

Higher Education Students Early Statistics Survey 2011-12 (HEFCE 2011/27)

Appendix 3

Guidance on the grant adjustment tables and related worksheets

1. The annexes of the HESES11 publication (HEFCE 2011/27) describe the eight tables in the HESES11 workbook into which data can be entered. This document describes three additional worksheets in the workbook relating to the estimated grant adjustment calculations.

Name of worksheet	Content
HBK	Estimated grant adjustments for 2011-12
STD	Recalculation of standard resource for 2011-12
F11	Recalculation of assumed fee income for 2011-12

Guidance on the grant adjustment tables

Estimated grant adjustments for 2011-12

2. Please note that the 'HBK' worksheet provides only an estimate of the grant adjustments. While every care has been taken to make the calculations as accurate as possible, because of the limits of an Excel workbook for replicating complex calculations, we cannot guarantee that they are 100 per cent accurate. They are provided here to help you identify errors in your data, not to present our definitive statement on grant adjustments. Please also note that the worksheet calculates adjustments relating to the student number control at a rate of £3,750 for each student above the limit. Our calculations will be amended if the Department for Business, Innovation and Skills specifies a different rate.

3. If, on completion of the HESES survey, the grant adjustment worksheet indicates that there is an adjustment to be applied you should check that this is not as a result of data error. If the data are correct, you may wish to discuss the position with your HEFCE institutional team.

4. We will send a provisional grant adjustment report to the head of your institution once we have received validated data submissions from all institutions.

'HBK' worksheet

5. Any references below to Tables A, B, C or G mean Tables A, B, C or G of the last issue of the grant tables which form part of the funding agreement issued in July 2011 (or any subsequent re-issue). Table A contains a summary of the recurrent grant for 2011-12; Table B shows the funding agreement targets relating to resource and student

numbers; Table C contains a summary of 2011-12 funds for teaching; and Table G shows the parameters used in the mainstream teaching funding method.

6. The first box on the 'HBK' worksheet gives the estimated grant adjustment summary for 2011-12. This is followed by a breakdown of the calculations.

Estimated grant adjustment summary

7. 'Net funding adjustment to be applied in 2011-12' is the sum of:

- 'ASN funding recovered by institution'
- 'ASN funding to be held back from institution'
- 'Contract range holdback'
- 'Consolidated 2010-11 contract range holdback recovered by institution'
- '2011-12 Student number control grant adjustment'
- 'Further reduction for 2010-11 over-recruitment'
- 'Further reduction for 2009-10 over-recruitment'
- 'Co-funded core funding to be held back from institution'
- 'Co-funded funding recovered by institution'
- 'Co-funded ASN funding to be held back from institution'
- 'Medical and dental holdback' and
- 'Provisional in-year moderation'.

Funding conditional upon delivery of growth

8. The first table is taken from the equivalent section of Table B. There is an additional row, 'FTEs required to retain 2010-11 ELQ safety net ASN funding' which only applies to Birkbeck College and the Conservatoire for Dance and Drama.

9. 'Actual FTEs (HEFCE-fundable)' is the total FTE of students in HESES11, reported as HEFCE-fundable, and not as a non-completion. These data are taken from Column 4 of HESES Table 1a, Column 4 of HESES Table 2 (weighted at 0.5), and Column 4a of HESES Table 3.

10. 'ASN funding recovered by institution' is calculated by multiplying any FTE above the '2011-12 Baseline FTEs' by the specified rate per FTE, and is subject to the specified maximum level. Full recovery will happen if the 'Actual FTEs (HEFCE-fundable)' equals or exceeds the 'FTEs required to fully recover reduction in ASN funding'.

