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office for fair access

Office for Fair Access Annual Report and Accounts 2011-12

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Director's foreword

This has been a year of huge change in which OFFA has sought to help institutions prepare for 2012-13, when the higher fee limit of £9,000 comes into effect, together with substantial modifications to student support arrangements. In July 2011, after, in some cases, considerable behind-the-scenes negotiation, we approved our first round of access agreements under the new system, and I'd like to thank Graeme Davies, as interim Director, for his great help with this. Later, following the Government's modifications to 'core' student number controls, we gave institutions a limited opportunity to respond to these major policy changes, working closely with UCAS to ensure that prospective students were aware of any alterations to financial support packages at their selected institution and able to change their university choices if they so wished. As I write, there is still work outstanding on 2012-13 access agreements – for example, we recently issued guidance on how institutions can include initial teacher training students in their agreement. We have also issued guidance for incorporating part-time students into access agreements, now that Parliament has approved the regulations that bring part-time students under our remit from 2012-13.

Positive response to our guidance on 2012-13 access agreements

We were pleased with how universities and colleges responded to our guidance on drawing up their 2012-13 access agreements. In the 149 access agreements that we have approved, institutions have set themselves challenging targets and plan to increase their spending on access measures to £621 million a year by 2015-16 (£758 million once the Government's allocation for the National Scholarship Programme is included). This included £106 million on outreach, £81 million on work to improve student retention and success, and £286 million on bursaries and scholarships (not including their matched funding under the National Scholarship Programme). Also, institutions estimate they will forego £261 million in income through fee waivers. We were particularly encouraged by the planned increased investment in outreach activities as we consider that in the longer term, targeted outreach is key to widening participation and fair access. The agreements are the first under the new system and we do expect them to evolve over time as institutions use the results of their monitoring and evaluation to refine their schemes. In particular, we do not yet have a good enough idea of what access measures will be most effective under the new arrangements. We would also like a clearer understanding of how institutions across the country are collaborating to ensure good coverage of their combined outreach activities and to reduce the potential burden of duplication for schools and colleges.

The impact of revisions to 2012-13 agreements

As we expected, revisions to 2012-13 access agreements resulted in some movement of institutional investment from bursaries to fee waivers, a development that drew criticism in some quarters. We recognise that bursaries are money in a student's pocket now whereas fee waivers reduce a loan that many students may not need to repay in full. However, we do not yet know which will prove more effective in terms of supporting and protecting access and therefore, as an evidence-based organisation, we should currently remain neutral on the issue. It could be that the psychological fear of debt means that fee waivers have a role to play in minimising the financial barriers of accessing higher education. On the other hand, in the new landscape of fees of up to £9,000, bursaries may be a more powerful tool than they have proved in the past. We are also seeing a significant increase in maintenance support in kind, such as discounted accommodation costs, or voucher schemes for material that supports educational success. As soon as we are able, we will be doing further analysis on the relative effectiveness of the different methods of financial support, both in improving access and enhancing retention and success, an area where we now focus greater attention. If evidence emerges that one method is more effective than another, we will advise the sector and, where appropriate, Government accordingly.

Future challenges

One of the main challenges we face over the coming years will be to work with organisations across the sector to understand the impact of the new fee and support arrangements, particularly on students from lower income backgrounds and other under-represented groups. So far UCAS application rates for 18 year olds showing the position as at 15 January 2012 indicate neither the major collapse in demand nor the disproportionate effect on disadvantaged groups that some feared. However, the figures do show a levelling-off of the upward trend we have seen over the last five years. In particular, we have seen a significant drop in applications from mature students compared to the same point in the last two years. However, applications remain in line with the general upward trend prior to the very large increases in mature applicants at the start of the recession and so it is too early to understand the cause of this change. What is clear is that we will have to monitor demand for higher education very carefully over the next few years, so that we can adjust our guidance to institutions where necessary. Another key challenge will be to find better ways of understanding and measuring the progress made by an institution in widening access and which access measures are most effective. The complexities of doing so in a widely changing environment should not be underestimated. Our increased resources mean we are better placed to tackle this challenge than in the past – our expansion from a staff body of around 3.5 FTE (full-time equivalent) to some 10 FTE today has allowed us to recruit, for example, our own analyst. However, we remain a small team, and this is a deeply complex area. We therefore look forward to working more closely with institutions as well as sector bodies and others in rising to this challenge. Institutions' own evaluation and monitoring will be hugely important alongside any central analysis we and others will be able to do.

