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16 December 1999

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# CIRCULAR

**THE  
FURTHER  
EDUCATION  
FUNDING  
COUNCIL**

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**Final Funding Unit Return for  
1998-99**

Cheylesmore House  
Quinton Road  
Coventry CV1 2WT

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To

Principals of colleges  
Heads of external institutions  
Heads of higher education  
institutions receiving Council funds  
Chief education officers

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Circular type

Request for data

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Summary

Method of making the final return  
of funding units for 1998-99.  
Returns from colleges, higher  
education institutions and external  
institutions are requested by  
4 February 2000.

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Reference number: 99/52

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Enquiries:  
Funding and statistics support  
desk 024 7686 3249 or  
email [fundstat.desk@fetc.ac.uk](mailto:fundstat.desk@fetc.ac.uk)  
Website [www.fetc.ac.uk](http://www.fetc.ac.uk)

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**99/52**

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# Final Funding Unit Return for 1998-99

## Introduction

1 In this circular, the Council requests a return of the total funding units generated by institutions in respect of the 1998-99 funding allocation, the additional funds allocated to institutions in the chief executive's letter dated 5 March 1999 and the provision of basic skills summer schools. It also provides guidance on how to make the return.

2 The Council will use this information to assess each institution's performance against its funding agreement and to determine whether any adjustments are required to the funding paid to the institution for 1998-99. Each institution's performance in 1998-99 may also be taken into account in the 2000-01 funding allocation process.

3 Returns from colleges, higher education institutions and external institutions are requested by 4 February 2000 together with the audit report requested in Circular 99/43. In Circular 99/43, external auditors were requested to write to the regional office where an audited final funding unit claim would not be received by 4 February 2000. This letter should explain the reasons for the delay, the action to be taken and a firm promise date, which should normally be within six weeks of the expected return date.

## Background

4 The arrangements for making audited final funding unit returns to the Council in 1998-99 were set out in Circular 99/43. Each institution was required to provide the Council with an audited final return of funding units for 1998-99 after the 1998-99 year end.

## Final Return of Funding Units for 1998-99

### Arrangements

5 All institutions are asked to make a final return of funding units for 1998-99, by completing form FINAL CLAIM 99 at annex B to this circular. Guidance on completing the form can be found at annex A. You should pass this return to your

external auditors and ask them to send it to the Council with their report on the audit of the 1998-99 final funding unit claim and supporting data for 1998-99. This should reach the Council by 4 February 2000. Colleges and external institutions are reminded that ISR16 (31 December 1999; 1998-99) data should be sent by them to the Council's regional office for the institution concerned to arrive by 7 February 2000. The final funding unit return for 1998-99 cannot be processed until ISR16 data have been received and validated by the Council. Higher education institutions will be forwarded July HESA data converted to ISR format by late January/early February 2000. This will enable them to process the data using version 6.2 of the funding program.

6 Institutions should note the guidance on the audit of final funding unit claims, which was set out in Circular 99/43 *Audit of 1998-99 Final Funding Unit Claim and 1998-99 ISR Data* and the supplements to that circular. Particular attention should be paid to the checks regarding franchising and the guidance set out in Circular 96/06 and Circular 99/37.

7 The Council will compare an institution's final funding unit claim with the number of units generated by processing the institution's ISR16 (31 December 1999; 1998-99) return, or equivalent data derived from the institution's HESA return, through version 6.2 of the funding program using release 12.3, or any updated version of it, of the qualifications database. The qualifications database is now regularly updated between releases. Institutions may use any updated version of release 12.3 of the qualifications database when preparing their final funding unit return for 1998-99. The Council expects units generated from ISR16 to be consistent, after taking account of manual adjustments, with the final funding unit claim. To assist institutions, advice on manual adjustments which may be acceptable to the Council are included in supplement D of Circular 99/43, which is available as an electronic document on the Council's website. Institutions wishing to make manual adjustments which are not included in the table in supplement D to Circular 99/43 should contact the funding and statistics support desk by fax on 024 7686 3249. Updates on manual adjustments will be placed on the Council's website ([www.fefc.ac.uk](http://www.fefc.ac.uk)).

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## Adjustments to payments

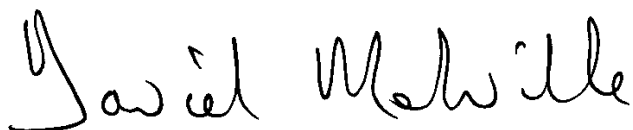
8 The Council will calculate the performance of each institution in 1998-99 as described in Circular 99/47, *Monitoring Growth 1998-99*, by:

- comparing the institution's total funding units eligible for Council funding with the funded units in its funding agreement
- comparing the number of 16 to 18 year-old full-time students and the number of adults eligible for a widening participation uplift against allocations in each of these categories.

