

September 2007/26
Core funding/operations

Request for data

Returns should be uploaded to the
HEFCE extranet by noon on Monday
10 December 2007

This document asks higher education institutions to complete the annual survey of students on recognised higher education courses. The data will give an early indication of the number of higher education students studying in the academic year 2007-08; enable us to monitor the achievement of funding agreement targets for 2007-08; and, with data supplied to the Higher Education Statistics Agency, inform our allocation of teaching funds for 2008-09.

HESES07

Higher Education Students Early Statistics Survey 2007-08

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Higher Education Students Early Statistics Survey 2007-08

To	Heads of HEFCE-funded higher education institutions Heads of universities in Northern Ireland
Of interest to those responsible for	Student data, Funding
Reference	2007/26
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Executive summary

Purpose

1. This document asks higher education institutions (HEIs) to complete the annual survey of students on recognised higher education (HE) courses.

Key points

2. The data will:
 - a. Give an early indication, including for government planning purposes, of the number of HE students studying in the academic year 2007-08.
 - b. Enable us to monitor the achievement of funding agreement targets for the academic year 2007-08.
 - c. Together with data supplied to the Higher Education Statistics Agency (HESA), inform our allocation of teaching funds for the academic year 2008-09.
3. This document provides:
 - a. Guidance notes for completing the Higher Education Students Early Statistics Survey 2007-08 (HESES07).
 - b. Definitions used in the HESES07 survey.
 - c. Examples of the survey tables, which will be available to download from the HEFCE extranet in November 2007.
 - d. A summary of changes since HESES06 (Annex B).

4. Information contained in the annexes will help institutions to complete the survey.

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Appendices 1 and 2 contain detailed technical information and are available with this document on the web at www.hefce.ac.uk under Publications.

Action required

5. Returns should be uploaded to the HEFCE extranet, by **noon on Monday 10 December 2007**. Workbooks will be available to institutions at the beginning of November 2007.

The HESES07 survey

6. The following sources of data will inform our allocation of funds for 2008-09:

- Tables 1 to 4 of HESES07
- the HESA/Learning and Skills Council (LSC) July individualised student data
- the Research Activity Survey 2007 (to be issued in October 2007).

In addition to their primary purpose of collecting data to inform funding allocations, Tables 1 to 4 of HESES07 provide us with information about institutions as a whole, including HE activity that we do not fund. Data returned in Table 5 are collected for planning and monitoring purposes, including those of the Department for Innovation, Universities and Skills. Data returned in Table 6 are used for monitoring HEFCE-recognised funding consortia. Data returned in the optional Table 7 are used to inform our assessment of institutions' performance in meeting their funding agreement targets for 2007-08.

7. HESES07 should be completed by all HEIs receiving HEFCE recurrent funds for teaching.

8. The coverage of the HESES07 survey is given in Annexes C and D. Definitions of when activity should be counted are in Annex E. Annexes F to K explain how to record different categories of activity.

9. All activity that meets the criteria set out in Annexes C to E should be reported, even if it will not be used directly to allocate funds. For example, HEFCE will not support students ordinarily resident outside the European Community (EC) or specified overseas territories, but these students should still be included in the 'Island and overseas' column in the tables.

10. For allocation and other purposes we source various kinds of information from the HESA/LSC July individualised student data. The algorithms we expect to use are shown in '2006-07 statistics derived from HESA data: Guide to HEFCE web facility' (HEFCE 2007/15) available on the HEFCE web-site under Publications. This information includes:

- re-creations of HEFCE funding returns (including a HESES06 re-creation)
- derived statistics likely to inform HEFCE funding (including indicative 2008-09 widening participation allocations)
- derived statistics we intend to publish for verification by institutions
- data summaries for verification by institutions
- data quality tools (including a HESES07 non-completion toolkit).

Institutions should note that incomplete or incorrect records may adversely affect funding allocations.

11. Directly-funded further education colleges (FECs) make a similar return to us in the Higher Education in Further Education: Students Survey 2007-08 (HEIFES07), issued as

HEFCE 2007/25. Lead institutions of HEFCE-recognised funding consortia should refer to HEIFES07 for guidance on including data for member FECs in their HESES return.

Institutional contacts

12. Each institution has sent us details of a contact for the HESES survey. If institutions wish to check or change their HESES contact details, they should contact their HEFCE higher education adviser (HEA). The HEA for each institution can be found on the HEFCE web-site under About us/Contact us.

Data collection and verification

13. Enquiries about this survey should be e-mailed to heses@hefce.ac.uk. In addition, the HEFCE web-site contains a web page with answers to frequently asked questions (FAQs). It can be found at www.hefce.ac.uk under Questions/HESES FAQs. The page will also contain any amendments or clarifications that need to be made after the publication and workbook are available. The web page is updated regularly and institutions are expected to look there for guidance before and during completion of their HESES return. We will use an e-mail list of HESES contacts to notify institutions of any significant changes or updates. We will not use this simply to notify them of changes to the web-site.

14. Institutions will be able to download the following documents in early November 2007:

- an Excel workbook with spreadsheet versions of the tables in Annex N
- guidance notes on the grant adjustment tables and comparison sheets
- a check list for use before final submission.

Vice-chancellors and HESES contacts will be issued with an organisation key (unique to their institution) and a HESES07 group key (unique to the HESES07 survey) to access these documents via the HEFCE extranet, <https://extranet.hedata.ac.uk>. Institutions will need to upload the completed workbook to the same web-site.

15. Appendices 1 and 2 and further explanatory notes are available with the electronic version of this document at www.hefce.ac.uk under Publications. They contain technical information on links between HESA and HESES data, validation checks and explanations of workbook content. The workbook contains a number of these checks, detailed in Appendix 2. We will carry out further checks when we receive the workbook. Once we have validated the returned data, institutions will be asked to verify their returns. We may refuse to revise allocations once data have been verified.

Outline timetable and process for the 2008-09 funding round

16. Institutions are required to return their HESES07 survey **by noon on Monday 10 December 2007**. Once we receive the data, we carry out a number of validation and credibility checks, and calculate whether institutions have met their funding agreement targets for 2007-08. The data do not need to be formally signed off by the vice-chancellor or

principal at this stage. However, it is good practice for a senior member of the institution to agree the return prior to submission.

17. During December, HEAs will write to institutions, attaching their HESES data and the comparison and grant adjustment reports generated from them. Institutions will be asked to:

- verify that the data are accurate, or make corrections
- answer any questions we may have about the data
- submit any appeals against formulaic grant adjustments, such as holdback.

18. By 14 January 2008, all institutions must have signed off their HESES data as being correct as at the census date of 1 December 2007. The data should be signed off by the vice-chancellor or principal of the institution, or their most appropriate deputy, on the institution's behalf. This person should be different from, and preferably senior to, the preparer of the return, and should assess the return for accuracy and completeness before signing it off. The timetable for this is tight: if corrections to data are made, we then reissue the data for re-verification by institutions. We expect institutions to answer any questions about data within five working days.

19. During January we will consider any appeals against formulaic grant adjustments. Institutions will be notified of the outcomes of their appeals in February. We will announce provisional allocations of recurrent grant for 2008-09 on 3 March 2008.

20. The timetable is summarised below.

Early November 2007	<ul style="list-style-type: none"> • Organisation and group keys issued to institutions • HESES workbooks available to institutions
December 2007	<ul style="list-style-type: none"> • 10 December – deadline to return HESES data • Mid-December – validation and credibility checks by HEFCE • Mid-December – HEAs write to institutions, asking them to verify the data, answer any questions about the data and submit any appeals against formulaic grant adjustments. Institutions will have five working days to answer questions about data
14 January 2008	<ul style="list-style-type: none"> • Institutions must have authorised and signed off their HESES data as being correct at 1 December 2007 • Deadline for submission of appeals
February 2008	Institutions notified of final grant adjustments, including the outcome of appeals
3 March 2008	Institutions notified of provisional allocations of recurrent grant for 2008-09
16 May 2008	Deadline for institutions to request amendments to provisional allocations
Late July 2008	Institutions receive their funding agreements, including final grant allocations, for 2008-09

21. There are two grant announcements in the year – in March and July. To be reflected in the March grant announcement, we need to receive all HESES data amendments by 14

January 2008. To be reflected in the July grant announcement, we need to receive any further HESES data amendments by 16 May 2008. However, because our total budget is limited, we cannot guarantee to provide additional funding arising from amendments received after 14 January. All changes to grant after the initial March announcement are subject to approval by our Board; we will not confirm the effects on funding of data changes until that approval has been given. After the March grant announcement, the Board will next consider changes to grant in July so that they can be included in the July funding announcement.

22. In January 2009, we will compare HESES07 data with the 2007-08 HESA student record and 2007-08 LSC individualised learner record (ILR) F04. If we find, either through reconciliations with HESA or LSC data, or through any data audit, that erroneous data have resulted in institutions receiving incorrect funding allocations (including for widening participation), we will adjust their funding accordingly (subject to the appeals process and the availability of our funds).

Returns

23. Returns should be uploaded to the HEFCE extranet no later than **noon on Monday 10 December 2007**.

24. We will not accept any requests for late submission of data. Where an institution fails to return data on time, or the returned data are not credible, we may base the allocation of funds on our own estimate of student activity. Institutions that do not submit credible data on time are more likely to be audited.

Audit

25. We will continue our programme of audits of data used for funding purposes. Institutions should therefore keep an adequate audit trail recording how the data have been derived. This is especially important where institutions are including estimates or making judgements; for example, the basis for forecasting non-completions should be recorded. Institutions must ensure that estimates are reasonable and have sufficient supporting data. Evidence of enrolment should be available for inspection. Our auditors will also seek to rely on any relevant internal audit work that has been carried out on the student record system and/or the method for compiling the HESES return, where appropriate.

26. As part of our audit process we will compare HESES07 data with a variety of other data, most notably individualised HESA data as these become available. Details of how we expect to compare data are given in HEFCE 2007/15, and in Appendix 1. We will also compare data returned on HESES07 and the Research Activity Survey 2007. We may refuse to accept data where there are significant differences.

Audit of HESES06

27. For HESES06 we are auditing 16 institutions and following up previous audits at a further three institutions. At the time of preparing this publication, not all the audits had been

completed. The completed audits highlighted the following areas in which some institutions were incorrectly interpreting the HESES guidance, or where internal institutional systems and practices did not facilitate the production of the HESES return. The main findings included:

- lack of robustness in the estimation of non-completions and forecast countable years
- incorrect calculation of part-time load factors and assessment of headcount and completion status for continuing education students
- poor communication within collaborative arrangements
- inadequate audit trail between the student record system and the HESES return
- lack of analytical review of figures in the return to identify anomalies and ensure that the data make sense
- lack of reconciliation between HESES and HESA returns before submission to HESA
- incorrect recording of student activity as being full-time if a student is only active for part of a year.

28. To assist with future compliance, we strongly recommend that all institutions undertake a formal review of existing arrangements, taking into account the advice and information given below and in the 'Audit issues' sections in the relevant annexes.

Audit issues

Inadequate audit trail

29. In some cases, the audit trail between student record systems and the HESES return was inadequate. A record of the basis for making estimates of non-completions and forecast countable years should be kept, along with any relevant electronically stored data, printouts and working papers used in completing the return. This is particularly important where only one person is responsible for the return, as the institution must be capable of reproducing the return should that person leave. The audit trail should be retained for at least three years. Source documents such as registration forms should also be retained. Where an institution uses document image processing or other methods to store such information, the original documents should normally be retained for at least one year, and the copy retained for at least a further two years.

30. There should be an audit trail to individual figures in the return for all Column 1 figures, identifying individual students within those figures. During audit we ask for a sample of these figures to be rebuilt. In the case of the estimates, that is Columns 2 and 3, there must be a clear rationale for the figures and back-up data justifying what is being returned.

31. Where the institution leads in franchise arrangements, the audit trail must include evidence for the inclusion of franchise students, and forecasts relating to such students.

Knowledge management

32. At many institutions, the knowledge required to prepare the HESES return is undocumented and sometimes lies with only one person. This creates a risk that in the absence of that person, particularly at crucial times of the year, the institution may not be able to prepare the return on time or to the appropriate standard. A good audit trail helps to reduce this risk. But we also consider it good practice for all institutions to manage this risk by ensuring that at least two people can both produce the information for the return and prepare the return itself.

33. In addition, institutions should ensure that the relevant processes are adequately documented and that this documentation is kept up to date. This requires all relevant staff, including experienced staff, to consider HESES each year and make any necessary changes to their systems.

Analytical reviews and data reconciliations

34. Someone independent of the compiler of the return should carefully review the return to ensure that the figures make sense in relation to the supporting data, and that basic inputting errors have not occurred. This will increase the accuracy of the returns being submitted.

35. A reconciliation between the HESES return and the Research Activity Survey should be made, and any differences identified to ensure that they are bona fide. The reconciliation should be retained with the working papers of both returns, so it can be reviewed in future if necessary.

36. A reconciliation between HESES07 and HESA 2007-08 returns should be made before the HESA data are submitted. Differences should be examined to see which return is correct, and amendments made to HESA data if necessary. This will be useful preparation for the HESA-HESES reconciliation exercise if differences are substantial. It should also help to eliminate inconsistencies in students' treatment in the two returns for future reference, and reduce systems problems with the way in which students are returned in HESA data before submission. In summer 2008 we will give institutions access to a web facility that will be able to generate a re-creation of HESES07 from a HESA 2007-08 return.

Authorisation of the HESES return

37. At some institutions, the person responsible for producing the HESES return also signed it off on the institution's behalf. We expect the HESES return to be signed off as described in paragraph 18 above, and not by the preparer of the return. The person signing off the return should have an understanding of our data collection requirements, to ensure that the institution has systems capable of producing an accurate, complete return and that the preparer of the return has compiled it competently.

38. The analytical review function of the person who signs off the return is vital in reducing the number of 'obvious' errors returned (see also paragraph 34).

Management information

39. The student record system is not only important from the point of view of HESES and other statistical returns, it is also a source of management information for the institution. The opportunity to use this resource is, however, being lost at many institutions we visited. Typically, student records are only cleaned up at the time of end-of-year examinations, because academic staff have to rely on the data at that time. The opportunity to use the data throughout the year as a management tool for identifying problem areas or potentially failing students is lost.

40. It is important to encourage use of the main student record system for recording marks within the year if possible. Use of separate databases held locally at departmental, school or faculty level will not help to ensure that the main student record is up to date and hence useful as a management tool.

41. Although most institutions use the data effectively, a growing number have implemented 'data warehouse' solutions to provide key management information from the student records system.

42. Management information is only useful if it is complete, accurate and timely. In turn, complete and accurate data would produce a more accurate HESES return.