Addressing a few myths

Some people have expressed an anxiety that ministerial guidance to us to focus more on outcomes than on inputs might place undue pressure on the autonomy of institutions' admissions decisions. This anxiety has not been helped by the 'social engineering' scaremongering that was stoked up in some quarters following the appointment of my successor Professor Les Ebdon. Let me take this opportunity of reiterating publicly yet again that OFFA does not impose targets or quotas on institutions, nor do we interfere in admissions decisions which are, quite rightly, a matter for individual institutions. Under the new arrangements we are challenging institutions to increase the effectiveness of their efforts and part of this is asking institutions to set themselves challenging targets, based on what they can reasonably achieve. Of course schools and parents are the most important influences on a young person's aspirations and attainment but universities and colleges do have a hugely important role to play. Thankfully, there is no need to persuade universities and colleges of this, and in this, my last annual report, I want to thank them for the considerable efforts they have made under my directorship. At the same time I wish Les Ebdon every success. I am confident that all institutions will find that he takes a fair and considered approach to the hugely complex but immensely worthwhile challenge of what OFFA is about – namely, helping to ensure that individuals with potential from all backgrounds have the opportunity to enjoy the life-changing experience of higher education.

Finally, I would like to thank everyone, whether in institutions across England or in our Bristol office, who has helped OFFA to meet the goals set for it by Charles Clarke and Alan Johnson some eight years ago and revised by subsequent Ministers, most recently David Willetts. I am particularly grateful to David Barrett, OFFA's Assistant Director, who has been with me since the start, and has been, and remains, a tower of strength. Between us all, we have made sure that the goal of widening participation, seen as at risk when fees were first introduced, has been achieved on an unparalleled scale in recent years, something of which English universities can be immensely proud.

Sir Martin Harris

Director
Office for Fair Access
11 June 2012

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OFFA's role and responsibilities

Summary

A brief look at who we are and what we do.

Why OFFA was established

When Parliament allowed universities and colleges to charge higher tuition fees for higher education from 2006, it did so on the condition that they invest a proportion of their higher fee income in access measures (bursaries, scholarships and outreach work) to attract students from low income and other under-represented groups. OFFA was established to work with institutions to ensure that this condition is met. Under new guidance from Department for Business, Innovation, and Skills (BIS) Ministers issued in February 2011, our remit has broadened to include retention and student success measures and, now that regulations are in place, part-time undergraduates.

Who we are

OFFA is a small, non-departmental public body. At the time of writing we have a Director, Sir Martin Harris, plus nine full-time and two part-time permanent members of staff. We were established in October 2004 under Part 3 of the Higher Education Act 2004 and are sponsored by BIS, reporting to the Minister for Universities and Science and the Secretary of State for Business, Innovation and Skills. We have a Service Level Agreement with the Higher Education Funding Council for England (HEFCE) which provides us with resources such as accommodation, IT support and HR services. We also have a small Advisory Group of independent higher education access experts available to offer impartial advice on access matters and, if necessary, on individual decisions. In addition, there is an independent reviewer (appointed by BIS), should institutions wish to challenge an OFFA decision.

What we do

OFFA's role, as defined by the Higher Education Act 2004 and set out in OFFA's *Strategic Plan 2005-10* (OFFA 2005/03, updated 2009/01) can be summarised as follows:

- We help safeguard fair access to higher education for low income and other under-represented groups by approving and monitoring access agreements – in which universities and colleges set out their tuition fee limits and the access measures they intend to put in place (for example, outreach and retention work, and financial support).
- Where appropriate, we identify and disseminate analysis, good practice and advice connected with access to and retention in HE.