9 These performance measures, moderated by any tolerance for under-performance against funding agreement as described in paragraphs 105 to 110 of Circular 99/07, *Funding Guidance 1999-2000*, will be used to calculate the final funding to be paid to the institution for 1998-99.

## Further Information

10 Enquiries regarding this circular may be made by sending a fax, labelled 'Final funding unit return 1998-99', to the funding and statistics support desk on 024 7686 3249, by telephoning 024 7686 3224 or by email on [fundstat.desk@fetc.ac.uk](mailto:fundstat.desk@fetc.ac.uk). Enquirers are asked, wherever possible, to send a fax or to email rather than telephoning. This will facilitate a prompt response to enquiries.



# Guidance for Completing Form Final Claim 99

## Calculation Of Units

1 Guidance on the calculation of funding units for the 1998-99 funding allocation is given in *Funding Guidance 1998-99*. Guidance on the additional funds allocated to institutions was set out in the letter from the chief executive dated 5 March 1999. Guidance on allocations for basic skills summer schools was set out in a letter from the chief executive dated 12 February 1999. The return FINAL CLAIM 99 is attached at annex B to this circular. Further guidance was provided in Circular 99/43, *Audit of 1998-99 Funding Unit Claims and 1998-99 ISR Data*.

### Basic skills summer schools

2 In the chief executive's letter, dated 1 May 1998, informing colleges of their basic skills summer schools' allocations, colleges were advised that there is no specific code on the 1998-99 ISR to identify students supported by basic skills summer schools' funding and that guidance on how to account for them would be issued separately. Students supported by basic skills summer schools' funding who complete their programmes after 1 August 1998 may be identified for 1998-99 by entering the code 02 in ISR field Q29. Any units associated with these students will be accounted for in 1997-98 funding unit returns.

3 For those students supported by basic skills summer schools' funding who complete their programmes before 1 August 1999, it will be necessary for colleges to identify separately the units associated with these students for 1998-99. Colleges are required, therefore, to account separately on the form FINAL CLAIM 99 for the units generated by these students. This is necessary because the units associated with these students will not be identified separately but will be automatically included in the total units calculated by the funding program. It is not anticipated that the number of students falling into this category will be significant.

## Completing the form

4 All institutions are asked to indicate on form FINAL CLAIM 99 the units claimed for each tri-annual period and the total funding units which they are claiming for the teaching year 1998-99.

5 Institutions should provide supporting information on form FINAL DIFF 99 at annex C, explaining any differences between the total units claimed and those generated by processing the institution's December 1999 ISR data through version 6.2 of the funding program, using release 12.3, or any updated version of the qualification database. Any manual adjustments made by the institution should be recorded on form FINAL DIFF 99. Institutions should record on form FINAL DIFF 99 the manual adjustment number shown in supplement D to Circular 99/43, which is available as an electronic document on the Council's website.

6 Institutions are requested to contact the funding and statistics support desk by fax on 024 7686 3249 before making a manual adjustment for a matter which does not appear on the list included in supplement D to Circular 99/43. They will be given an adjustment number if the manual adjustment is agreed. Information on any agreed additional manual adjustments would be shown on the Council's website ([www.fefc.ac.uk](http://www.fefc.ac.uk)). Circular 99/43 indicated that the Council expects external auditors to pay particular attention to any such manual adjustments made by institutions. A list of regional offices is included at annex D.

## Funding Program

7 The Council provided version 6.1 of the funding program to help institutions make their in-year claims for funding units in 1998-99. Version 6.2 of the funding program will be issued in December 1999.

8 All institutions returning the ISR data for 1998-99 are asked to use these data with version 6.2 of the funding program and release 12.3, or any updated version of the qualification database to calculate their final total of funding units. External auditors have been asked to use the same versions of the software when checking institutions' final funding unit returns.

9 For all colleges and external institutions, the 1998-99 audit of student numbers is based on the individualised student record (ISR). All higher

education institutions make a similar return of student records to HESA, from which a return equivalent to the ISR is derived and provided to the Council. The Council will provide higher education institutions with a report from the funding program generated from data returned by them to HESA.