43. Particularly where institutions are implementing new student record systems, there can be a lack of attention to forthcoming reporting requirements. During audit we do not ask for any reports that could not reasonably be expected to be used in everyday activity. However, some institutions have enormous difficulty in extracting these standard data from the student record system. An awareness of reports required for everyday activities should be considered as part of the overall project, and scoping for these should be given priority. Data that cannot be extracted and reported on are of little value.

44. Developing exception reporting and using such reporting to highlight data issues for review and subsequent amendment will help to ensure that high quality data are returned in the future. Data quality will also be enhanced by data management reviews by those with a good understanding of the data.

45. We encourage institutions to liaise with appropriate HEFCE staff when issues concerning the correct returning of data arise.

Variable practices

46. Although institutions have academic regulations and procedures for managing student data in the student record system, the audit visits picked up many instances of inconsistent practice within institutions.

47. Differential practices did not necessarily mean that procedures were not being followed; in a number of instances it was clear that the procedures were inadequate to cope with the complexity of the area in question. For example, faculties of health studies often have requirements over and above those of the rest of the institution. However, it was clear in other areas that the staff managing the data were not sufficiently trained in the institution's requirements.

48. Data quality will be improved if the requirements of all data users are fully understood and taken into account by staff who manage and maintain the student record system. All users should also be trained in the data requirements of the institution, so that they understand why they are asked to perform particular tasks.

Problems with implementing new student record systems

49. Implementing a new student record system is a major undertaking. It is essential that institutions manage this process carefully to ensure that the system does not fall into disrepute before the process is complete.

50. One problem we found with new systems was the lack of ability to draw out management information and basic reports from the system (see also paragraph 43). As part of the overall implementation project, it is essential to include the requirements for both everyday reports needed by academic and administrative staff and top level management reports, and make arrangements to ensure that they can be delivered. During audit we ask for quite basic reports that sometimes cannot be provided, or take a long time to produce. These are not specialist reports only for audit, but the kinds of reports that could reasonably be expected to be generally available.

Annex A

HESES07: Getting started

1. This annex is an introduction to the HESES guidance and should be used in conjunction with the other annexes.

Which students are in the HESES population?

2. A definition of the HESES population is given in Annex C. The population includes students who meet **all** the following criteria:
- a. They are actively pursuing studies with the institution for at least part of the academic year 2007-08. This includes outgoing, but not incoming, exchange students.
 - b. They are studying towards a recognised HE qualification aim, or a credit that can be counted towards one.
 - c. They have an individual record returned on the HESA student record or the LSC ILR.
 - d. They are not being returned on any other institution's HESES or HEIFES return for that year of instance.
3. Students spending most of their time for the whole course outside the UK should not generally be included in the population.

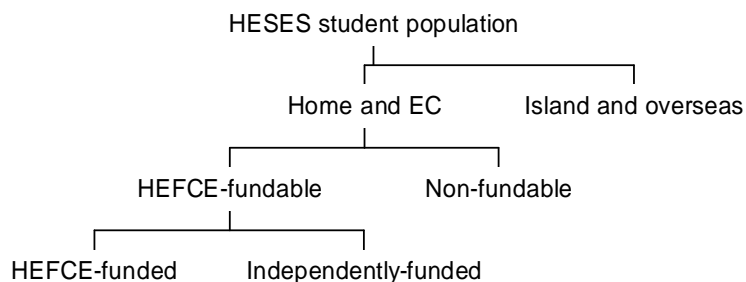
Are they countable on this year's HESES?

4. A year of instance for a student within the HESES07 student population must meet the following criteria to be counted:
- a. A tuition fee is charged (the fee may be waived for individual students).
 - b. The full-time equivalent (FTE) for the year of instance is at least 0.03.
 - c. The student is not writing up for the whole of the year of instance.
5. When a year of instance becomes countable depends on the type of year of instance. Students on standard years of instance are counted at the start of each year of instance. For Tables 1 to 6 of HESES07, students on non-standard years of instance are counted on 1 August of each academic year in which they are active, except the first. For Table 7, how students on non-standard years of instance are reported will depend on how their FTE would have been returned to HESA for the 2006-07 academic year. This is explained in more detail in Annex E.

What is their fundability status?

6. Annex G provides the strict definitions on residential and fundability status. In HESES, students are disaggregated between home and EC, and island and overseas. Home and EC students are then disaggregated between HEFCE-fundable and non-fundable. HEFCE-

fundable students are then further disaggregated between HEFCE-funded and independently-funded. This hierarchy is shown in the diagram below.



Home and EC; island and overseas

7. Island and overseas students are generally those from the Channel Islands or the Isle of Man, or from outside the EC or specified overseas territories. They are not included in any of our funding allocations or student number targets for 2007-08. Students who are not island and overseas are home and EC.

HEFCE-fundable; non-fundable

8. The four main categories of home and EC non-fundable students are those who are:

- a. Funded from another EC public source, for example the Department of Health, Modern Apprenticeship scheme or Training and Development Agency for Schools (TDA), or from European grants such as the European Social Fund (ESF). In some cases, where the public funding does not cover HEFCE standard resource rates, a proportion of the students on the course may be returned as fundable, as long as they are not excluded for other reasons – see sub-paragraphs 5a, 5d and 5e of Annex G.
- b. Students whose activity is not funded through mainstream HEFCE recurrent funds for teaching, but whose funding has been separately agreed and notified by us. This includes those who are to count towards the delivery of funding or student number targets relating to:
 - i. Lifelong learning networks (LLNs) that are not supported through the mainstream teaching grant ('model 2' LLNs) and which are reported by the lead institution.
 - ii. Student numbers co-funded with employers.
 - iii. Higher Level Skills Pathfinders.
 - iv. Any other separately notified allocation such as for some Skillset screen academies.

It also includes courses where we distribute funds on behalf of other government departments.

- c. On closed courses, which are not open to any suitably qualified candidate. This will cover, for example, courses which are provided solely for the employees of particular companies.
- d. On courses which are franchised out to an organisation which is neither a UK HEI nor a UK FEC, unless we have given specific approval to include them as fundable.

9. Home and EC students who do not meet the definition of non-fundable are HEFCE-fundable.

HEFCE-funded; independently-funded

10. Institutions may choose to record home and EC HEFCE-fundable students as independently-funded, if they receive sufficient funding from non-public sources to cover the HEFCE standard resource level for the particular category of student. Independently-funded students are not included in our calculations of standard and assumed resource, but do still count towards FTE targets for funding conditional upon delivery of growth. In general, the declaration of eligible students as independently-funded will only benefit institutions that are currently under-resourced from public funds (below the ± 5 per cent tolerance band around standard resource), as an aid to migration to within the band. Home and EC HEFCE-fundable students whom the institution chooses not to record as independently-funded are HEFCE-funded. See Annex G, paragraphs 13-15.

Is the qualification aim a recognised HE qualification?

11. Recognised HE qualifications are those defined in paragraph 1 of Schedule 6 of the Education Reform Act 1988. National Vocational Qualifications (NVQs) and free-standing foundation years are not included. See Annex D.

What is considered a non-completion?

12. A student who fails to complete (that is, undergo the final assessment of, or pass) any module within the year of instance is to be returned as a non-completion for all activity in that year. See Annex E, paragraphs 22-31.

How are students classified into mode?

13. Students are classified into full-time, sandwich year-out or part-time according to the definitions in Annex I. Students following the same course with the same pattern of activity should generally be returned with the same mode.

- a. Full-time students will be on a course where they are usually required to attend for at least 24 weeks, 21 hours a week for the year of instance, and a full-time fee is chargeable for the year (even if it is waived for some individuals).
- b. Sandwich year-out students are those on sandwich courses, as defined in Regulation 2 (9) of the Education (Student Support) Regulations 2007 (SI 2007 No. 176), as may be amended, who are on their year out.
- c. Part-time students are all other students. Note that this includes Higher National Certificate (HNC) students who are expected to complete in one year, but whose course is not subject to regulated fees.

How are students classified into level?

14. Undergraduates are students studying towards a first degree (including foundation degree), foundation degree bridging course, HE certificate, HE diploma or equivalent (or registered for an institutional credit that can be counted towards one of these qualifications). In Tables 1a, 2 and 3, undergraduates are disaggregated between 'FD' (foundation degree) and 'UG (excl. FD)' (undergraduate excluding foundation degree). Provision below degree level includes Higher National Diplomas (HNDs), HNCs, Diplomas of Higher Education (DipHEs) and Certificates in Education (CertEds). Postgraduate qualifications, including higher degrees and Postgraduate Certificates in Education (PGCEs), are those where the normal condition of entry is a qualification at degree level (that is, the student is already qualified at honours level in the Quality Assurance Agency for Higher Education's (QAA's) framework for higher education qualifications in England, Wales and Northern Ireland). Postgraduates are split into postgraduate research students and postgraduate taught students; a definition can be found in Annex J, paragraph 5.

What counts as a long year of instance?

15. For full-time courses, the year of instance is returned as long if:
- a. Students are normally required to attend for 45 weeks or more within that year of instance, or
 - b. The year of instance includes a within-course short period of study, awarded as a summer school through an additional student numbers (ASN) exercise and explicitly notified by HEFCE.
16. For part-time courses, the distinction depends on the length of each year for an equivalent full-time course. See Annex K.

Under which price group should the student be returned?

17. Price groups are defined in terms of academic cost centres. A mapping from cost centre to price group can be found in Annex H, paragraph 1. Some cost centres are in more than one price group; these are described in paragraphs 3-19 of Annex H. Where the activity for a year of instance falls into more than one cost centre, and these cost centres do not fall entirely within one price group, the year should be split between price groups. Students on Initial Teacher Training (ITT) courses which lead to qualified teacher status (QTS), and all students holding QTS who are on an In-Service Education of Teachers (INSET) course, should be attributed to the ITT (QTS) and INSET (QTS) price groups respectively, regardless of any activity in cost centres.

How should years of instance be returned in Table 4, the fee table?

18. Generally, full-time undergraduates (including those aiming for a qualification below degree level) and PGCE students are subject to the regulated full fee, and part-time ITT students, sandwich year-out students and language year-abroad students are subject to the

regulated half fee. Only full-year outgoing exchange students on ERASMUS exchanges should be returned with a regulated fee of £0. Most postgraduates and part-time students are not subject to regulated fees and should be returned with a fee level of 'Non-regulated', regardless of what they actually pay. See Annex M, paragraphs 12-14.

How is the FTE calculated for part-time students?

19. The FTE is calculated by comparing either the duration of the course or the credit points studied with an equivalent full-time course or, if such a course does not exist, with a similar full-time course. The total FTE per student for a part-time course should equal the total FTE per student for an equivalent full-time course.

Which tables should be completed?

20. All full-time students should be returned in Table 1a, the full-time table, whatever HE level they are studying at. Similarly, all sandwich year-out and all part-time students should be returned in Tables 2 and 3 respectively.

21. Table 1b should be completed if the institution has full-time undergraduate medical or dental students. These are students on programmes of study that normally lead to a first registrable medical or dental qualification. The students returned here are a subset of the undergraduates returned in Table 1a. See Annex L, paragraphs 2-8.

22. All home and EC students returned in Columns 1 and 2 of Tables 1a, 2 and 3 should also be returned in the fee table, Table 4, even if every student is recorded as having a fee level of 'Non-regulated'. Island and overseas students should **not** be included in Table 4.

23. All home and EC students returned in Columns 1 and 2 of Tables 1a, 2 and 3 should also be returned in Table 5, split between home students (those domiciled in the UK) and others. This table also contains new entrant and franchised-out data. Island and overseas students should **not** be included in Table 5.

24. Table 6 should be completed if the institution is the lead of a HEFCE-recognised funding consortium (see Annex C, paragraphs 14 and 15) and should contain a subset of HEFCE-fundable students returned in Columns 1 and 2 of Tables 1a, 2 and 3.

25. Completion of Table 7 is optional and restricted to institutions that reported non-standard years using the 100:0 method on their 2005-06 HESA student return. Institutions can use this to report their total FTE for all years of instance using the same methods as they adopted for HESES06. See Annex L, paragraphs 14-16 for further information.

Which columns should be completed?

Tables 1a, 1b, 2 and 3

26. The main HESES tables, Tables 1a, 1b, 2 and 3, ask for the following:

- Column 1 – student data as at the HESES census date (1 December). Students who have withdrawn prior to 1 December are excluded (although students who have completed before this date are included)
- Column 2 – forecast data after the HESES census date (2 December to 31 July)
- Column 3 – forecast non-completions (after 1 December). These are recorded as negative values
- Column 4 – estimated completions for the year – the sum of the previous three columns
- Column 4a (Table 3 only) – FTE of estimated part-time completions
- Column 5 (Tables 1a, 2 and 3 only) – headcount of ‘model 2’ LLN ASNs delivered. This is a subset of Column 4 and should only be completed by institutions that are the lead of a ‘model 2’ LLN
- Column 5a (Table 3 only) – FTE of part-time ‘model 2’ LLN ASNs delivered. This is a subset of Column 4a and should only be completed by institutions that are the lead of a ‘model 2’ LLN.

27. Column 4 of Tables 1a and 2 and Column 4a of Table 3, HEFCE-funded data, are used in our resource calculations. Column 4 of Tables 1a and 2 and Column 4a of Table 3, HEFCE-fundable data, are used in monitoring against the FTE targets for funding conditional upon delivery of growth. Column 5 of Tables 1a and 2 and Column 5a of Table 3 are used in assessing the delivery of funding or student number targets for LLNs that are not supported through the mainstream teaching grant.

28. Students who follow standard academic years should normally be returned in Column 1. Where it is known that a student will start their course late (after 1 December), but that they intend to catch up with the rest of the students on the course, which follows a standard academic year, the student should also be included in Column 1. Students who are on courses which start after 1 December, but the year of instance for the course finishes within the academic year, should be returned in Column 2.

29. Students who follow non-standard academic years should also be returned in Column 1. However, they will be counted on 1 August in each academic year in which they have activity, except the first. For example, if a student starts a two-year course in January 2007, with each year of instance running from January to December, they will be counted at 1 August 2007 (on HESES07) and at 1 August 2008 (on HESES08). They are counted twice, once for each year of instance. If the institution previously used the 100:0 method to report non-standard years to HESA, the first year of instance would already have been reported in Column 2 of HESES06. Nevertheless, it should be reported again on HESES07. We would not expect to see any students following non-standard academic years returned in Column 2. See Annex E for further explanation.

30. An estimate of students who will not complete the year of instance after 1 December 2007 should be returned in Column 3. The estimate should be based on past experience of non-completions. Negative numbers should be returned in this column.