Our strategic aims

Our strategic aims are primarily delivered through institutions' access measures as set out in their access agreements and more generally. Our three core aims are:

- to support and encourage improvements in participation rates in higher education from low income and other under-represented groups
- to reduce as far as practicable the barriers to higher education for students from low income and other under-represented groups by ensuring that institutions continue to invest in access measures
- to support and encourage equality of opportunity through the provision of clear and accessible financial information for students, their parents/carers and their advisers.

Our last strategic plan was developed for the period 2005-2010. It was due to be updated in 2010, but was delayed due to uncertainties about future Government policy, due to the Browne Review of higher education funding and student finance, and the general election. We intend to develop a new strategic plan in the coming year, once we have the outcomes of the Government's consultations on the Higher Education White Paper and new regulatory framework, and the new Director of Fair Access is in post. The new strategic plan will include an updated mission and aims, incorporating our broadened remit around retention and student success in addition to access. In the meantime, in this document, the original wording of our strategy has been updated where necessary to reflect policy changes and to include our increased remit to cover 'retention and student success'.

Our mission

"Working collaboratively we promote fair access to higher education in particular for low income and other under-represented groups."

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Performance and achievements

Summary

This year was the sixth year of operation under variable fees. It has been another very busy year which has included negotiating and approving the first set of access agreements under the new arrangements, monitoring the outcomes of the 2009-10 academic year, the publication of the Government's Higher Education White Paper proposals, and updating access agreements in response to the changes to student number controls. We have also developed and published guidance to bring initial teacher training into access agreements and developed guidance for 2013-14 access agreements, incorporating guidance to bring part-time students under the agreements for 2012-13 onwards.

We continued to work closely with BIS, HEFCE, UCAS, the Student Loans Company (SLC) and others to develop policy and processes related to access agreements, and widening participation and access more generally. This included:

- aiding the transition to the new regulatory and funding system for higher education, for example through our membership of the Interim Regulatory Partnership Group[1]
- liaising with HEFCE on a joined up approach to access agreements, the National Scholarship Programme and widening participation strategic assessments (WPSAs)
- collaborating closely with UCAS and institutions to ensure that fees and support arrangements are appropriately advertised through UCAS course information, and that applicants were informed of any changes to fees and support institutions made after the changes to student number controls were announced, so they had the option to adjust their application choices
- working with UCAS to support widening participation aims through the availability and intelligent use of data.

We have also continued to maintain and improve our systems, both in terms of the delivery and evolution of access agreements and in refining our processes and information requirements. In line with the Government's increased expectations, outlined in the Higher Education White Paper, that OFFA will provide greater challenge and support to institutions on access and retention, our team has grown to 11 staff (10.2 full-time equivalent) as of February 2012.

Approving and maintaining access agreements

OFFA's core role is to approve, maintain and monitor access agreements. From 2012-13 Ministers have asked us to review and renew access agreements each academic year; previously agreements could run for up to five years before being renewed. This increased frequency allows us, if need be, to negotiate more often with institutions on the content of their agreements. Where necessary we will update or issue new guidance to take into account research, evidence and any developments in policy or changes to fee and support levels announced by the Government.

From April to July we processed the first set of access agreements under our new guidance on how to produce them for the new fee and support arrangements from 2012-13. In this guidance we had asked institutions to increase their efforts on access and, for the first time, to focus, where appropriate, on retention and student success. We received 139 agreements. Following negotiations with 52 institutions, increasing the expenditure commitments on access measures by £21 million and improving targets at 22 institutions, we approved all of the agreements in July 2011. We also shared information on fee levels with the SLC and UCAS.