## **Declaration**

10 All claim forms should be signed by the principal or the head of the institution, or, in the case of higher education institutions, by the person with equivalent responsibility for further education in the institution. Institutions and external auditors are reminded that the claim forms returned by the external auditor to the Council should contain an original signature, not a photocopy or facsimile.

# FINAL CLAIM 99

(Reference Circular 99/52)

All institutions receiving funding from the Council for 1998-99 are asked to complete and forward this form to their auditors with a request that the auditors return it in its original form, together with form FINAL DIFF 99 and their audit report, to the regional office responsible for the institution by 4 February 2000.

## THE FURTHER EDUCATION FUNDING COUNCIL

Cheylesmore House  
Quinton Road  
Coventry CV1 2WT

Telephone 024 7686 3224  
Fax 024 7686 3249

\_\_\_\_\_  
Name of FEFC-funded institution

\_\_\_\_\_  
FEFC code

\_\_\_\_\_  
Sponsoring college  
(for external institutions)

All institutions are asked to complete this section

	(A)	(B)	(C)	(D)
	<i>Autumn</i>	<i>Spring</i>	<i>Summer</i>	<i>Total Claim</i>
Main allocation	_____	_____	_____	_____
Additional funding	_____	_____	_____	_____
Basic skills summer schools in 1998-99	_____	_____	_____	_____
Total	_____	_____	_____	_____

This declaration must be made by the head of the institution (or in the case of HE institutions, the person with responsibility for further education in the institution).

### Declaration

I certify that, to the best of my knowledge, the funding units claimed above have been calculated from data correctly extracted from the institution's records, which accurately reflect enrolments during 1998-99, in accordance with the guidance and definitions set out in *Funding Guidance 1998-99* and other relevant guidance. This form must be signed by the head of the institution.

\_\_\_\_\_  
Signature (*head of institution*)

\_\_\_\_\_  
Name (*please print*)

\_\_\_\_\_  
Position

\_\_\_\_\_  
Date

# FINAL DIFF 99

(Reference Circular 99/52)

All institutions receiving funding from the Council for 1998-99 are asked to complete and forward this form to their external auditors with a request that the auditors return it in its original form, together with form FINAL CLAIM 99 and their audit report, to the regional office by 4 February 2000.

Institutions should use this form to record the reason(s) for the difference between the final claim and the units generated by processing the December 1999 ISR return through version 6.2 of the funding program using release 12.3, or any updated version of the qualifications database. A list of acceptable manual adjustments, and their numbers, is given in supplement D to Circular 99/43, which is available as an electronic document on the Council's website ([www.fefc.ac.uk](http://www.fefc.ac.uk)).

## THE FURTHER EDUCATION FUNDING COUNCIL

Cheylesmore House  
 Quinton Road  
 Coventry CV1 2WT  
 Telephone 024 7686 3224  
 Fax 024 7686 3249

\_\_\_\_\_  
 Name of FEFC-funded institution

\_\_\_\_\_  
 FEFC code

\_\_\_\_\_  
 Sponsoring college  
 (for external institutions)

<i>Manual adjustment number (see supplement D to Circular 99/43)*</i>	<i>Description</i>	<i>Students affected (No.)</i>	<i>Difference (Funding units)</i>

1 Total unit difference arising from manual adjustments

2 Total units calculated using version 6.2 of the funding program, ISR16 (31 December 1999; 1998-99) and release 12.3, or any updated version of the Qualifications database

3 Total units shown on form FINAL CLAIM 99 (total of entries at 1 and 2)

\* available as an electronic document on the Council's website ([www.fefc.ac.uk](http://www.fefc.ac.uk))

## Regional Offices

### East Midlands Region

Regional Director: Christine Frost

Cheylesmore House  
Quinton Road  
Coventry CV1 2WT  
Telephone: 024 76 863000  
Fax: 024 76 863359

### Eastern Region

Regional Director: Martin Lamb

2 Quayside  
Bridge Street  
Cambridge CB5 8AB  
Telephone: 01223 454500  
Fax: 01223 454535

### Greater London Region

Acting Regional Director: Jenny Burnette

Metropolis House  
22 Percy Street  
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10 Brindley Road  
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### Northern Region

Regional Director: Ruth Bullen

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### South Midlands Region

Regional Director: Marilyn Frampton

3 Queens Road  
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RG1 4AR  
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### South West Region

Regional Director: Catherine Christie

Kempton House  
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### West Midlands Region

Regional Director: Celia Cohen

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### Yorkshire and Humberside Region

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