31. Column 4 is calculated in the tables and is the sum of Columns 1, 2 and 3.

32. On the part-time table, Table 3, only the FTE of the students in Column 4 should be returned in Column 4a. For example, if there are 10 students in Column 4, five who have an FTE of 0.5 and five who have an FTE of 0.3, then $(5 \times 0.5) + (5 \times 0.3) = 4$ should be returned in Column 4a. Similarly for Columns 5 and 5a.

Table 4

33. Home and EC students who have been returned in Columns 1 and 2 of Tables 1a, 2 and 3 should also be returned in Columns 1 and 2 respectively of Table 4, under the appropriate mode of study.

Table 5

34. Students entitled to pay home and EC fees who have been returned in Columns 1 and 2 of Tables 1a, 2 and 3 should be returned in Column 1 of Table 5, under the appropriate level and mode of study.

35. Students included in Column 1 of Table 5 who meet the definition of 'new entrant' should also be returned in Column 2 of this table.

36. Column 3 of Table 5 should be completed if the institution has students who are wholly or partially franchised out; this is a subset of Column 1 of this table.

Table 6

37. The lead institution of a HEFCE-recognised funding consortium should return HEFCE-fundable students from Columns 1 and 2 of Tables 1a, 2 and 3 in Columns 1 and 2 respectively of Table 6, under the appropriate level and mode for each member college.

Table 7

38. The columns in Table 7 should be completed using the same methods as for the columns in Tables 1a, 1b, 2 and 3, with the exception that non-standard years of instance should be counted using the methods used for HESSES06. See Annex M, paragraphs 24-30 for more information.

When the tables have been completed

39. Each worksheet contains a number of validation checks. If an error or inconsistency is detected in a completed worksheet, a message reading **Validation: Failure (see below table)** will appear above the column in the table in which there is a validation failure, and the values in the cells which are causing the error will turn red. Below the table, the error will be described in more detail. These errors must be corrected before submitting the tables to HEFCE. If the error cannot be identified, institutions should e-mail us for advice at heses@hefce.ac.uk. The validation checks are described in more detail in Appendix 2.

Annex B

Summary of changes and clarifications since HESES06

1. Following a review of the HESA student record, the method of reporting students on non-standard years of instance has changed for institutions that used the 100:0 method in HESES06. Annex E provides further details on how students on non-standard years of instance should be recorded in Tables 1a, 1b, 2, 3, 4, 5 and 6 of HESES07. Advance notice of this change was described in HEFCE Circular Letter 15/2007.
2. As a result of the change in the reporting method for non-standard years, institutions' ability to meet their funding agreement targets for 2007-08 may be affected. To address this issue we have introduced a new table (Table 7). Completion of Table 7 is optional and restricted to institutions that reported non-standard years using the 100:0 method on their HESES06 return. See Annexes L and M for more information on how to complete Table 7. Further information on the funding issues associated with this change is given in HEFCE Circular Letter 15/2007.
3. The term 'programme of study' has generally been changed to 'instance' to be consistent with HESA terminology.
4. The Education (Fees and Awards) (England) Regulations 2007 (SI 2007 No. 779) (available from the Office of Public Sector Information (OPSI) web-site, www.opsi.gov.uk, under Legislation/UK/Statutory Instruments) now provide home fee status for students from some overseas territories. Students from these overseas territories should be considered as home and EC students in HESES07 if they meet the criteria set out in the above regulations. A list of overseas territories affected can be found on the HEFCE web-site, www.hefce.ac.uk, under Questions/HESES FAQs.
5. Following membership of the EC from 1 January 2007, students from Romania and Bulgaria should be considered as home and EC students in HESES07 if they meet the fundability and residential conditions set out in Annex G.
6. Clarification of the arrangements for registering students and returning data for 'model 2' LLNs can be found in Annex C, paragraph 16. Where students are to count towards the delivery of funding or student number targets for a 'model 2' LLN, they should be included as non-fundable in the HESES07 student population of only the lead institution.
7. Clarification of the treatment of learning in the workplace and work experience for the purposes of determining mode of study can be found in paragraphs 10-13 of Annex I.
8. Clarification of the treatment of franchised-out students when assigning cost centres (and price groups) is given in paragraphs 23-25 of Annex H.
9. In previous years, key audit findings have been described in a separate annex (Annex O). In HESES07, these audit findings are instead contained in sections entitled 'Audit issues' within the main body of this publication and each relevant annex.

10. Clarification of the determination of mode of study for students under the British Council's Language Assistant scheme is given in Annex I, paragraph 4.

Annex C

The HESES07 student population

1. HESES07 records counts of years of instance for students aiming for a recognised HE qualification. The students that generate these years of instance are called the HESES07 student population. Paragraphs 2 and 3 below define which students should be included in the HESES07 student population. Some students within this population may generate years of instance which are counted in a previous or future HESES survey, but do not generate any years included in HESES07 (see Annex E for when to count activity). All years of instance counted in HESES07 must relate to a student within this population.

2. Students meeting **all** the following criteria should be included in the HESES07 student population:

- a. At least part of a year of instance in which they are actively pursuing studies with the institution falls within the academic year (1 August 2007 to 31 July 2008). This includes outgoing exchange students.
- b. They are studying towards a recognised HE qualification, or a credit that can be counted towards such a qualification, as defined in Annex D.
- c. They have an individual student record returned to HESA or on the LSC ILR.
- d. They are not being returned on any other institution's HESES or HEIFES return.

3. Students in **any** of the following categories should **not** be included in the HESES07 student population:

- a. Students not studying towards a recognised HE qualification, or a credit that can be counted towards such a qualification.
- b. Students whose sole qualification aim is an NVQ. However, students should be included if they gain both a recognised HE qualification and an NVQ as the result of a programme of study.
- c. Students who will not be included in the individualised student record for the institution at which they are registered or, in the case of 'model 2' LLNs, the lead institution of the LLN. All students included in the HESES07 student population must be included in the institution's individualised student record, even if this is not normally compulsory under the coverage of the record.
- d. Incoming exchange students.
- e. Students franchised in from another institution, or who are part of a HEFCE-recognised funding consortium where the institution is not the lead institution (see paragraphs 4-15 below).
- f. Students spending most of their time for the whole instance outside the UK (including distance learners outside the UK), except where:
 - i. There is a clear academic reason for studying abroad rather than in the UK. Even where such a reason exists, we must specifically sanction the course as eligible.

- ii. The student is temporarily and unavoidably abroad and remains liable to UK tax on their earnings, or is a dependant of such a person. This includes members of HM Forces and their dependants.

Sandwich students working abroad and language year-abroad students should normally be included in the HESES07 student population, as the year abroad will not constitute most of their instance.

- g. Students for whom no year of instance in which they are actively pursuing studies falls at least partly within the academic year 2007-08. For students following standard academic years this means the student is not actively pursuing any studies within the year. This includes:
 - i. Students who are writing up for the whole of the academic year.
 - ii. Students who are only undergoing an assessment. This includes students on TDA-funded Graduate Teacher Programmes (GTPs) or Overseas Trained Teacher Programmes (OTTPs) where the programme consists only of a QTS assessment.
- h. Students registered for research qualifications awarded primarily on the basis of published works should not be included in the student population unless they undertake a significant amount of research at the institution.
- i. Students who are on School-Centred Initial Teacher Training (SCITT) programmes.
- j. Students who are being returned on any other institution's HESES or HEIFES return. This will include students funded under 'model 2' LLNs where the institution is not the lead.

Students taught under partnership, collaborative or similar arrangements

- 4. Institutions should note that a student is considered to be 'registered' on the HESA student record at the institution that collects the fee for the student.
- 5. Many students are taught under a variety of collaborative arrangements. For the purposes of HESES07 there are three broad types:
 - a. Franchises – this applies to virtually all collaborative arrangements, including many that institutions may refer to as consortia, such as those for the delivery of foundation degrees.
 - b. HEFCE-recognised funding consortia.
 - c. 'Model 2' LLNs.
- 6. The features of these three broad types of collaborative arrangement are described below. Institutions that are the lead of HEFCE-recognised funding consortia are asked to identify the student numbers involved separately in HESES.

Collaborative arrangements treated as franchises for HESES purposes

7. Unless the student is being taught through a HEFCE-recognised funding consortium or as a 'model 2' LLN student, all provision delivered through a collaborative arrangement is regarded as being a franchise for the purposes of HESES07. Industrial placements, work experience and language years abroad should not normally be regarded as franchised out for the purposes of HESES.

8. The following paragraphs explain who should return franchised activity to us. The 'HEFCE survey' referred to below will be either:

- HEIFES07 for FECs or
- HESES07 for HEIs.

9. Where one institution collects a fee for tuition or supervision of research for a student, but the student undertakes all or part of their study at another institution, only the institution that receives the fee should include the student in its HEFCE survey student population. Such a student is regarded as franchised out by the institution collecting the fee.

10. If a course is run jointly by more than one institution, only the institution that receives the fee should include the student in its HEFCE survey student population.

11. If two institutions receive a fee from a student for a given year of instance of a course, the institution that receives the largest portion should include the student in its HEFCE survey student population. If both institutions receive the same amount, the institutions must ensure that only one of them includes the student in its HEFCE survey student population.

12. In some cases the institution teaching the student may collect the fee on behalf of another institution. Where this is the case, if the fee is transferred directly to another institution, the latter should include the student in its HEFCE survey student population. If the fee itself is not transferred but is used to offset payments between two institutions in respect of the student, this should be treated as if the fee had been transferred.

13. In all the above cases, the student is a student of the franchiser. The institution that includes the student in its HESES07 student population must also return a record to HESA, and its performance indicators and quality assessments will take account of activity relating to that student as appropriate.

HEFCE-recognised funding consortia

14. A HEFCE-recognised funding consortium is a mechanism for distributing grant to a group of institutions through a single lead institution. Consortia are only 'HEFCE-recognised funding consortia' if we have notified the institutions concerned in writing. As with a franchise, the lead institution will return all data relating to the consortium in its HESES return, while the individual consortium members will not report the provision in any aggregate student number returns they may make to us.

15. However, such an arrangement differs from a franchise in that the student is recognised as a student of the appropriate consortium member, rather than of the lead institution. This means that the student will be reported in either the HESA or LSC individualised returns of the appropriate consortium member, rather than those of the lead institution. Likewise, the student will be reflected in the performance indicators and quality information for the member institution, rather than the lead institution. Apart from for HEFCE funding purposes, the student will in all other respects be treated as a student of the consortium member.

'Model 2' LLNs

16. 'Model 2' LLNs are a new way of funding ASNs where they are to be delivered via a number of institutions. Funding (which is outside HEFCE's mainstream teaching grant) is allocated through a lead institution which will not necessarily be the institution that registers a student. Where students are to count towards the delivery of funding or student number targets for a 'model 2' LLN, they should be included as non-fundable in the HESES07 student population of the lead institution (and no other institution). They should also be included in the individualised student record of the lead (and no other) institution. Such students will normally be included in published data relating to the lead institution and, in particular, will be included within the performance indicators of the lead institution. Students taught as part of a 'model 2' LLN who are not counting towards the delivery of funding or student number targets of the LLN should be included in the HEFCE survey population of the registering institution.

Audit issues

Collaborative arrangements

17. Many institutions are involved in collaborative arrangements with other institutions, for example franchise arrangements with FECs. It is essential that the exchanges of information and communications between all the partners are frequent, timely, open and effective. In particular, we highlight the importance of the lead institution being told promptly by the partner institutions about any non-completing students. This may require clear protocols among partner institutions regarding exchange of information.

18. The different roles of each partner in collecting and managing data will vary. However, the principle applied at audit is that student data should be managed with equal professionalism at all partner institutions. When entering into partnership arrangements, the systems in operation and the exchange of information should form part of the negotiations and final agreement.

19. It is also important that students are returned on HESES by the lead institution only. Institutions' student record systems should clearly identify the students eligible to be returned by them, and should ensure that those not eligible are excluded. A lead institution's student record system should contain collaborative students' records in the same way as it does its

'own' students. This will help to ensure that collaborative students are correctly returned in HESES, and that an audit trail to such students is included in the return.

20. Use of the lead institution's standard forms by partner institutions is strongly encouraged – for example for enrolment, module registration, interruption of studies, change of module, change of programme and withdrawal. This helps to identify clearly which institution a student belongs to, and is especially important where an institution deals with more than one partner institution. It also ensures that the lead institution is collecting all the data it requires for its own purposes.

Inclusion in the return of students who have not fully registered

21. Students who have not fully registered, and for whom there is no evidence of activity by the census date, should not be included in the return. Students who have not fully registered by the census date, but for whom there is evidence of activity, may be included in Column 1 of the return. However, efforts should be made to ensure that all eligible students are fully registered by the census date.

Annex D

Recognised HE courses

1. Recognised HE courses are those defined in paragraph 1 of Schedule 6 of the Education Reform Act 1988. This includes any postgraduate or undergraduate degree, accredited HE diploma or certificate. Other courses leading to professional or vocational qualifications may be included if they are generally recognised as HE qualifications; this does not include NVQs.
2. Students who are not studying towards a recognised HE qualification, or a credit that can be counted towards one, are excluded from the HESES07 student population.
3. Foundation years, and other provision commonly referred to as 'level 0', are recognised HE courses only if they are an integrated part of a recognised HE qualification. Such provision will only be considered integrated if students are already registered for the recognised HE qualification and there is guaranteed progression to the recognised HE qualification, subject to satisfactory completion of the foundation year. Free-standing foundation years and other free-standing 'level 0' provision are not recognised HE courses.

Annex E

Counting student activity

1. Students study towards qualifications over a period of time. This period can be split into one or more years of instance. The first year begins when the student starts studying towards the qualification; the second and subsequent years start on or near the anniversary of this date.
2. HESES counts years of instance for students aiming for recognised HE qualifications. This is not the same as counting students. This approach ensures that comparable activity is recorded in the same way, irrespective of when it occurs.
3. Exceptionally, a student may study towards two or more independent qualifications concurrently. Each instance would then generate its own year of instance which would be countable. Thus, a student studying towards a PhD and an unrelated undergraduate professional qualification would generate two years of instance each year. However, a student studying for several institutional credits that can count towards the same final qualification would generate only one year of instance each year. Usually, independent instances would link to different courses on the HESA student record.
4. Where students complete a foundation degree and then undertake a foundation degree bridging course to enable them to join the final year of an honours degree, the foundation degree bridging course should be treated as an independent course which will generate its own year of instance. However, it will not be a separate instance on the HESA record. See paragraphs 50-54 below.
5. In all cases where a student is studying for two or more separate and independent qualifications each should be returned as a separate instance on the HESA record. Guidance on when separate instances should be generated can be found on the HESA web-site www.hesa.ac.uk under Data Collection/Student Stream/C07051: Student Collection 2007/08/Additional guidance/Year-on-year linkage (HIN).
6. To be counted, years of instance must be generated by a student in the HESES07 student population, and meet **all** the following criteria:
 - a. A fee is charged for tuition or supervision of research. Exceptionally, this fee may be waived for individual students based on their particular circumstances. It should not be waived for all students on a course, and the criteria which determine whether fees may be waived should not be tantamount to waiving the fee for all students.
 - b. The FTE for the year of instance is at least 0.03.
 - c. The student is not writing up a thesis or similar piece of work for the whole of the year of instance.