11. '2010-11 ELQ safety net ASN funding to be held back from 2012-13' is calculated by multiplying any shortfall against the 'FTEs required to retain 2010-11 ELQ safety net ASN funding' by the specified rate per FTE, and is subject to the specified maximum level. Funding will be held back in full until the 'Actual FTEs (HEFCE-fundable)' exceeds the 'FTEs required to fully recover reduction in ASN funding'. Any holdback amount will be shown as a negative value. This amount will be incorporated in mainstream teaching grant in 2011-12. Some of the funding may need to revert to being allocated as ELQ safety net funding in 2011-12. See paragraph 30 of 'HEFCE grant adjustments 2011-12' (HEFCE 2011/21).

12. 'ASN funding to be held back from institution' is calculated by multiplying any shortfall against the 'FTEs required to avoid reduction in ASN funding' by the specified rate per FTE, and is subject to the specified maximum level. Full holdback will be applied until the 'Actual FTEs (HEFCE-fundable)' exceeds the 'FTEs required to retain 2010-11 ELQ safety net ASN funding'. Any holdback amount will be shown as a negative value.

Medical and dental holdback

13. 'Medical and dental CFTE for 2011-12' is taken from Table B.

14. 'FTE from HESES11' is the total HEFCE-fundable students taken from Column 4 of HESES Table 1b.

15. 'Difference' is 'FTE from HESES11' minus 'Medical and dental CFTE for 2011-12'.

16. 'Medical and dental holdback' is calculated by multiplying any shortfall against the medical and dental CFTE for 2011-12 by £9,959. This is the average rate of funding based on the standard five-year medical course calculated as two-fifths of the standard price for price group B plus three-fifths of the standard price for price group A minus the 2011-12 full-time undergraduate assumed fee (£1,345). Any holdback amount will be shown as a negative value.

Contract range

17. '2011-12 Contract range' is taken from Table B.

18. 'Total mainstream teaching funds for 2011-12' is taken from Table C.

19. 'Net mainstream teaching funds' is 'Total mainstream teaching funds for 2011-12'

- plus 'Medical and dental holdback'
- plus 'ASN funding recovered by institution'
- plus '2010-11 ELQ safety net ASN funding to be held back from 2012-13' (Birkbeck College and the Conservatoire for Dance and Drama only)
- plus 'ASN funding to be held back from institution'.

20. 'Recalculated assumed fee income for 2011-12' is taken from the 'F11' worksheet. It is the final total from the final column.

21. 'Recalculated assumed resource for 2011-12' is the sum of 'Recalculated assumed fee income for 2011-12' and 'Net mainstream teaching funds'.

22. 'Recalculated standard resource for 2011-12' is taken from the 'STD' worksheet. It is the final total from the final column.

23. 'Difference' is 'Recalculated assumed resource for 2011-12' minus 'Recalculated standard resource for 2011-12'.

24. 'Recalculated percentage difference' is 'Difference' divided by 'Recalculated standard resource for 2011-12' multiplied by 100. It is formatted to one decimal place.

25. 'Divergence from contract range' shows the variance between the 'Recalculated percentage difference' and the '2011-12 Contract range'.

26. If an institution is above its contract range then 'Contract range holdback' is the 'Divergence from contract range', multiplied by 'Recalculated standard resource for

2011-12'. Contract range holdback is shown as a negative value. It will be £0 if institutions are in or below the contract range.

Recovery of consolidated 2010-11 contract range holdback

27. Institutions have an opportunity in 2011-12 to recover any funding deducted from their baseline as a result of the consolidation of 2010-11 contract range holdback. This will be repaid to the extent that the reinstatement of funding keeps an institution within its 2011-12 contract range.

28. 'Consolidated 2010-11 contract range holdback recoverable in 2011-12' is taken from Table B.

29. 'Difference between top of contract range and 'Recalculated percentage difference'' is the upper contract range limit minus the 'Recalculated percentage difference'.

30. If 'Difference between top of contract range and 'Recalculated percentage difference'' is greater than zero, then 'Consolidated 2010-11 contract range holdback recovered by institution' is the lesser of 'Consolidated 2010-11 contract range holdback recoverable in 2011-12' and 'Difference between top of contract range and 'Recalculated percentage difference'' multiplied by 'Recalculated standard resource for 2011-12'. Otherwise 'Consolidated 2010-11 contract range holdback recovered by institution' will be zero.