From November to December we processed 27 revised agreements. Twenty-five[2] institutions made these revisions in response to the Government's late announcement of the student number controls for 2012-13. In allowing institutions to change, we had strict rules that no student should receive any

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[1] The Interim Regulatory Partnership Group advises on and oversees the transition to the new regulatory and funding systems for higher education. HEFCE, the SLC, the Higher Education Statistics Agency, the Office of the Independent Adjudicator, the Quality Assurance Agency and UCAS are also members. For more information see www.hefce.ac.uk/about/intro/wip/interimregulatorypartnershipgroupirpg.

[2] Two of the 27 institutions submitting revised agreements made revisions allowable outside of the 'core and margin' proposals. In both cases, these revisions have led to an improved offer to students, either through increased financial support or fee reductions.

net increase in the cost of course once institutional support had been taken into account[3]. We approved 27 revisions in December. This revised access agreement round was a major addition to our normal business. We published data on the outcomes of our approvals in July and updated this in December[4].

Our fifth round of institutional monitoring

As a regulator, one of our key responsibilities is to ensure that universities and colleges are meeting the commitments set out in their access agreements – in particular that they have met their financial commitments, including those to individual students, and are working to make progress towards the milestones they have set themselves. To this end, each year we monitor institutions' progress against their access agreement commitments.

We review our monitoring process each year, with a view to continuous improvement. Following an increase in public interest, we will now publish more information from institutions' monitoring returns. In particular, to ensure greater transparency, we have improved the way in which we collect and report institutions' performance data against their milestones and targets. We now require institutions to present their data over a number of years so that their annual monitoring reports illustrate recent trends, not just the change across an individual year. We will also publish institutions' progress against their targets at an institutional level. These changes will be implemented from the 2010-11 returns onwards. At the time of writing, we are analysing monitoring returns for 2010-11 and aim to publish our monitoring report by July 2012.

We continue to seek to reduce administration for universities and colleges by working closely with HEFCE to combine access agreement and WPSA monitoring returns, and to develop more transparent and user-friendly processes.

Sector-level monitoring

Through regular communication with BIS, HEFCE, the Higher Education Statistics Agency (HESA), UCAS, and the sector we have continued to monitor the possible impact of the fee and support regime on applications to higher education over the 2010 application cycle. We have also continued to comment on support and access issues more generally.

At the time of writing, although we do not yet know the final entrant numbers for 2012-13, we are encouraged that the overall UCAS young application rate shows only a small change from the record demand in previous years. We are particularly pleased that applications from disadvantaged backgrounds appear to have held up relatively well, indicating that these people have not been disproportionately disadvantaged. The mature application rate so far for 2012 entry has fallen substantially compared to last year, but applications remain in line with the general upward trend prior to the very large increase in mature applicants at the start of the recession.

HESA's latest sector-level performance indicator data for the 2010-11 academic year shows some continued gradual progress in the proportions of students from neighbourhoods with low participation and this is encouraging. However, although demand for higher education remains high and participation in the sector as a whole continues to widen, we remain concerned that, as our research on young participation has shown, access has not widened at the most selective third of institutions despite their significant efforts. We are therefore not complacent and continue to be interested to understand institutions' performance at a more detailed level. In particular we will be looking to do our own work, and to work with others, to understand the impact of the 2012 reforms on institutions' access and retention performance. To this end, for the first time, we have recently employed our own dedicated analyst.

We also remain concerned at the low numbers of care leavers who access higher education, largely due to their poor prior education. However, we are encouraged by the significant number of higher education institutions (72) in England that have the Buttle UK Quality Mark. We continue to promote Buttle UK's Quality Mark for Care Leavers to encourage institutions to support care leavers into higher education. For 2012-13 there will be 55 institutions with additional financial bursary support for care leavers – up from 31 in 2011-12. This significant increase reflects a number of institutions

[3] The net cost refers to the tuition fee charged minus the institutional financial support provided. In revising their agreements, some institutions chose to replace bursaries with fee waivers in order to reduce their fees. All revisions were made within the parameters of our access agreement guidance under which both targeted fee waivers and bursaries are permissible forms of access agreement investment. We recognise that bursaries and fee waivers are not the same thing. Bursaries are money in a student's pocket now whereas fee waivers reduce a loan that some students may not need to repay in full. We don't yet know which will prove more effective in terms of supporting and protecting access. We will undertake analytical research to seek to understand whether some kinds of financial support are more effective than others.