Students are writing up where they have completed their research work and will not undertake any significant additional research. It is common practice for such

students to still receive a small amount of supervision, and they may still have access to other facilities at the institution. However, such students should still be treated as writing up.

Audit issues

Written evidence of fee waivers

7. Where the fee has been waived for a student, written evidence of this must be retained.

Counting years of instance

8. For students within the HESES07 student population, exactly when a year of instance becomes countable depends on the type of year of instance. There are two types of year of instance: standard and non-standard. A standard year is one where all activity for a year of instance is entirely within one academic year (1 August to 31 July). Nearly all undergraduate students are on standard years of instance. A non-standard year is one where all activity for a year of instance is **not** entirely within one academic year – that is, the year of instance crosses from one academic year into the next.

9. Some students who would normally be considered as following a standard academic year are actually on non-standard years of instance. The most common examples are MSc students who study for a full year between September and September. This is all one year of instance, yet has activity in two academic years and is therefore non-standard. All students on full-year courses which span two academic years are on non-standard years of instance.

Standard years of instance

10. For students studying on a standard year of instance, the student will become countable at the start of each year of instance. The FTE returned should be the FTE for the whole academic year.

Example

11. A student starts a degree programme on 20 September 2007, with each year of the course finishing at the end of June. As all activity for each year is contained within the period 1 August to 31 July, all years are standard. Thus the student becomes countable on 20 September 2007 and, depending on when the activity for the year starts, on or around the anniversary of this date each year.

12. Occasionally students join an instance at a date different to the usual start date. Such students may be treated as if they had joined with the rest of the cohort if:

- a. Having caught up with the rest of the cohort, they will subsequently follow an identical pattern of study, and

- b. Activity for all years of instance for the cohort falls within the academic year.

If this is not the case, the student should be treated as being on a non-standard year of instance.

Example

13. A full-time HND course starts on 1 October 2007 and runs from 1 October to 31 July each year, so the course has a standard academic year. A student starts the HND programme late, on 5 November 2007, but intends to catch up with the rest of the students on the course and follow the same pattern of activity as them. The student should be treated as if they had started at the same time as the other students, that is, on 1 October 2007.

Non-standard years of instance

14. The following guidance on the treatment of non-standard years of instance applies for the purposes of completing Tables 1a, 1b, 2, 3, 4, 5 and 6. For guidance on the treatment of non-standard years of instance in Table 7, please refer to Annex L paragraphs 14-16 and Annex M paragraphs 24-30.

15. For students on non-standard years of instance, the student becomes countable on 1 August of each academic year in which they are active, apart from the first. The FTE returned each time the student becomes countable should be the FTE for the entire year of instance.

Example

16. A full-time student starts a degree programme in January 2008 and the first year of the course finishes in November 2008. The student is on a non-standard year of instance because the activity spans two academic years. This student would not be included in HESES07, but instead in HESES08. However, a similar student who started in the previous year, in January 2007, would be included in Column 1 of Table 1a of HESES07 for their first year of instance.

17. Some students may generate two countable years of instance in their final academic year. This will happen where the student completes a non-standard year of instance and then goes on to complete their qualification within the academic year – that is, there is a short period of activity after the anniversary of the commencement date which is completed before the end of the academic year. In this case, the first year of instance should be returned as countable on 1 August. The second year should be returned as countable on or before 1 December if it starts on or before 1 December, and as countable after 1 December otherwise. The second year of instance should be returned as a standard year on the HESA student record.

Example

18. A full-time student started an 18-month course in January 2007 which ends in July 2008. The student would be counted on 1 August 2007 for the first year of instance on HESES07, and again on HESES07 as a student expected to become countable on the anniversary of the start date, in January 2008, for the second year of instance. The first year of instance would be returned in Column 1 of the full-time table, Table 1a. The second year of instance would be returned in Column 2 of the part-time table, Table 3, because it starts after 1 December but finishes within the academic year and in this case does not meet the criteria to be full-time. If the institution previously used the 100:0 method to report non-standard years to HESA, the first year of instance would already have been reported in Column 2 of HESES06. Nevertheless, it should be reported again in HESES07.

19. Data returned on the HESA record mainly relate to the HESA reporting year and are not disaggregated across years of instance. To allow institutions to return accurate data on activity within years of instance, four fields – INSTAPP, LOADYRA, LOADYRB and MODYR – are included on the HESA record. Completion of the latter three fields is optional. For monitoring purposes, where institutions do not complete these fields, we will use the following assumption or approximation. Where a student is active for the whole academic year, we will assume that the FTE for the year of instance is broadly comparable to the FTE for the academic year. Where the student is not active for the whole year, we will make an approximation based on the current year and the first year in which the student was active; or, where the FTE was returned using a different method during the student's first year, the FTE of similar first-year students from the current year. Full details of this process can be found in Appendix 2. Institutions should, where possible, avoid making an approximation of activity for the year of instance.

Audit issues

Students incorrectly recorded more than once on the HESES return

20. The student record system should be reviewed before data are extracted for the return, to check for duplicate records. This should be general practice throughout the year, particularly when new student records are being set up on the system. There may, exceptionally, be genuine reasons why a student has two records, and these reasons need to be established. Where it is not correct for a student to have two records, the student record system should be amended at the earliest opportunity.

21. Part-time students are sometimes counted as more than one headcount for different modules within the same course being studied. It is important that if students are only on one course they should only have one headcount in the return. Processes should be designed to ensure that this is the case.

Non-completions

22. Non-completion is defined in terms of modular programmes of study. It applies to all institutions, including those that may not consider their programmes to be modular. For HESES purposes a module is taken to mean a discrete component within a programme of study, sometimes referred to as a unit, 'course' or option. Where a student is studying a number of modules that can all count towards the same qualification, this should be treated as a single instance.

23. A student who fails to complete any module within the year of instance is to be returned as a non-completion for all activity in that year. In order to complete a module, the student must either:

- undergo the final assessment of the module (this refers to the activity of the student in sitting an exam or submitting coursework rather than the activity of an academic board in assessing the achievement of the student), or
- pass the module, where this can be achieved without undergoing the final assessment. Passing a module means that the student is awarded credit for that module.

An exception is allowed for full-time students where the module is in addition to the standard requirements for full-time study. In this case, a student who completes the number of modules normally required in the year for full-time study may be treated as a completion for the year of instance, even if they fail to complete other modules in the year that are in addition to the standard requirement.

24. Where there is no final exam, or the final exam does not constitute the final assessment for the module – for example, where a dissertation is submitted after exams – completion would be measured against submission of the final coursework or dissertation, or passing the module.

25. Exceptionally, a year of instance which counts towards a qualification taken over several years may not contain any formal assessment, for example where assessment will take place at the end of a later year. In this case, continued attendance throughout the year of instance would constitute completion. Institutions should therefore ensure that adequate evidence of attendance exists, such as class registers.

26. Where a part-time student has a clear intention of completing a specified activity within the year of instance, completion is measured against this. Thus, if a student starts the year intending to follow a certain pattern of activity but does not complete it, then that student would be a non-completion for all activity for the year. If the pattern of activity within the year is not specified, then provided that the student completes all activity started in the year, they would be considered as completing.

27. When a student undertakes a module that can lead to a qualification or institutional credit, but does not undergo assessment for that module, in general that student will be treated as a non-completion for all their activity in the year. This applies where assessment is

optional (for example on open programmes, including continuing education provision). However, an exception is allowed where the student has entered into a binding and irreversible commitment before the commencement of that module that they will not undergo assessment for it. In this case, the module would not be reported at all in HESES and the completion status of the student would not be affected by their completion of the unassessed module.

28. In some cases the final assessment for a module may fall outside the academic year in which it is counted, or exceptionally outside the year of instance. In either case, completion of the module is still measured by attendance at the final exam or submission of final coursework relating to the module, or passing the module. For example, if a student studies on a standard academic year but the examinations are held in August, completion will be determined by attendance at the August examination, or by passing the module.

29. In general, where completion is dependent upon attendance at a final examination, it should be judged by attendance at the first presentation of the examination. However, where it is agreed in advance that an individual student will not attend the first presentation, but instead sit a specified subsequent presentation, completion will be determined by attendance at that subsequent presentation.

Example

30. Examinations for a particular module take place in June, with an opportunity to resit in September. Before the exam's presentation in June, an individual student is excused from the exam because of personal circumstances and is invited instead to attend the September presentation. The completion status of the student would then be determined by attendance at the September exam.

31. Institutions should ensure that estimates of non-completion are supported by historical data. Any historical data used in this way should not be skewed by exceptional circumstances such as industrial action affecting exams.

Audit issues

Estimation of non-completions

32. The audits identified a common misconception that withdrawals notified from an academic department are the sole source of data for that department's non-completion estimate. Estimates of the number of non-completions should normally be based on the non-completion rate for the previous year for the particular course. Where this is not the case, there should be a clear rationale for any alternative methods used or adjustments made.

33. In using the previous year's non-completion rate for a course as the basis of the current year estimate, it is important to make sure that the non-completion rate for the previous year is accurately known. We found several examples where this has not been the case. Non-completion status should be recorded **in** the year of instance. Continuation of

study to the following year should not be taken as evidence of, or a proxy for, completion in the previous year.

34. Institutions may also find it useful to demonstrate the validity of their non-completion estimates by analysing the non-completion rates for different courses over, say, three to five years. This would help to identify trends, and years where the result is atypical compared with the trend. Non-completion rates in 2005-06 may be atypical because of the industrial action's effects on exams and assessment.

35. A review of the outturn compared with the estimate should be made at the year-end, and reasons for any discrepancies sought. This knowledge can then be used to inform the estimate for the following year.

36. Where the non-completion rate used in the return differs significantly from past data, there should be a clear rationale for the change. We found cases where institutions were using rates significantly lower than evidence from both their own data and audit, with no reasoning behind it.

37. Non-completions should be reported in a timely fashion, and the student record system updated to reflect the student's change in status. Systems should be in place throughout the year to enable identification of students who are missing from or struggling with the course, and steps taken to try to retain them at the institution. Reconciliations should be made with the student record system to ensure that it is up to date and accurately reflects what is being reported elsewhere. We found examples where additional students were on mark sheets but not on the student record system. There were also cases where students had clearly withdrawn, but their records had not been amended on the student record system.

38. Students' records not being updated in a timely fashion has led to their being included in the return when they had already left the institution by the census date.

39. Incorrect application of the FUNDCOMP status to student records returned in institutions' HESA returns has produced incorrect data on which to base the subsequent HESES return forecasts. The FUNDCOMP status should be applied to individual students' records with reference to funding completion rules, and not to institutions' own progression rules.

Assessment of headcount and completion status for continuing education students

40. Frequently, both headcount and completion status of continuing education students are based on an individual module extract which does not take into account that a student may be taking more than one module during the year. This will inflate the headcount and may inflate the number of completions as the completion status is judged on a single module rather than an assessment of all modules undertaken by an individual student within the year.

New entrants

41. Students should be classed as new entrants when they first generate a countable year for the instance. Students repeating the first year of a course should not be included as new entrants, whereas those entering directly into the second, or later, year of a course should be. Where students transfer between courses they should only be included as new entrants where this is considered a change in instance – that is, a new commencement date is entered in the HESA student record.

Summer schools

42. Four types of short course are sometimes referred to as summer schools. They are described in more detail below.

Summer schools for potential HE students

43. These are intended for potential HE students to experience a short period of study in an HE environment in the summer vacation. Such students are not included in the HESES population as the provision is not HE level.

Access provision

44. In some cases, institutions offer short preparatory or access courses for individual students to facilitate progression to an initial HE qualification. These courses are taken immediately before the start of their HE qualification. Where such provision is an integral part of an HE-level course, the students are included in the HESES population. It will only be considered integral if successful completion of the access provision guarantees seamless continuation on to the HE-level course, and the student has enrolled for both the access provision and the HE-level qualification on entry to the access course. The short access course and the first year of the HE course will typically count as one year of instance. This may result in the year of instance being counted as long, as defined in Annex K.

45. If the access provision is not an integral part of the HE-level course, it is not HE level and the students are not part of the HESES population.

Within-course periods of study in vacation time

46. These are within-course short periods of study which generally take place in vacation time, and are normally for students to catch up with others on the course. They are usually between years of instance but within a course. They are counted as part of the preceding year of instance and may result in that year of instance being counted as long, as defined in Annex K.

47. Where the short period of study occurs during the summer vacation, this may cause students who would normally be following standard years of instance to generate a non-

standard year for the year that includes the short period. However, for data collection purposes they should be treated as standard academic years.

Example

48. A student studies full-time for a degree over three years, with activity for each year of instance running from October to July. Between the second and third years, a short period of study, running from 25 July to 5 September, is undertaken to bring the student up to the standard of others on the course. This short period of study counts as part of the second year of the degree, and the second year of instance counts as a standard academic year. The year of instance would only be counted as long if it fitted the criteria to be long, given in Annex K.

49. Such short periods of study should be returned on the HESA student record in the same way as they are returned on HESES. That is, they should be included as part of the year of instance preceding the short period of study.

Foundation degree bridging courses

50. These are courses which come after a foundation degree has been completed, but before the final year of an honours degree course. They are short courses which are not an integral part of the course they are bridging from. Progression is assured from successful completion of a foundation degree bridging course to the final year of an honours degree. For the purposes of HESES, such a course is counted as a separate year of instance and is returned as part-time with an FTE of 0.3. If the bridging course spans two academic years, it should be recorded in the academic year in which the bridging course ends.

51. Where a student is studying a foundation degree bridging course, the FTE recorded in the STULOAD field on the HESA student record should be increased to reflect this. Where the bridging course spans academic years, the FTE should all be returned in the second academic year; this differs from the method used for other non-standard academic years. Institutions should also indicate in the BRIDGE field that the student has studied a foundation degree bridging course in the year in which the FTE is increased. It may be that the inclusion of a foundation degree bridging course would mean that the year of instance becomes non-standard. However, where the year would otherwise have been recorded as a standard academic year, it should still be recorded as such.