Percentage difference after grant adjustments

31. 'Percentage difference after grant adjustments' is 'Recalculated assumed resource for 2011-12' plus 'Contract range holdback' plus 'Consolidated 2010-11 contract range holdback recovered by institution' minus 'Recalculated standard resource for 2011-12', all divided by 'Recalculated standard resource for 2011-12'.

Student number control for 2011-12

32. '2011-12 Limit on students starting full-time undergraduate and PGCE study' is taken from Table B.

33. 'Recruited numbers from Table 6' is the final total of the final column taken from Table 6 of HESES11.

34. 'Total under-recruitment' is the maximum of '2011-12 Limit on students starting full-time undergraduate and PGCE study' minus 'Recruited numbers from Table 6' or zero.

35. 'Students in excess of 2011-12 student number control' is the maximum of 'Recruited numbers from Table 6' minus '2011-12 Limit on students starting full-time undergraduate and PGCE study' or zero.

36. '2011-12 Student number control grant adjustment' is 'Students in excess of 2010-11 student number control' multiplied by -£3,750.

37. 'Required shortfall against the 2011-12 student number control limit to avoid further reduction for 2010-11 over-recruitment' is taken from Table B.

38. 'Actual shortfall against the 2011-12 student number control limit to avoid further reduction for 2010-11 over-recruitment' is zero if the 'Recruited numbers from Table 6'

are more than the '2011-12 Limit on students starting full-time undergraduate and PGCE study', if not the difference is applied.

39. 'Further reduction for 2010-11 over recruitment' is the minimum of:

- -£3,750 multiplied by 'Required shortfall against the 2011-12 student number control limit to avoid further reduction for 2010-11 over-recruitment' minus 'Actual shortfall against the 2010-11 student number control limit to avoid further reduction for 2010-11 over-recruitment' or
- zero.

40. 'Required further shortfall against the 2011-12 student number control limit to avoid further reduction for 2009-10 over-recruitment' is taken from Table B.

41. 'Actual shortfall against the 2011-12 student number control limit to avoid further reduction for 2009-10 over-recruitment' is the maximum of 'Total under-recruitment minus 'Actual shortfall against the 2011-12 student number control limit to avoid further reduction for 2010-11 over-recruitment' or zero.

42. 'Further reduction for 2009-10 over recruitment' is the minimum of:

- -£3,750 multiplied by 'Required shortfall against the 2011-12 student number control limit to avoid further reduction for 2009-10 over-recruitment' minus 'Actual shortfall against the 2011-12 student number control limit to avoid further reduction for 2009-10 over-recruitment' or
- zero.

Grant adjustments for co-funded employer engagement provision

43. The first table is taken from the equivalent section of Table B.

44. 'Actual FTEs (co-funded)' are the total co-funded FTEs in HESES11 taken from Tables 1a (Column 5), 2 (Column 5 weighted at 0.5) and 3 (Column 5a).

45. 'Co-funded core funding to be held back from institution' is shown if 'Actual FTEs (co-funded)' is less than '2011-12 Core FTEs'. It is the minimum of 'Actual FTEs (co-funded)' minus the '2011-12 Core FTEs', and zero, multiplied by the specified rate.

46. 'Co-funded funding recovered by institution' is calculated by multiplying any FTE above the '2011-12 Core FTEs' by the specified rate per FTE, and is subject to the specified maximum level. Full recovery will happen if the 'Actual FTEs (co-funded)' equals or exceeds the 'FTEs required to fully recover reduction in funding'.

47. 'Co-funded ASN funding to be held back from institution' is calculated by multiplying any shortfall against the 'FTEs required to avoid reduction in ASN funding' by the specified rate per FTE, and is subject to the specified maximum level. Full holdback will be applied until the 'Actual FTEs (co-funded)' exceeds the 'FTEs required to fully recover reduction in funding'.