[4] Data tables published in July 2011 and updated in December 2011 are available at www.offa.org.uk/publications.

that have targeted support at care leavers for the first time in the design of their National Scholarship Programme awards.

OFFA analysis and reports

We are currently scoping the work needed to understand the impact of the new arrangements on areas of OFFA interest. In particular we will analyse the impact of institutional financial support, including whether different types of support have differing impacts on either access or retention – for example bursaries, fee waivers, and maintenance support in kind (such as accommodation discounts, or credit for materials that support learning).

We will also seek to further analyse the access performance of the sector by institutional selectivity. And we will investigate what further key analysis would better inform our policy decisions and guidance around access and retention.

Co-ordinated policy

This year we have continued to work closely with HEFCE and the sector to ensure that access agreements and widening participation strategic assessments (WPSAs) complement each other. In September 2011 we published our first joint monitoring report with HEFCE. We are currently undertaking the second joint monitoring exercise with a view to publication of a joint outcomes report in July.

We continue to work with HEFCE to ensure that widening participation and fair access policy remains co-ordinated in the light of any changes to funding and support arrangements. As in previous years, we have strived to work collaboratively and transparently with the sector, minimising bureaucracy while at the same time securing a generous set of access agreements for low-income and other under-represented groups.

Achievements in 2011-12

During the year OFFA:

- processed and approved 2012-13 access agreements for 124 higher education institutions (HEIs) and 25 further education colleges (FECs)
- processed and approved 25 revised access agreements from institutions to bring them within the criteria for bidding for a share of 20,000 places via the new 'core and margin' system
- received further amendments to 2012-13 access agreements to incorporate initial teacher training (ITT) courses
- received 2012-13 access agreements for 50 school-centred initial teacher training providers (SCITTs)
- reviewed and developed our monitoring process
- started the fifth annual monitoring of access agreements
- developed (in consultation with the sector) new guidance on producing access agreements for 2013-14
- worked closely with UCAS on the provision of timely information to prospective applicants and applicants, especially in relation to changing fee levels for courses. We continue to work together on developing uses for UCAS data, ranging from publishing analysis that forms a sector-level evidence base through to developing data and information to meet the future needs of institutions and applicants
- worked closely with the SLC to share information on the fee limits set in access agreements, and to discuss and advise on access agreements in relation to operational practicalities regarding fees and institutional financial support
- worked closely with the Higher Education Bursary and Scholarship Scheme (HEBSS) Steering Group and the SLC to help continuously improve the HEBSS service
- worked closely with BIS and HEFCE to ensure joined-up policy between access agreements and broader widening participation initiatives, including ongoing work on the National Scholarship Programme
- worked closely with HEFCE on the continuing development of WPSAs including continuous review and development of joint monitoring arrangements
- liaised with the sector through day-to-day contacts, meetings, groups and conferences to deliver our core messages and our research and guidance messages
- provided a general enquiry service regarding access agreements and related issues for institutions and the public
- recruited eight new staff in order to meet Government expectations that we will provide both greater challenge and support to higher education providers on delivering against their access agreements.

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aim one

To support and encourage improvements in the number and/or proportions of students in higher education from low income and other under-represented groups

KPI 1: The number and/or proportions of applications from disadvantaged areas have increased across the planning period[5]

In 2011 the number of accepted young applicants at English institutions living in the most disadvantaged areas (quintile 1) and the next most disadvantaged areas (quintile 2) increased by 4.5 per cent and 4.3 per cent respectively[6]. These increases were proportionally greater than the increases for accepted applicants living in more advantaged areas. The increase in accepted applicants for all areas was 3.5 per cent[7].