Example

52. A student completes a foundation degree in June 2007, then undertakes a bridging course from July to September, and then joins the final year of a degree which they complete in June 2008 (see table below).

Field	July 2007	July 2008
COURSEAIM	J10	H00
STULOAD	100	130
TYPEYR	1	1
BRIDGE	0	1

53. Where a student's only activity during the academic year is a foundation degree bridging course, the COURSEAIM field should be returned with a value of H90, I90 or J90 depending on the level of credit awarded for the bridging course. (That is, when a student withdraws during or following completion of the course, or where they transfer in from another institution before starting the course.)

54. Where a student undertakes a foundation degree and starts a bridging course in the same academic year, but the bridging course is counted in the next academic year, the FUNDCOMP field should reflect whether the student completed the foundation degree and will therefore usually be returned with a value of 1. If the bridging course does not continue into the next academic year, the BRIDGE field should be coded as 1 and the FUNDCOMP field should reflect whether the student completed the bridging course. Similarly, where the student progresses to a degree after completion of the bridging course, FUNDCOMP should reflect the completion status of the year of instance of the degree.

Annex F

Full-time equivalence for part-time years of instance

1. Student FTE recorded on HESES07 should relate to the years of instance being counted. In some cases this may not be consistent with the FTE returned on the HESA student record. However, it should be consistent with HESA data when summed over the instance.
2. The FTE for a part-time course is calculated by comparison with an equivalent full-time course, where such a course exists. If an equivalent full-time course does not exist, a reasonable academic judgement should be made of the FTE relative to a full-time student. Where such a judgement is made, the rationale should be recorded for audit purposes.
3. Calculation of the FTE can be based on either:
 - a. Duration of the course, or
 - b. Credit points studied.

In both cases, when viewed as a whole, the total FTE for a part-time course should equal the total FTE of the equivalent full-time course. Where duration of the course is used, the calculation should be based on the number of years of instance. However, where a student is exempt from part of a course, for example as the result of accredited prior learning (APL), the total FTE of the full-time course should be reduced accordingly.

4. The FTE for a foundation degree bridging course, as defined in Annex E, paragraphs 50 and 51, is 0.3.
5. Where a student does not complete a year of instance, the FTE should not be recorded on HESES. This is not consistent with the FTE returned on the HESA student record. When comparing the HESA student record with HESES, we will make adjustments to the FTE returned to HESA to reflect years not completed.
6. Where it is already known that full-time students have changed or will change mode within the year of instance to become part-time students, the year of instance should be recorded as part-time only. Their FTE should be calculated in the usual way, by comparison with the equivalent full-time course.

Example 1

7. Duration of the course: a full-time course is studied over three years. The equivalent part-time course is studied over six years, and so would have an FTE of 0.5 in each year.

Example 2

8. Credit points: a full-time course is studied over three years, with 120 credits taken each year. The equivalent part-time course lasts six years. Ninety credits are studied in each of the

first three years and 30 credits in each of the final three. The FTE would be 0.75 in each of the first three years and 0.25 in each of the final three.

Example 3

9. A student with APL directly enters the second year of a degree course and completes the final two years of the degree in four years. The final two years of a degree if completed full-time would have a total FTE of 2. Therefore, the total FTE for the student is 2 and the FTE in each year is $2 \div 4 = 0.5$.

Example 4

10. A student who starts off as full-time but is known to be changing to part-time in the second term of the year of instance, studying at the same rate as a part-time student with an FTE of 0.5 per year of instance, should be returned in the part-time table with an FTE of 0.67. This is made up of 0.33 for the first term and $0.5 \div 3 = 0.17$ for each of the second and third terms, equalling 0.67 in total for the year of instance.

Audit issues

Part-time load factors

11. The sum of the total student FTE allocated to a part-time student should be equivalent, over the duration of the course, to that allocated to a full-time student. We have found examples where this is not the case, because of many factors, including a lack of understanding of what the student FTE is meant to represent.

12. Use of standard part-time load factors is common, as the part-time student activity for the year may not have been ascertained by the census date because of the nature of the study. This is acceptable practice. However, these standard load factors often do not accurately reflect actual activity for the year. If standard load factors are to be used, there must be clear evidence that, on average, students do study at these levels of activity.

13. Some students may study at a lower rate than is the norm for a course. This should be reflected in the FTE. At some institutions, students are able to vary the intensity of study during the year, and institutions may therefore have difficulty predicting this variation. However, we expect institutions to reflect this in their estimates of part-time FTE.

Example

14. A one FTE part-time course is normally studied over two years. However, each year a small proportion of the students take three years to complete. If there are 100 students on the course and 10 take an extra year to complete, the FTE should be $((90 \times 0.5) + (10 \times 0.33))/100 = 0.48$ and not 0.5.

Annex G

Residential and funding status

Home and EC students

1. Students are classified as home and EC if they can be regarded as eligible students as defined in Schedule 1 of the Education (Fees and Awards) (England) Regulations 2007 (SI 2007 No. 779), as may be amended. The Education (Fees and Awards) Regulations can be found on the OPSI web-site at www.opsi.gov.uk under Legislation/UK/Statutory Instruments. Students from specified overseas territories may be classified as home and EC if they meet the criteria set out in the above regulations. A list of these overseas territories and countries belonging to the EC is on the HEFCE web-site under Questions/HESES FAQs. Students from Gibraltar should be treated as if they were from a country in the EC. Turkish Cypriots who are recognised by the Government of the Republic of Cyprus as being Cypriot nationals will be eligible to be treated as EC nationals irrespective of where they live in Cyprus. Therefore, providing they hold a Republic of Cyprus passport and meet the residency requirements, they will be considered as home and EC students.

2. Students from countries that are in the European Economic Area (EEA) but not the EC (Iceland, Liechtenstein and Norway) will only be considered in the same way as home and EC students if they meet the criteria laid down in the above regulations. Students from Switzerland should be treated as if they were from a country that is in the EEA but not the EC.

HEFCE-fundable students

3. Home and EC students are eligible for HEFCE recurrent funds for teaching (HEFCE-fundable) if they satisfy **all** the following conditions:

- a. They are on a recognised HE course, as defined in Annex D.
- b. The course is open to any suitably qualified candidate.
- c. The course is not being supported from any other EC public source. Where the fee plus income from a public source is insufficient to cover the HEFCE standard resource, a proportion of the students on the course can be returned as HEFCE-fundable (see paragraph 6 below).

4. Where a student is not subject to regulated fees and the fee is being paid by a source other than an EC public source, the eligibility for funding does not depend on the level of fee charged.

5. The following home and EC students are **not** eligible for HEFCE recurrent funding for teaching (recorded as HEFCE non-fundable):

- a. Students on courses which would otherwise be HEFCE-fundable, but whose places are funded at the standard HEFCE rate, or higher, from another EC public source, such as the ESF, Department of Health, NHS or Home Office. In some cases

an EC public source may provide funding that is in addition to the mandatory or recommended fees, pro rata for part-time students, but the funding falls significantly short of the HEFCE standard rate per student. In this situation, the total funds received in addition to the fees should be used to calculate the number of students who (for funding purposes) are assumed to be fully supported from other EC public sources. The remaining students are then eligible for HEFCE recurrent funding (see paragraph 6 below for more details).

b. Students whose activity is not funded through mainstream HEFCE recurrent funds for teaching, but whose funding has been separately agreed and notified by us. This includes those who are to count towards the delivery of funding or student number targets relating to:

- i. LLNs that are not supported through the mainstream teaching grant ('model 2' LLNs) and which are reported by the lead institution.
- ii. Student numbers co-funded with employers.
- iii. Higher Level Skills Pathfinders.
- iv. Any other separately notified allocation such as for some Skillset screen academies.

It also includes courses where we distribute funds on behalf of other government departments.

c. Postgraduate research students. Postgraduate research students who are recorded as non-fundable solely by virtue of this sub-paragraph should continue to be returned as fundable on the HESA record and included in the Research Activity Survey.

d. Students on ITT courses leading to QTS, and all students holding QTS who are on an INSET course. This will include students transferring from courses where funding has been provided by the TDA for the whole year.

e. Students on pre-registration nursing or midwifery courses, and courses (including postgraduate courses) leading to a recognised professional qualification in dietetics, speech and language therapy, chiropody/podiatry or prosthetics and orthotics.

f. Students franchised to an institution that is not either:

- a UK HEI supported from public funds, or
- a UK FEC supported from public funds

except where specific approval has been given. Institutions must ensure that all franchises to any other organisation have been specifically approved by HEFCE before students are returned as HEFCE-fundable on HESES. Institutions should reapply if there is a material change in the arrangement.

g. Students on closed courses. These are courses that are restricted to certain groups of people and are not generally available to **any** suitably qualified candidate. For example, where a course is only available to employees of particular companies, that course is closed.

Determining the number of students supported from other EC public funds

6. The public funding should first be used to offset any shortfall between the fees charged and the assumed fees. Once this offset has taken place, any remaining public funding should be divided by the standard funding per student and rounded up to the nearest whole number to find how many students are non-fundable; the remainder are then fundable. The standard

funding per student is calculated as the standard resource minus the assumed fee. Standard resource is explained in paragraphs 19-21 below. Note that in the following examples, the assumed fee per FTE for part-time undergraduates is £1,225.

7. There is an Excel template on the HEFCE web-site under Questions/HESES FAQs which will calculate the number of students who are non-fundable in individual cases.

Example 1

8. There are 10 full-time undergraduate students supported by £12,250 from a public source. The students are not charged a fee and there is no other income. The assumed fees are £1,225 per student, so the public money only covers the fees and all students are fundable.

Example 2

9. There are 10 full-time undergraduates, all in price group C. The fees for each year are £1,225 paid by the Student Loans Company (SLC), the student, or a mixture of the two. In addition, a public source puts in £1,000 per student. The assumed fees are fully met by the fees charged, so there is no offset. The standard funding per student is the standard resource ($1.3 \times £3,833 = £4,983$) – assumed fee (£1,225) = £3,758. There is £10,000 additional public money ($10 \times £1,000$). Therefore three students ($£10,000 \div £3,758 = 2.66$) are non-fundable, and the remaining seven are fundable.

Example 3

10. There are 50 part-time undergraduate students in price group C, each with an FTE of 0.5, who pay £100 a year tuition fee, and there is £30,000 from a public source. The assumed fee for each student is $0.5 \times £1,225 = £613$. There is £513 ($£613 - £100$) per student in tuition fees to make up using the public money, which uses $50 \times £513 = £25,650$. This leaves £4,350 of the public money. The standard funding per student is the standard resource ($((0.5 \times 1.3) + (0.5 \times 10\%)) \times £3,833 = £2,683$) – assumed fee (£613) = £2,070. Therefore three students ($£4,350 \div £2,070 = 2.10$) are non-fundable, and 47 are fundable.

Example 4

11. As in example 3, but the fees are £613 a year all paid by the student. Each student pays a tuition fee which is equal to the assumed fee, so there are no tuition fees to make up using the public money. There is £30,000 public money and the standard funding per student is £2,070. Therefore 15 students ($£30,000 \div £2,070 = 14.49$) are non-fundable, and 35 are fundable.

Example 5

12. There are 10 full-time postgraduate students entirely in price group C. The fees for the year are £3,900; a public body pays half of the fee and the student pays the other half. The

assumed fees are £3,833, which leaves £67 ($£3,900 - £3,833$) of public money per student. The standard funding per student is the standard resource ($1.3 \times £3,833 = £4,983$) – assumed fee ($£3,833$) = £1,150. There is £670 additional public money ($10 \times £67$). Therefore one student ($£670 \div £1,150 = 0.58$) is non-fundable, and the remaining nine are fundable.

HEFCE-funded and independently-funded students

13. All fundable students should be recorded as HEFCE-funded, unless the institution receives enough resources from other sources (other than EC public sources) for the year of instance to cover the HEFCE standard resource for its provision. In such cases the institution may choose to record the students as independently-funded. Independently-funded students are not included in our resource calculations, but may count towards student number targets. In general, the declaration of eligible students as independently-funded will only benefit institutions that are currently under-resourced from public funds (below the ± 5 per cent tolerance band around standard resource), as an aid to migration to within the band.

Example 1

14. There are 20 HEFCE-fundable full-time postgraduate students, in price group C. Each student pays £5,000 tuition fees. The standard resource is ($1.3 \times £3,833$) = £4,983. Therefore the standard resource is fully covered by the fee paid by the student. In this case, the institution can choose to record the students either as HEFCE-funded or as independently-funded.

Example 2

15. There are 20 HEFCE-fundable part-time postgraduate students, 0.6 FTE, in price group B. Each student pays £3,000 tuition fees. The assumed fee for each student is $0.6 \times £4,216 = £2,530$, which leaves £470 per student. The standard funding per student is the standard resource ($((0.6 \times 1.7) + (0.6 \times 10\%)) \times £3,833$) – assumed fee ($£2,530$) = £1,610. There is $20 \times £470 = £9,400$ remaining from the fees paid by the students. Therefore, the institution can choose to return up to five students ($£9,400 \div £1,610 = 5.84$) as independently-funded, with the remaining students returned as HEFCE-funded.

HEFCE non-fundable students

16. These are students who are home and EC, as defined in paragraphs 1 and 2 above, but whose place is not considered eligible for recurrent funding for teaching as defined in paragraphs 3-5 above.

Island and overseas students

17. All students who fall outside the definition of home and EC in paragraphs 1 and 2 above should be recorded as 'Island and overseas'. This will include students usually resident in the Channel Islands and the Isle of Man.

Audit issues

Incorrect recording of overseas students

18. Overseas students should be clearly identified on the student record system by the census date, and returned in the 'Island and overseas' columns. We found a number of examples where students were paying overseas fees but were returned in the HEFCE-funded columns of the return.

Calculation of standard resource

19. If a student attracts a premium under the teaching funding method, the standard resource should be increased to reflect this. We notified institutions of these premiums in Table G of their funding agreement. For the current year, 2007-08, there are three student-related premiums (long courses, part-time and foundation degrees), and four institution-related premiums (London weighting, and variable premiums for specialist institutions, small institutions, and old and historic buildings). The total weighted student FTE is the sum of the subject-weighted FTE and the additional FTE from all premiums. Examples of the calculations are given in paragraphs 22-25 below.

Factor	Premium	Applied to
Part-time	10%	Unweighted FTE
Foundation degree	10%	Unweighted FTE
Long course (not price group A)	25%	Subject-weighted FTE
London (inner)	8%	Subject-weighted FTE
London (outer)	5%	Subject-weighted FTE
Institution-specific (specialist)	Variable	Subject-weighted FTE
Small institutions	Variable	Unweighted FTE
Old and historic buildings	Variable	Unweighted FTE

20. The subject weights are shown below.

Price group	Subject weight
A (Clinical)	4.0
B (Laboratory-based science, engineering and technology)	1.7
C (Other high-cost subjects with a studio, laboratory or fieldwork element)	1.3
D (All other subjects)	1.0
Media studies*	1.0, 1.3, 1.7

* Proportions in each subject weight are notified in Table G of the funding agreement for each institution.