In-year moderation calculation

48. For 2011-12 moderation is provided so that no institution sees a reduction in its recurrent teaching and research grant of more than 3.9 per cent in cash terms compared with the equivalent unmoderated figure for 2010-11, but we do not provide moderation

funding if it amounts to less than £100,000. Only contract range holdback for 2011-12 will be subject to these moderation rules; we will not moderate other forms of holdback or grant adjustments relating to the student number control.

49. 'Total teaching and research funding 2011-12' and '2011-12 July* moderation' are taken from Table A. (* = or as subsequently revised.)

50. 'Notional July* moderation (before £100,000 threshold)' is '2011-12 July* moderation' plus sums that were not provided because they were below the £100,000 threshold.

51. 'Recalculated grant for 2011-12' is the sum of

- 'Total teaching and research funding 2011-12'
- 'ASN funding recovered by institution'
- 'ASN funding to be held back from institution'
- 'Contract range holdback'
- 'Consolidated 2010-11 contract range holdback recovered by institution'
- 'Co-funded core funding to be held back from institution'
- 'Co-funded funding recovered by institution' and
- 'Co-funded ASN funding to be held back from institution'.

52. '2010-11 Comparable grant' is taken from the 'Moderation calculation' section of Table A and is described in paragraph 53 of the technical guidance that accompanied the March 2011 grant letter.

53. '2010-11 Comparable grant adjusted for grant adjustments' is the sum of

- '2010-11 Comparable grant'
- 'ASN funding recovered by institution'
- 'ASN funding to be held back from institution'
- 'Consolidated 2010-11 contract range holdback recovered by institution'
- 'Co-funded core funding to be held back from institution'
- 'Co-funded funding recovered by institution' and
- 'Co-funded ASN funding to be held back from institution'

multiplied by the 0.0961 (no institution sees a reduction in cash terms of more than 3.9 per cent compared with the equivalent, unmoderated figure for 2010-11).

54. 'Recalculated notional moderation' is '2010-11 Comparable grant adjusted for grant adjustments' minus 'Recalculated grant for 2011-12', or zero, whichever is the higher.

55. 'Increase in notional moderation due to 2011-12 contract range holdback' is 'Recalculated notional moderation' minus 'Notional July* moderation (before £100,000 threshold)' capped at 'Contract range holdback' expressed as a positive figure.

56. 'Total moderation before £100,000 threshold' is 'Increase in notional moderation due to 2011-12 contract range holdback' plus 'Notional July* moderation (before £100,000 threshold)'.

57. If 'Total moderation before £100,000 threshold' is less than £100,000, then 'Total moderation after £100,000 threshold' is zero, otherwise 'Total moderation after £100,000 threshold' is 'Total moderation before £100,000 threshold'.

58. 'Provisional in-year moderation' is 'Total moderation after £100,000 threshold' minus '2011-12 July* moderation'.

'STD' worksheet

59. This worksheet shows the recalculation of standard resource for 2011-12. In order to eliminate as many differences as possible when we calculate the holdback amounts, we separate out the media studies price group and the SWOUT mode. The first table in columns A to J shows this split.

60. The '2011-12 FTEs from HESES' are the HEFCE-fundable FTEs taken from HESES11 Tables 1a (Column 4), 2 (Column 4 divided by two) and 3 (Column 4a). Media studies FTE have been split across price groups B, C and D according to the institution's mapping shown on Table G of the 2011-12 grant tables.

61. '2011-12 FTEs weighted by price group' are '2011-12 FTEs from HESES' multiplied by the price group weightings:

Price group descriptions and cost weights

Price group	Description	Cost weight
A	The clinical stages of medicine and dentistry courses and veterinary science	4
B	Laboratory-based subjects (science, pre-clinical stages of medicine and dentistry, engineering and technology)	1.7
C	Subjects with a studio, laboratory or fieldwork element	1.3
D	All other subjects	1

62. 'Partial completion weighting (applied to FTEs weighted by price group)' is the '2011-12 FTEs weighted by price group' multiplied by the institution's individual partial completion weighting shown on Table G of the 2011-12 grant tables.