KPI 2: The number/proportions of students entering HE from low income groups have increased across the planning period

Student Loans Company provisional data for maintenance grant awards shows that in the academic year 2010-11, of the 594,100 applicants who entered higher education under the 2009 arrangements and who were eligible to receive a maintenance grant, 41 per cent were awarded full maintenance grant support, compared to 40 per cent of the applicants in 2009-10. There was no change to the income threshold for entitlement to the full grant between these years. So far in the academic year 2011-12 (i.e. by mid-November), 38 per cent of the students who applied for support under the 2009, 2010 and 2011 maintenance grant arrangements have been awarded a full maintenance grant. This is 3 per cent higher than the position published in November 2010 after which the proportion receiving a full grant increased to 41 per cent[8].

KPI 3: Guidance, advice and good practice is provided to institutions where necessary

Following 2010's major analysis and guidance to institutions on the impact of bursaries, participation by selectivity of institutions, and what additional activities highly selective institutions can do to improve access, and major new guidance on producing access agreements for 2012-13, this year we have produced guidance on revising agreements, developed guidance for 2013-14 and continued to update and improve our website to better serve institutions' needs.

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[5] This KPI used to be measured by applications from lower socio-economic groups. However, in 2009 UCAS changed from using National Statistics' Socio-economic Classification to using the area-based Participation of Local Areas 2 (POLAR2) method. We believe that POLAR2 is a more reliable measure and have adjusted our KPI to reflect this.

[6] The POLAR2 classification groups small areas across the UK into five groups (quintiles) according to their rate of young participation in higher education in the early 2000s. Each quintile represents around 20 per cent of the young population. In quintile 1 less than one in five young people enter higher education, compared to well over half in quintile 5. Further information on the POLAR2 classification can be found at www.hefce.ac.uk/whatwedo/wp/.

[7] Source: UCAS data request, Acceptances at Institutions in England by POLAR2 Quintile (UK Domiciled Applicants Aged 19 and Under), April 2012.

[8] Source: Student Loans Company publication SLC SFR 06/2011 *Student Support for Higher Education in England: Academic Year 2011/12* (Provisional), November 2011, available at www.slc.co.uk/media/140371/slcsfr062011.pdf

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aim two

To reduce as far as practicable the barriers to higher education for students from low income and other under-represented groups by ensuring that institutions continue to invest in access measures

KPI 4: Annual returns from institutions demonstrate that the levels of investment are broadly maintained at the levels committed to in access agreements, recognising that the levels set out in agreements are estimates

The outcomes of our monitoring for 2009-10 showed that in total HEIs spent 22.6 per cent of their additional fee income on bursaries and scholarships for lower income students and other under-represented groups. This was down from 22.8 per cent in 2008-09. Expenditure on additional outreach in 2009-10 was £38 million – an increase of £1.6 million from the previous year. Total HEI expenditure on access agreements was 25.1 per cent, down from 25.8 per cent in 2008-09. The outcomes of our monitoring for 2010-11 will be published in 2012. This fully meets OFFA's expectations and requirements. Under the new agreements commencing in 2012-13, HEIs estimate that their total access agreement expenditure will be 27.8 per cent of higher fee income by 2015-16[9].

KPI 5: Revisions to access agreements are normally processed and communicated within published timeframes

We delivered decisions by our deadline of 12 July to all institutions that submitted a complete access agreement by our submission deadline of 19 April. Two institutions' decisions were published later in the summer as we were awaiting information material to our decision. We also completed all decisions on revised access agreements submitted by 4 November, by 2 December (within two days of our target). No complaints were received from institutions regarding process or service.

KPI 6: There are high levels and improvements in bursary take-up

We estimate that bursary take-up increased from around 80 per cent in 2006-07 to around 90 per cent in 2007-08 and around 96 per cent in 2008-09. We think that the improvements are due to a combination of awareness raising by institutions and the Student Loans Company, and a change to the student finance application form. From 2008-09 this required students to opt out of sharing their financial information with their institution, rather than opting in.