21. The 2007-08 standard resource for a student is calculated by multiplying the total weighted FTE by £3,833 – the base level of resource for price group D.

Example 1

22. The standard resource for a part-time student (0.4 FTE) in price group C is £2,146:

Part-time premium	$0.4 \times 10\%$	$= 0.04$
Subject weight	0.4×1.3	$= 0.52$
Standard resource		<u>$= 0.56 \times \text{£}3,833 = \text{£}2,146$</u>

Example 2

23. The standard resource for a part-time student (0.3 FTE) on a long course in price group C studying a foundation degree is £2,099:

Part-time premium	$0.3 \times 10\%$	$= 0.0300$
Foundation degree premium	$0.3 \times 10\%$	$= 0.0300$
Subject weight	0.3×1.3	$= 0.3900$
Long course premium	$0.3 \times 1.3 \times 25\%$	$= 0.0975$
Standard resource		<u>$= 0.5475 \times \text{£}3,833 = \text{£}2,099$</u>

Example 3

24. The standard resource per FTE in price group B for a student at an institution receiving the inner London premium is £7,037:

Subject weight	1.0×1.7	$= 1.700$
Inner London premium	$1.0 \times 1.7 \times 8\%$	$= 0.136$
Standard resource		<u>$= 1.836 \times \text{£}3,833 = \text{£}7,037$</u>

Example 4

25. The standard resource for a full-time student who undertakes 60 per cent of their work in price group B and 40 per cent in price group D is £5,443:

Subject weight (price group B)	$1.0 \times 60\% \times 1.7$	$= 1.02$
Subject weight (price group D)	$1.0 \times 40\% \times 1.0$	$= 0.40$
Standard resource		<u>$= 1.42 \times \text{£}3,833 = \text{£}5,443$</u>

Annex H Price groups

1. Price groups are defined in terms of academic cost centres. Full details of how to assign departments to cost centres are in HEFCE Circular Letter 32/2005 'Assignment of departments to academic cost centres: 2005-06'.

Cost centre	Price group(s)
01 Clinical medicine	A, B
02 Clinical dentistry	A, B
03 Veterinary science	A, B
04 Anatomy and physiology	B
05 Nursing and paramedical studies	C
06 Health and community studies	C
07 Psychology and behavioural sciences	C
08 Pharmacy and pharmacology	B
10 Biosciences	B
11 Chemistry	B
12 Physics	B
13 Agriculture and forestry	B
14 Earth, marine and environmental sciences	B
16 General engineering	B
17 Chemical engineering	B
18 Mineral, metallurgy and materials engineering	B
19 Civil engineering	B
20 Electrical, electronic and computer engineering	B
21 Mechanical, aero and production engineering	B
23 Architecture, built environment and planning	C
24 Mathematics	C
25 Information technology, systems sciences and computer software engineering	C
26 Catering and hospitality management	C
27 Business and management studies	D
28 Geography	C
29 Social studies	D
30 Media studies	Media studies
31 Humanities	D
33 Design and creative arts	C
34 Education	C, D
35 Modern languages	C
37 Archaeology	C
38 Sports science and leisure studies	B, C, D
41 Continuing education	D
99 Cost centre not assignable	D

Price group	Cost centres
A	01*, 02*, 03*
B	01*, 02*, 03*, 04, 08, 10, 11, 12, 13, 14, 16, 17, 18, 19, 20, 21, 38*
C	05, 06, 07, 23, 24, 25, 26, 28, 33, 34*, 35, 37, 38*
D	27, 29, 31, 34*, 38*, 41, 99
Media studies	30
ITT (QTS)	Courses of ITT leading to QTS (TTCID=1) ¹
INSET (QTS)	Courses for teachers (TTCID=3), where the student has QTS

* For definitions see following paragraphs.

2. Students on a sandwich year-out should be recorded in price group C, regardless of academic cost centre.

Cost centres in more than one price group

Medicine, dentistry and cost centres 01 and 02

3. Undergraduate years of instance recorded in price group A must be generated by clinical medical or clinical dental students. Years of instance for clinical medical or clinical dental undergraduate students should be entirely attributed to price group A, irrespective of any activity in academic cost centres. All other undergraduate FTE in cost centres 01 and 02 should be returned in price group B.

4. An undergraduate clinical medical student is any student on the final three years of a first registrable medical qualification taken:

- a. After the pre-clinical part of the course, or
- b. After a free-standing pre-clinical course, or
- c. As part of an integrated pre-clinical and clinical course.

5. An undergraduate clinical dental student is any student on the final four years of a first registrable dental qualification taken:

- a. After the pre-clinical part of the course, or
- b. After a free-standing pre-clinical course, or
- c. As part of an integrated pre-clinical and clinical course.

6. To be included in price group A, clinical medical and clinical dental postgraduate taught students must also be on courses which meet the following three criteria:

- a. The course bears very high costs comparable to the clinical unit of resource.

¹ Teacher training course identifier on the HESA student record

- b. A substantial proportion of the staff teaching time contributed to the course is provided by medically or dentally qualified university-funded clinical academic staff, who hold honorary contracts with the NHS. This includes general practitioners.
 - c. Nearly all of the course is taught in a clinical environment.
7. For research students to be included in price group A, the focus of their research must be in a clinical environment and the lead supervisor should be a clinical academic.
8. All other postgraduate activity in cost centres 01 and 02 should be recorded in price group B.
9. Where, and only where, a postgraduate course meets the criteria set out in paragraphs 6 and 7 above, the subject of course aim should be coded as A3 (clinical medicine), A4 (clinical dentistry) or C840 (clinical psychology) on the HESA student record.

Veterinary science and cost centre 03

10. Undergraduate veterinary science students should be included in price group A if they are in the final five years of a course which leads to eligibility to register to practise as a veterinary surgeon, irrespective of any activity in academic cost centres. All other undergraduate veterinary activity, including foundation years, should be returned in price group B.
11. To be included in price group A, clinical veterinary science postgraduate taught students must also be on courses which meet the following three criteria:
- a. The course bears very high costs comparable to the clinical unit of resource.
 - b. A substantial proportion of the staff teaching time contributed to the course is provided by veterinary qualified university-funded clinical academic staff.
 - c. Nearly all of the course is taught in a clinical environment.
12. For research students to be included in price group A, the focus of their research must be in a clinical environment and the lead supervisor should be a clinical academic.
13. All other postgraduate activity in cost centre 03 should be recorded in price group B.

Education – cost centre 34, ITT and INSET courses

14. Students on ITT courses leading to QTS should be entirely attributed to the ITT (QTS) price group, irrespective of any provision in academic cost centres. Students on ITT courses that do not lead to QTS, such as PGCEs for the post-compulsory education sector (TTCID=2), should be entirely attributed to price group C, irrespective of any activity in academic cost centres.
15. Students on GTPs and OTTPs should be entirely attributed to the ITT price group.

16. INSET courses are defined as courses for which the primary (but not necessarily the only) purpose is to improve the effectiveness of teachers, lecturers or trainers. Students holding QTS on INSET courses should be entirely attributed to the INSET (QTS) price group, irrespective of any activity in academic cost centres and whether or not the TDA is funding their provision. Students who do not hold QTS but are studying a CertEd as an INSET course should be recorded in price group C. Other students on INSET courses who do not hold QTS should be attributed to price groups in the normal way.

17. Students studying for a foundation degree to become a teaching assistant, whose course has been awarded as part of an ASN exercise, should be returned in price group C. Where students are studying for such a course and it has a high classroom-based element, but has not been awarded as part of an ASN exercise, institutions should seek our permission before recording them in price group C. Institutions should re-apply if there is a material change in the provision.

18. All other activity in cost centre 34 should be returned in price group D.

Sports science and leisure studies – cost centre 38

19. Departments of sports-related subjects – including sports science, sport and exercise sciences, sports and leisure studies, sports and leisure management, and physical recreation (non-QTS) – should be allocated to price groups B, C or D according to the outcome of the HEFCE review carried out in 2004-05, or as subsequently agreed.

Attribution of computing to cost centres 20 and 25

20. Only computer engineering departments that relate to the development of computer hardware – specification, design (via computer-aided design), simulation, verification, construction and testing of the hardware of computer systems using logic, memory and interconnection technologies – should be included in cost centre 20. All other computing departments should be returned in cost centre 25.

Allocation of years of instance to price groups

21. Years of instance are split between cost centres based on the cost centres returned in the module part of the HESA student return.

22. Except where noted in paragraphs 3-19 above, years of instance should be allocated to price groups according to the mix of cost centres in which activity takes place. Student FTE is allocated to cost centres according to the cost centre of the member of staff teaching the module or supervising the activity. This will be described by the modules in the HESA record. Where the activity for a year of instance falls into more than one cost centre, and these cost centres do not fall entirely within one price group, the year should be split among the price groups according to the proportion of activity in each cost centre. Up to two decimal places may be used for this apportionment.

23. Where students are franchised out for all or part of their provision, the way they are returned depends on the total FTE that is franchised out as a proportion of the total student FTE in the organising department of the franchiser.

24. If the franchised-out FTE is at least 20 per cent of the total student FTE in the department that arranges the franchise, it should be returned in the cost centre(s) most closely matching the academic content of the franchised-out provision. For example, if 40 physics students are taught business under a franchise arrangement, and the franchised-out FTE amounts to 10 FTE out of 40 FTE for the entire physics department (that is, 25 per cent), then the franchised-out FTE should be returned under business and management studies. The provision franchised out may not be naturally attributable to a cost centre in which the institution is usually active. In this case institutions should create a virtual cost centre in which this activity and its related expenditure are returned. If institutions return such activity using cost centre 99 on the HESA record it will be treated as if it falls into price group D.

25. If the franchised-out FTE is less than 20 per cent of the total student FTE in the department that arranges the franchise, it may be returned in the appropriate cost centre(s) of that department. For example, if 40 physics students are taught business under a franchise arrangement, and the franchised-out FTE amounts to 10 FTE out of 100 FTE for the entire physics department (that is, 10 per cent), then the franchised-out FTE may be returned under physics. However, if the institution wishes to return the franchised-out FTE in the cost centre(s) most closely matching the academic content of the franchised-out provision, it may choose to do so.

26. Institutions should ensure that where a student's provision does not fall entirely within a single cost centre and subject pairing, this is clearly identified on the HESA student record. The HESA student record links subjects and cost centres to students through the subjects and cost centres associated with the modules attached to the student. In January 2008 we will compare the FTE returned to cost centres with both:

- the FTE returned on HESES and
- the HESA subject of study.

Example 1

27. A student studies engineering in the engineering department and also studies some management in the business and management department. The cost centre of each department along with the subject studied is identified separately on the HESA student record. For HESES purposes this would be returned in price groups B and D.

Example 2

28. A student studies engineering in the engineering department and also studies some management in the engineering department. The engineering department is split between two cost centres, one for its engineering provision and one for its management provision.

Each cost centre and subject studied is identified separately on the HESA student record. For HESES purposes this would be returned in price groups B and D.

Example 3

29. A student studies engineering in the engineering department and also studies some management in the engineering department. The department has only one cost centre as the management provision represents a very small proportion of its activity. Both subjects studied are identified separately on the HESA student record. For HESES purposes this would all be returned in price group B.

Audit issues

Assignment of departments to cost centres

30. The audits found that all academic activity for a department was sometimes assigned to only one cost centre, where it should be split across cost centres. We also found cases where a department was split across cost centres and a standard division was applied, irrespective of the actual split in staff effort for that department. We also found instances where a department was assigned to the incorrect cost centre/price group. We may ask institutions to provide evidence of how they have allocated particular departments to cost centres.

31. As part of the comparison of HESA and HESES data, we examined subject provision by cost centre. This highlighted a number of cases where inappropriate allocations had been made, often because of historical allocations of course codes or assignment of departments to cost centres. In addition, some variation in how institutions mapped activity to cost centres was apparent.

32. Staff define cost centres. Therefore, when determining the cost centre for a given module, the cost centre of the member of staff most directly associated with it should be used. In particular, where a department is split across cost centres, it is necessary to identify which modules are taught by individual members of staff in order to assign the student FTE to the appropriate cost centre. In general this approach will not be consistent with prorating student FTE to the staff cost centre split. Where two or more members of staff from different cost centres are associated with a particular activity, the student FTE should be split according to the proportion contributed by each member of staff.

33. A regular review of the assignment of departments to cost centres should be carried out to ensure that the latest guidance is being followed.

Apportionment of student FTE to cost centres

34. The allocation of student FTE to cost centres, and therefore to price groups, can present problems where provision for a course is in more than one department and cost centre, or where a department is split across cost centres. If a module or part of a course is

provided by a different cost centre to the rest of the course, this should be identified on the HESA record, and on HESES by mapping the relevant student FTE to the correct price group. Where the student FTE for a course is split across cost centres, the FTE should be apportioned in an appropriate ratio. This ratio should be calculated on an individual course basis and reviewed regularly, with particular attention paid to areas affected by any changes to cost centre or price group assignments. It is not appropriate to apply a ratio calculated for one course to other courses. More guidance is included in paragraphs 21-29 above.

Annex I Mode of study

Full-time

1. A year of instance is counted as full-time if it meets the following criteria:
 - a. The student is normally required to attend the institution, or elsewhere, for periods amounting to at least 24 weeks within the year of instance; and during that time they are normally expected to undertake periods of study, tuition, learning in the workplace or work experience which amount to an average of at least 21 hours per week.
 - b. Full-time fees are chargeable for the course for the year. These include:
 - For 'current system students':
 - i. Regulated fees of up to £3,070 for undergraduates and students registered for a PGCE.
 - ii. Regulated fees of up to £1,535 for undergraduates on courses provided in conjunction with overseas institutions that are not ERASMUS exchanges, where study at the home institution is for less than 10 weeks.
 - iii. Regulated £0 for undergraduates who are on full-year outgoing ERASMUS exchanges.
 - For 'old system students':
 - iv. Regulated fees of £1,225 for undergraduates and students registered for a PGCE.
 - v. Regulated fees of £610 for undergraduates on courses provided in conjunction with overseas institutions that are not ERASMUS exchanges, where study at the home institution is for less than 10 weeks.
 - vi. Regulated £0 for undergraduates who are on full-year outgoing ERASMUS exchanges.