63. 'London weighting (applied to FTEs weighted by price group)' is the '2011-12 FTEs weighted by price group' multiplied by a variable weighting which in general is 0.08 for institutions in inner London and 0.05 for institutions in outer London. The value of this weighting for an individual institution can be found on Table G.

64. 'Total weighted FTEs' is the sum of the previous three columns.

65. '2011-12 Standard resource' is the 'Total weighted FTEs' multiplied by the base price: £3,670.

66. The second table shown in columns M to V is a compressed version of the first table such that SWOUT FTE are included in the full-time mode and media studies FTE are included in price groups B, C or D according to the individual split shown on Table G of the 2011-12 grant tables. The overall totals in this table should match those in the first.

'F11' worksheet

67. This worksheet shows the recalculation of assumed fee income for 2011-12. In order to eliminate as many differences as possible when we calculate the holdback amounts, the first table in columns A to E shows a breakdown by price group. The media studies price group has been split across price groups B, C and D according to the institution's mapping shown on Table G of the 2011-12 grant tables.

68. The '2011-12 Estimated FTE students' are taken from HESES11 Table 4; HEFCE-fundable students in Columns 1 and 2 for each combination of price group, mode and level.

69. FT UG FTEs are from the 'Regulated full fee', 'Regulated half fee' and 'Regulated £0' rows.

70. FT PGT FTEs are from the 'Regulated full fee', 'Regulated half fee' and 'Non-regulated' rows.

71. SWOUT UG FTEs are from the 'Regulated half fee' and 'Regulated £0' rows, divided by two.

72. SWOUT PGT FTEs are from the 'Regulated half fee' and 'Non-regulated' rows, divided by two.

73. PT UG FTEs are from the 'Regulated full fee', 'Regulated half fee' and 'Non-regulated' rows, divided by two.

74. PT PGT FTEs are from the 'Regulated full fee', 'Regulated half fee' and 'Non-regulated' rows, divided by two.

75. 'Total fee income' is the '2011-12 Estimated FTE students' multiplied by the relevant assumed fee for each price group, mode and level. Assumed fee income per FTE is shown in the following table:

Assumed fee income per FTE

Mode	Level	Fee level	Assumed fees for 2011-12 (£)
FT	UG	full	1,345
FT	UG	half	665
FT	UG	0	0
FT	PGT	full	1,345
FT	PGT	half	665
FT	PGT	non-regulated	3,670
SWOUT	UG	half	1,330
SWOUT	UG	0	0
SWOUT	PGT	half	1,330
SWOUT	PGT	non-regulated	3,670
PT	UG	full	1,330
PT	UG	half	1,330
PT	UG	non-regulated	1,345
PT	PGT	full	1,330
PT	PGT	half	1,330
PT	PGT	non-regulated	3,670

76. The second table shown in columns I to P is a compressed version of the first table such that media studies FTE are included within price groups B, C or D, according to the individual split shown on Table G of the 2011-12 grant tables. '2011-12 Estimated FTE students' and 'Total fee income' totals in this table should match those in the first table. The second table also has three additional columns:

- 'Derived average fee per estimated FTE' is 'Total fee income' divided by '2011-12 Estimated FTE students'.
- '2011-12 FTEs from HESES' are taken from the same column on the 'STD' worksheet except for SWOUT. SWOUT FTEs are the HEFCE-fundable students in Column 4 from HESES11 Table 2, divided by two; UG is the sum of the FD and UG (excl. FD) rows, PGT are from the PGT row.
- '2011-12 Assumed fees' is calculated for each price group, mode and level as 'Derived average fee per estimated FTE' multiplied by '2011-12 FTEs from HESES'.