024 as Executive Director. CUBO is the association for commercial and campus services professionals working in higher and further education institutions in the UK and Ireland. Nysa brings extensive experience in leadership, innovation, strategic, financial and operational management and a passion for making a difference in the non-profit sector.

Sue Pimblett, CUBO Research Lead, Head of Marketing and Communications, University of Leeds

Sue is Head of Marketing and Communications at the University of Leeds. She joined the CUBO Executive in 2019, having chaired the CUBO Marketing Group for four years. Sue has a marketing career spanning nearly 24 years, the last 19 years of which have been focussed in higher education.

James Ellerby, Consulting Principal, Russell Partnership Collection

James leads the team within the higher education sector at Russell Partnership Collection, the UK's leading food, hospitality, nutrition and technology consultancy. James is an experienced hospitality practitioner and consultant, with 30 years' involvement in the industry. Russell Partnership Collection is proud to have worked in partnership with over 100 UK Universities.

Report produced in partnership with Russell Partnership Collection
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