In the above examples, 'current system students' and 'old system students' means those defined in the Education (Student Support) Regulations 2007 (SI 2007 No. 176). Exceptionally, the fee may be waived for individual students based on their particular circumstances. It should not be waived for all students on a course, and the criteria that determine whether fees may be waived should not be tantamount to waiving the fee for all students.

2. This category includes all full-time, sandwich and language year-abroad students, other than those falling within the definition of 'Sandwich year-out' given below.

Sandwich year-out

3. A year of instance is counted as sandwich year-out if it includes a period of work-based experience and meets both of the following criteria:
 - a. The course falls within the definition of sandwich in Regulation 2(9) of the Education (Student Support) Regulations 2007 (SI 2007 No. 176), as may be amended. This includes language year-abroad courses where the year abroad is spent working.
 - b. The overall maximum fees are, for qualifying students, those described in Regulation 5 of the Student Fees (Amounts) (England) Regulations (SI 2004 No. 1932), as amended by Regulation 2(b) of the Student Fees (Amounts) (England) (Amendment) Regulations (SI 2006 No. 2382), or up to approximately half of the fees that would be chargeable if the student were full-time.

Exceptionally, the fee may be waived for individual students based on their particular circumstances. It should not be waived for all students on a course, and the criteria that determine whether fees may be waived should not be tantamount to waiving the fee for all students.

4. Students under the British Council's Language Assistant scheme, who may now be eligible for the regulated £0 fee under the ERASMUS scheme, should be returned as sandwich year-out.

Part-time

5. A year of instance is counted as part-time if it does not meet the requirements to be either full-time or sandwich year-out. Note that this includes HNC students who are expected to complete in one year, but whose course is not subject to regulated fees.
6. In general, all students on a given course with a broadly similar pattern of activity, for a given year of instance, should be recorded as having the same mode.
7. In some cases a student's mode of study changes between years. For example, the mode of a student on a full-time 18-month course would change from full-time in year one to part-time in year two, where the second year does not have 24 weeks of study. In this case the student's activity would be recorded as 'other full-time' in year two on the HESA student record.

Students who change from full-time to part-time within a year of instance

8. Where it is already known that full-time students have changed or will change mode within the year of instance to become part-time students, the year of instance should be recorded as part-time only. Their FTE should be calculated in the usual way, by comparison

with the equivalent full-time course.

9. For example, a student who starts off as full-time but is known to be changing to part-time in the second term of the year of instance, studying at the same rate as a part-time student with an FTE of 0.5 per year of instance, should be returned in the part-time table with an FTE of 0.67. This is made up of 0.33 for the first term and $0.5 \div 3 = 0.17$ for each of the second and third terms, equalling 0.67 in total for the year of instance. More guidance on assigning student FTE for part-time years of instance is at Annex F.

Treatment of learning in the workplace and work experience for the purposes of determining mode of study

10. For the purposes of meeting the attendance definition for a full-time course, full-time study can include learning in the workplace, where this is a course requirement. Such learning is frequently a feature of foundation degrees and may also occur in other programmes. Learning in the workplace is a structured academic programme, controlled by the higher or further education institution, and delivered in the workplace by academic staff of the institution, or staff of the employer, or both.

11. Unlike work experience, which is one element of a course such as a sandwich placement (whether for the whole or part of a year), learning in the workplace is at the heart of a student's learning programme and must be subject to the same level of academic supervision and rigour as any other form of assessed learning. It includes:

- the imparting of relevant knowledge and skills to students
- opportunities for students to discuss knowledge and skills with their tutors
- assessment of students' acquisition of knowledge and skills by the institution's academic staff, and perhaps jointly with an employer.

12. Learning in the workplace should be regarded as substituting for learning that under other circumstances would normally take place within the institution. The inclusion of an element of learning in the workplace should, therefore, not extend the normal duration of a course.

13. Institutions should note paragraph 3 of Annex K, which states that if the year of instance is 45 weeks or more in length because of a period of work-based study, then the year of instance is not counted as long. This applies to both learning in the workplace and work experience. Sandwich years-out cannot therefore be recorded as long, and we would also not generally expect foundation degrees to be recorded as long.

Audit issues

Recording the incorrect mode of attendance if a student is only active for part of a year

14. Where a student plans to study at a full-time rate for a portion of the year, for example only for semester 1, they must be returned as part-time, even though they are 'full-time' for that period of study. The mode of attendance must be established with reference to the activity for the whole year of instance.

Annex J

Level of study

Undergraduate

1. Undergraduates are students studying towards a first degree (including foundation degree), HE certificate, HE diploma or equivalent (or registered for an institutional credit that can be counted towards one of these qualifications). In Tables 1a, 2 and 3, undergraduate data are split between 'FD' (foundation degree) and 'UG (excl. FD)' (undergraduate excluding foundation degree). Foundation degree bridging courses should be returned as 'UG (excl. FD)' in Table 3.
2. The undergraduate data in Table 5 are split between:
 - students on HND courses
 - students on sub-degree courses excluding HNDs (such as those aiming for an HNC, DipHE or CertEd)
 - students on foundation degree courses
 - students on another undergraduate degree (excluding foundation degrees but including foundation degree bridging courses).
3. Where a student registers for credits (including Ufi courses) without stating a qualification aim, and where those credits may count towards either an undergraduate degree or a sub-degree qualification level, they should be counted as sub-degree level.
4. Where students have multiple qualification aims as part of the same instance, they should be recorded against the lower aim. For example, a student registered for an HND and a degree should be recorded as HND.

Postgraduate

5. Postgraduate students are registered for courses or credits where a normal condition of entry is that entrants are already qualified to degree level, that is, already qualified at level H of the QAA national qualifications framework. There are two groups: research and taught.
 - a. Postgraduate research students are students whose qualification aim is a research-based higher degree. A research-based higher degree is a postgraduate programme comprising a research component (including a requirement to produce original work) which is larger than any accompanying taught component when measured by student effort. The arrangements for assuring and maintaining the academic standards and enhancing the quality of these programmes should be fully compliant with section 1 of QAA's code of practice for the assurance of academic quality and standards in higher education (postgraduate research programmes). This definition is the same as that used in the Research Activity Survey.
 - b. Postgraduate taught students are those who are postgraduates but do not meet the requirements to be a research student.

Annex K

Long years of study

Full-time students

1. For full-time courses, the year of instance will be classified as 'long' if:
 - a. Students are normally required to attend for 45 weeks or more within that year,
or
 - b. The year of instance includes a within-course short period of study, awarded as a summer school through a bidding exercise for ASNs.
2. When determining length, students are deemed to be attending the institution if they are actively pursuing full-time studies towards the qualification. Years of instance that are not long are referred to as standard length.
3. If the year of instance is 45 weeks or more in length because of a period of work-based study, then the year of instance is not counted as long.
4. For undergraduate students, long courses will typically be accelerated programmes where the qualification is achieved in a much shorter period than is normal for that qualification.
5. For postgraduate students, most long courses will be for higher degrees.

Part-time students

6. For part-time courses, the distinction will depend on the length of each year for an equivalent full-time course. The number of weeks attended within the year of instance for part-time students is irrelevant to determining whether the year of instance is long. The equivalent full-time course used should be the same as that used in calculating the FTE. If an equivalent full-time course does not exist, the guidance in Annex F paragraph 2 should be followed when determining the FTE relative to a full-time student and therefore the length of each year of instance for such a part-time course.

Example 1

7. A full-time one-year course has a 30-week year of instance; the equivalent part-time course lasts for two years, each with a 45-week year of instance. The part-time course would not be long. Conversely, if each year of the part-time course lasts for 30 weeks, but the year of instance for the full-time course is 45 weeks, then the part-time course is classified as long. The FTE for the part-time course would be 0.5 in both cases.

Example 2

8. A student completes a two-year full-time foundation degree, then chooses to undertake a foundation degree bridging course over the summer in order to enrol full-time on the third year of an honours degree. In this case both years of the foundation degree and the third year of the honours degree should be recorded as standard length. The foundation degree bridging course should be recorded separately as a stand-alone part-time course. The FTE for each of these years would be 1, 1, 0.3 and 1 respectively.

Mixed-length courses

9. In some cases a full-time course may have one or more years of instance which are long, with one or more standard-length years. When determining which FTE to return as long for the equivalent part-time course, the following two principles should be applied:

- a. The FTE over the entire course should be identical to that of the full-time course.
- b. The proportion of the FTE recorded as long should be the same on both the full-time and part-time programmes.

Example 1

10. A two-year full-time course has year one long and year two standard length. The equivalent part-time course runs over four years. The first two years of the part-time course should be recorded as long, with the remaining two recorded as standard length. The FTE would be 0.5 in each of the four years.

Example 2

11. A two-year full-time course has year one long and year two standard length. The equivalent part-time course lasts two and a half years. If the FTE is 0.8, 0.8 and 0.4 in the three years respectively, then the second principle in paragraph 9 above means that 50 per cent of the FTE should be recorded as long. This can be achieved by recording all first-year FTE as long, and half of the final year as long, with the remaining year recorded as standard length.

Annex L Table descriptions

Tables 1a, 2 and 3 – Counts of years of instance and student FTE

1. Tables 1a, 2 and 3 correspond to the three modes of study defined in Annex I. These tables are mutually exclusive, and taken together should sum to the total number of years of instance countable for the academic year.

Table 1b – Medical and dental counts of years of instance

2. Table 1b is a subset of Table 1a and contains all full-time undergraduate students on programmes of study that lead to a first registrable medical or dental qualification. Years of instance returned in this table should also be included in Table 1a.

3. Years of instance should be classified according to which year of the course they are. Intercalated years should not be returned in this table and should be disregarded when determining the year of instance of a medical or dental course.

4. Pre-clinical medicine: all years of instance that are not classified as clinical medicine and are not an intercalated year.

5. Clinical medicine: the final three years of instance of a course leading to a first registrable medical qualification.

6. Pre-clinical dentistry: all years of instance that are not classified as clinical dentistry and are not an intercalated year.

7. Clinical dentistry: the final four years of instance of a course leading to a first registrable dental qualification.

8. The treatment of medical and dental students on HESES does not necessarily reflect how the programme is delivered.

Table 4 – Home and EC fees

9. The data returned in Table 4 must match the home and EC data returned in Columns 1 and 2 of Tables 1a, 2 and 3. Table 4 contains the number of years of instance for all modes, split between those countable on or before 1 December 2007, and those expected to become countable between 2 December 2007 and 31 July 2008, for home and EC students only. Island and overseas students should **not** be returned in Table 4.

Table 5 – Counts of years of instance split between home and others entitled to pay home and EC fees

10. The counts of years of instance in Table 5 are the same as the home and EC counts collected in Columns 1 and 2 of Tables 1a, 2 and 3. Table 5 contains the number of years of instance for all modes, split between home students and 'others entitled to pay home and EC fees'. Home students are defined by the DOMICILE field on the HESA student record (that is, codes XF, XG, XH and XI for England, Wales, Scotland and Northern Ireland respectively). The data for 'others entitled to pay home and EC fees', when added to the home data, should give the totals of all home and EC students returned in Columns 1 and 2 of Tables 1a, 2 and 3. Both HEFCE-fundable and non-fundable data are required in this table for each level, but not island and overseas data.

11. The levels of qualification are grouped differently in this table than in the others. Those on foundation degree bridging courses should be included in 'Other UG degree'. Sub-degree (excluding HND) qualifications include HNCs, DipHEs, CertEds, institutional credits and professional qualifications.

Table 6 – HEFCE-recognised funding consortia 2007-08

12. Table 6 applies only to the lead institutions of HEFCE-recognised funding consortia and should not be completed by other institutions. Table 6 in the lead institution's workbook available from the HEFCE extranet will contain a list of the HEFCE-recognised funding consortium's member institutions.

13. The data returned in Table 6 are a subset of the data collected in Columns 1 and 2 of Tables 1a, 2 and 3. Table 6 contains the number of years of instance for HEFCE-fundable students who are part of a HEFCE-recognised funding consortium where the institution is the lead (see Annex C). These are split between full-time plus sandwich year-out, and part-time; and further split between those countable on or before 1 December 2007, and those expected to become countable between 2 December 2007 and 31 July 2008.

Table 7 – Counts of years of instance and FTE using HESES06 treatment of non-standard years of instance

14. Up to and including HESES06, when a non-standard year of instance became countable depended on which of three possible methods institutions used for reporting the year to HESA. Guidance on this was provided in HESES06 (HEFCE 2006/36), Annex E paragraphs 7 to 15. For 2007-08, all institutions are required to adopt the same method for reporting non-standard years to HESA. Annex E of this publication therefore provides revised guidance on how non-standard years should be reported in Tables 1a to 6 of HESES07. We recognise that the effect of this will be that some institutions (those that previously used the '100:0 method' for reporting non-standard years) will see a change in their total FTEs in HESES07 compared with the numbers that would have been countable under the previous arrangements. This may affect the size of adjustments to their HEFCE grant, particularly

relating to the delivery of ASNs but also possibly relating to compliance with their contract range.

15. In HEFCE Circular Letter 15/2007, 'Advance notice of changes to HESES07', we explained that we would introduce a new table (Table 7) for HESES07 only. Institutions can use this to report their total FTE for all years of instance using the same methods as they adopted for HESES06. Completion of Table 7 is optional and restricted to institutions that reported non-standard years using the 100:0 method on their 2005-06 HESA student return. We recommend, however, that such institutions complete Table 7 if the HESES07 workbook shows that they have any grant adjustment and that this may have been adversely affected by the change in reporting arrangements for non-standard years.

16. Affected institutions should report counts of years of instance and FTEs in Table 7 using the same methods for counting non-standard years of instance that they used for HESES06, following the guidance given in HESES06 Annex E, paragraphs 7 to 15. For example, an institution that, in HESES06, used the split FTE method for undergraduates and the 100:0 method for postgraduates should use these same methods for Table 7 in HESES07.

Annex M

Description of columns in tables

1. All numbers returned in all tables should be counts of years of instance **apart** from where FTEs are required in Columns 4a and 5a in Tables 3 and 7.

Tables 1a, 1b, 2 and 3 – Counts of years of instance and student FTE

2. Column 1: Number of years of instance countable between 1 August 2007 and 1 December 2007 inclusive. If a year of instance has been classified as a non-completion, as defined in Annex E, on or before 1 December 2007, it should not be returned.

3. Column 2: Number of years of instance expected to become countable between 2 December 2007 and 31 July 2008 inclusive. Institutions should make sure that estimates included in this column are made on a reasonable basis, and that supporting evidence for the assumptions is kept for audit purposes. Students on non-standard academic years should not be shown here. Guidance on when years of instance become countable is given in Annex E.

4. Column 3: Number of years of instance which students will fail to complete after 1 December 2007. This is an estimate of the number of years of instance that have been returned in Columns 1 and 2 but will not be completed – according to the definition given in Annex E. Numbers of non-completions should be entered as negative values in the workbook. Institutions should ensure that these estimates are supported by historical data.

5. Column 4: Overall estimated completed years of instance for the academic year. This is the sum of the first three columns; the addition will be carried out automatically in the workbook. This is an estimate of the number of years of instance which will be undertaken and completed in the academic year.

6. Column 4a (Table 3 only): Estimated FTE for the academic year. This is the sum of the FTE for the years of instance returned in Column 4.

7. Column 5 (Tables 1a, 2 and 3 only): Estimated completed years of instance that are to count towards the delivery of funding or student number targets for LLNs that are not supported through the mainstream teaching grant and which are reported by the lead institution of the LLN ('model 2' LLNs). Provision for students in Column 5 is non-fundable, by virtue only of the criterion in sub-paragraph 5bi of Annex G. Any LLN students that are non-fundable by virtue of the other criteria in paragraph 5 of Annex G should not be included in Column 5. Column 5 is a subset of the non-fundable years of instance recorded in Column 4.

8. Column 5a (Table 3 only): Estimated FTE (that is, the sum of the FTE) for the completed years of instance returned in Column 5. Column 5a is a subset of the non-fundable estimated FTE recorded in Column 4a.

Table 4 – Home and EC fees

9. Table 4 collects information about tuition fees for home and EC students included within Columns 1 and 2 of Tables 1a, 2 and 3. In general, fee levels are an attribute of the course, not of the individual student. This means, for example, that a student who is on a course designated for student support purposes, but who is not personally eligible for a grant or loan for fees payable by the SLC, should still be returned against the appropriate regulated fees category. Students on courses for which an NHS bursary may be payable, those on an outgoing ERASMUS full-year abroad, and students on foundation degree bridging courses, should be identified separately.

10. Regulated fees are those that apply to qualifying courses as defined in the Student Fees (Qualifying Courses and Persons) (England) Regulations 2007 (SI 2007 No. 778). The fees are subject to overall limits set out in the Student Fees (Amounts) (England) (Amendment) Regulations 2006 (SI 2006 No. 2382), which amended the Student Fees (Amounts) (England) Regulations 2004 (SI 2004 No. 1932). These regulations can be found on the OPSI web-site – www.opsi.gov.uk, under Legislation/UK/Statutory Instruments. In general, the fees are:

- a. Regulated full fee – full-time and sandwich undergraduate courses (where the student is not on their year-out) and full-time PGCE courses. The overall maximum fees for qualifying students on such courses are those described in Regulation 2a of the Student Fees (Amounts) (England) (Amendment) Regulations 2006 (SI 2006 No. 2382).
- b. Regulated half fee – undergraduates following sandwich courses who are on their sandwich year-out, students on a non-ERASMUS study-related year abroad, part-time ITT courses and students on the final year of a full-time undergraduate programme which is normally required to be completed after less than 15 weeks' attendance. The overall maximum fees for qualifying students on such courses are those described in Regulation 2b of the Student Fees (Amounts) (England) (Amendment) Regulations 2006 (SI 2006 No. 2382).
- c. Regulated £0 – outgoing ERASMUS full-year abroad students only.

Also identified separately in Table 4:

- d. NHS bursaried courses – students on courses for which an NHS bursary may be payable.
- e. Foundation degree bridging courses – students on a foundation degree bridging course.

11. Years of instance should be returned under the fee level 'Non-regulated' where the course the student is studying for is not prescribed under Regulation 4 of the Student Fees (Qualifying Courses and Persons) (England) Regulations 2007 (SI 2007 No. 778).

Part-time or postgraduate students subject to regulated fees

12. The only part-time students who should be recorded as being subject to regulated fees are those:

- a. On part-time ITT courses, such as first degrees leading to QTS, PGCEs and CertEds.
- b. Attending the final year of a designated full-time course which is ordinarily completed in less than 15 weeks.
- c. Attending the final year of a designated full-time course which is ordinarily completed in 15 weeks or more, but less than 24 weeks.

In cases b and c, the students should be recorded as subject to regulated half fees and regulated full fees respectively.

13. Part 11 of the Education (Student Support) Regulations 2007 (SI 2007 No. 176), as may be amended, makes provision for the support of students attending 'designated part-time courses' of HE, through a grant for help with fees and a £250 grant for help with other course costs. Students on such part-time courses should still be returned under 'non-regulated' fees, as these courses are not explicitly designated under the Student Fees (Qualifying Courses and Persons) Regulations 2007 (SI 2007 No. 778).

14. The only postgraduate students who should be recorded as being subject to regulated fees are those:

- a. On a full-time or part-time PGCE. Such students should be recorded as subject to the regulated full or regulated half fees, respectively.
- b. On a full-time course in preparation for a professional examination at postgraduate level, for which a first degree is not a normal requirement for entry. This applies to students on a course leading successively to Parts 1 and 2 of the Royal Institute of British Architects examination, for whom undergraduate-level fees are payable. Such students should be recorded as subject to regulated full fees.

15. Column 1: Number of years of instance for home and EC students countable between 1 August 2007 and 1 December 2007 inclusive. The column is broken down by mode of study as defined in Annex I.

16. Column 2: Forecast of number of years of instance for home and EC students expected to become countable between 2 December 2007 and 31 July 2008 inclusive. The column is broken down by mode of study as defined in Annex I.

Table 5 – Counts of years of instance split between home and others entitled to pay home and EC fees

17. Column 1: Years of instance countable between 1 August 2007 and 31 July 2008 inclusive. These data are split by mode, then between home students and others entitled to

pay home and EC fees. A definition of home students is in Annex L, paragraph 10. In total, these data are the same as the home and EC data returned in Columns 1 and 2 of Tables 1a, 2 and 3.

18. Column 2: New entrants included in Column 1 of this table, defined as the first countable year for an instance (see Annex E). These data are split by mode, then between home students and others entitled to pay home and EC fees.

19. Column 3: Number of years of instance returned in Column 1 for students who are wholly or partially franchised out, broken down by the type of institution involved. The countable years of instance, and not the proportion of the year of study franchised, should be returned where the student is partially franchised out. 'Other inst' applies to provision that is franchised out to an institution that is not a UK HEI or FEC supported from public funds. Annex G, paragraph 5f explains that home and EC students franchised to such other institutions may only be recorded as HEFCE-fundable where we have given specific approval; in the absence of our approval, they should be recorded as HEFCE non-fundable. This distinction between fundable and non-fundable students franchised to other institutions should be reflected in Table 5.

20. When determining whether a student is franchised out, the franchise arrangement for the year of instance and not the whole course should be used. For example, a student on a two-year course which is franchised out for the whole of the first year only, would be returned as franchised out in the first year, and not included in the franchised-out column in the second year.

Table 6 – HEFCE-recognised funding consortia 2007-08

21. Table 6 applies only to those institutions that are the lead of a HEFCE-recognised funding consortium (see Annex C).

22. Column 1: Number of countable years of instance between 1 August 2007 and 1 December 2007 inclusive for those HEFCE-fundable students who are part of the consortium. If a year of instance has been classified as a non-completion, as defined in Annex E, on or before 1 December 2007, it should not be returned. This column is broken down into full-time plus sandwich year-out, and part-time.

23. Column 2: Number of years of instance expected to become countable between 2 December 2007 and 31 July 2008 inclusive for HEFCE-fundable students. Guidance on when years of instance become countable is given in Annex E. This column is broken down into full-time plus sandwich year-out, and part-time.

Table 7 – Counts of years of instance and FTE using HESES06 treatment of non-standard years of instance

24. Column 1: Number of years of instance countable between 1 August 2007 and 1 December 2007 inclusive. If a year of instance has been classified as a non-completion, as

defined in Annex E, on or before 1 December 2007, it should not be returned. Institutions choosing to complete Table 7 should report counts of non-standard years of instance here using the same methods that they used for HESES06, following the guidance given in HESES06 Annex E paragraphs 7-15.

25. Column 2: Number of years of instance (following HESES06 practice for reporting non-standard years) expected to become countable between 2 December 2007 and 31 July 2008 inclusive.

26. Column 3: Number of years of instance (following HESES06 practice for reporting non-standard years) that students will fail to complete after 1 December 2007. This is an estimate of the number of years of instance returned in Columns 1 and 2 of this table which will not be completed – according to the non-completion definition given in Annex E. Numbers of non-completions should be entered as negative values in the workbook. Institutions should ensure that these estimates are supported by historical data.

27. Column 4: Overall estimated completed years of instance for the academic year (following HESES06 practice for reporting non-standard years). This is the sum of the first three columns; the addition will be carried out automatically in the workbook. It is an estimate of the number of years of instance which will be undertaken and completed in the academic year.

28. Column 4a: Estimated FTE for the academic year (following HESES06 practice for reporting non-standard years). This is the sum of the FTE for the years of instance returned in Column 4 of this table. For full-time and sandwich year-out students, the FTEs will be completed automatically in the workbook. Institutions need only enter the estimated FTEs for their part-time students.

29. Column 5: Estimated completed years of instance (following HESES06 practice for reporting non-standard years) that are to count towards the delivery of funding or student number targets for LLNs that are not supported through the mainstream teaching grant and which are reported by the lead institution of the LLN ('model 2' LLNs). Provision for students in Column 5 is non-fundable, by virtue only of the criterion in sub-paragraph 5bi of Annex G. Any LLN students that are non-fundable by virtue of the other criteria in paragraph 5 of Annex G should not be included in Column 5. Column 5 is a subset of the non-fundable years of instance recorded in Column 4 of this table.

30. Column 5a: Estimated FTE (that is, the sum of the FTE) for the completed years of instance returned in Column 5 of this Table. Column 5a is a subset of the non-fundable estimated FTE recorded in Column 4a of this table.

Annex N

Sample tables

See separate download.

Annex O Glossary

APL	Accredited prior learning.
ASNs	Additional student numbers.
Attendance	A student is considered to be attending the institution whenever they undertake periods of study, tuition, learning in the workplace or work experience as part of the instance. For example, a distance learning student studying at home is attending.
Base level of resource	For 2007-08, this is £3,833. Also known as the base price.
CertEd	Certificate in Education.
DipHE	Diploma of Higher Education.
EC	European Community.
EEA	European Economic Area: all EC countries plus Iceland, Liechtenstein and Norway. Students from Switzerland are treated in the same way as those from the EEA.
ERASMUS	European Community action scheme for the mobility of university students. This is part of the European Commission's Lifelong Learning Programme.
ESF	European Social Fund.
FAQs	Frequently asked questions.
FD	Foundation degree.
FEC	Further education college.
Foundation degree	A two-year full-time HE course, or the part-time equivalent, which has been validated by an HEI as a 'foundation degree', and which is expected to incorporate the core features set out in the foundation degree prospectus, HEFCE 00/27.
Foundation degree bridging course	A short stand-alone course taken after a foundation degree has been completed, to enable students to go on to the final year of an honours degree course.

Franchised out	Any student who enrolls at one institution and pays them a fee for tuition or supervision of research, but undertakes all or part of their study at another institution, is considered to be franchised out by the institution collecting the fee. This includes all collaborative arrangements except HEFCE-recognised funding consortia and 'model 2' LLNs. See Annex C.
FTE	Full-time equivalent or full-time equivalence depending on context.
GTP	Graduate Teacher Programme.
HE	Higher education.
HEA	HEFCE higher education adviser.
HEI	Higher education institution.
HEIFES	Higher Education in Further Education: Students Survey.
HESA	Higher Education Statistics Agency.
HESES	Higher Education Students Early Statistics Survey.
HESES student population	HESES counts years of instance for students aiming for a recognised HE qualification. The students that generate these years of instance are called the HESES student population. See Annex C.
HIN	Unique HE instance identifier on the HESA student record. The HIN allows the linking of student instances between years and is made up of a unique combination of the HUSID, UKPRN and NUMHUS fields. See the HESA student record coding manual under year-on-year linkage (HIN).
HNC	Higher National Certificate.
HND	Higher National Diploma.
ILR	The Learning and Skills Council's individualised learner record.
INSET	In-Service Education of Teachers.

Instance	(Formerly known as 'programme of study'.) A coherent engagement with the institution by a student aiming towards the award of a qualification(s) or credit.
Intercalated year	For HESES purposes, this is a year inserted into a medical course to allow for the award of a BSc or BA in addition to the normal medical degree.
ITT	Initial Teacher Training.
LLN	Lifelong Learning Network.
LSC	Learning and Skills Council.
'Model 1' LLN	An LLN that has chosen to have its ASNs and associated funding allocated and monitored through (various) partner institutions' mainstream teaching grants and funding agreement targets.
'Model 2' LLN	An LLN that has chosen to have its ASNs and associated funding allocated and monitored through a single lead HEI, outside of its mainstream teaching grant.
NHS bursaried courses	Courses for which an NHS bursary may be payable.
NVQ	National Vocational Qualification.
OPSI	Office of Public Sector Information.
OTTP	Overseas Trained Teacher Programme.
PG	Postgraduate.
PGCE	Postgraduate (or Professional Graduate) Certificate in Education.
PGT	Postgraduate taught.
PGR	Postgraduate research.
Postgraduates	Students registered for courses or credits where a normal condition of entry is that entrants are already qualified to degree level (in other words qualified at level H of the QAA national qualifications framework). See Annex J.
QAA	Quality Assurance Agency for Higher Education.

QTS	Qualified teacher status.
Regulated fees	Regulated fees are those that apply to qualifying courses as defined in the Student Fees (Qualifying Courses and Persons) (England) Regulations 2007 (SI 2007 No. 778).
SCITT	School-Centred Initial Teacher Training.
SLC	Student Loans Company.
Standard resource	Standard resource is used for funding purposes. It is calculated by multiplying the weighted student FTE by the base price. See Annex G.
Student FTE	Student activity expressed as full-time equivalents rather than counts of years of instance. See Annex F.
SWOUT	Sandwich year-out.
TDA	Training and Development Agency for Schools
Ufi	A government initiative to develop a 'university for industry'. Learning services are provided through learndirect.
UG	Undergraduate.
UG (excl. FD)	An undergraduate course that is not a foundation degree.
Undergraduates	Students studying towards a first degree (including foundation degree), HE certificate or diploma, or equivalent; or students registered for an institutional credit that can be counted towards one of these qualifications. See Annex J.
Year of instance	Students study towards qualifications over a period, which can be split into one or more years of instance. See Annex E.

Annex P

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References are to paragraph numbers in the main text, or to the annex letter and paragraph numbers of annexes.

Note that some words and phrases are defined in the glossary at Annex O.

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