Nearly all HEIs now subscribe to the Higher Education Bursary and Scholarship Scheme's (HEBSS) full administration service enabling their students to be paid bursaries directly by the SLC. As a result, we are content to relax our monitoring on bursary take-up and will use central data to monitor this area in future years. However, where we identify a take-up issue at a particular institution we will look at this more closely and seek to address it.

This performance indicator relates to the mandatory bursaries required for students on full state support under the old system, which has now ended except for continuing students. We will review the need to monitor the take-up of financial support under the the new system.

[9] Expenditure under the old system and new sytem is not directly comparable as the proportion of higher fee income can be larger under the new system leading to higher levels of spend. For data comparing the commitments under the final year of the old system with those under the new system please see the access agreement data published on our website at www.offa.org.uk/wp-content/uploads/2011/12/Updated-access-agreement-data-tables-for-2012-13-December-2012.pdf

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aim three

To support and encourage equality of opportunity through the provision of clear and accessible financial information for students, their parents/carers and advisors

KPI 7: No justified complaints are received from students and applicants regarding the clarity and accessibility of information provided by institutions on the bursaries available or the fees to be charged

The Office of the Independent Adjudicator (OIA) is responsible for handling any complaints made by students regarding any service provided by their higher education institution, including the provision of bursaries. We have received no complaints from students to pass on to the OIA and the OIA has received no direct complaints regarding the communication of institutions' financial information.

KPI 8: No justified complaints are received from students over eligibility for bursaries or the amounts awarded

The OIA received no justified complaints regarding eligibility for bursaries or the amounts awarded.

KPI 9: An annual exercise is undertaken with institutions to update fee, bursary and eligibility thresholds and access agreements more generally, allowing the correct information to be available to students early in the application cycle

As we undertook a full review of access agreements for 2012-13 entry a separate update exercise was not necessary. We worked closely with institutions, UCAS and the SLC to ensure that institutions committed to provide appropriate and timely financial information through their own channels and through those of UCAS and the SLC.

KPI 10: There is liaison and input into external information sources on bursary messages

We continue to actively support and influence bursary messages communicated nationally by Student Finance England and others. Where asked, we also check and provide information on bursaries for a variety of centrally produced handbooks on student finance.

Our website contains information pages for prospective students as well as for institutions and includes good practice on how to provide clear online financial information.

KPI 11: Guidance and good practice is provided to institutions where necessary

As well as our body of existing guidance we continue to support institutions through our guidance notes and ad hoc advice, as well as our more substantive guidance, for example on revisions to access agreements. We are currently planning future good practice and analysis which will form part of a coherent strategy on access and student success with HEFCE.

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Facts and figures

Summary

Facts and figures on fee levels, expenditure on access measures, bursary eligibility thresholds and changes to access agreements for 2012-13. These figures do not include ITT and part-time provision which had not yet been assessed at the time of writing this report.

Existing access agreements

In the 2012-13 academic year, there will be 149 institutions with live access agreements comprising:

- 124 higher education institutions (HEIs)
- 25 further education colleges (FECs).

Fee levels in 2012-13

For 2012-13 the maximum fee limit has increased to £9,000.

HEIs

Seventy-nine HEIs with full-time undergraduate students have agreed the maximum fee limit of £9,000 for at least some of their courses.

FECs

Of 101 directly funded FECs, 25 (25 per cent) have an access agreement for 2012-13. Of these, two have agreed the maximum fee limit of £9,000 and 23 have agreed a lower maximum fee.

Those FECs that have not submitted access agreements will not be charging over the basic amount of £6,000 for any of their directly funded courses in 2012-13.

SCITTs

Guidance on how to produce an access agreement for 2012-13 was circulated to all SCITTs and other non-HEI ITT providers in January and these agreements have now been submitted. OFFA is currently assessing these submissions and will inform SCITTs of decisions as early as possible.

All institutions

Institutions estimate that their additional fee income in 2012-13 (income from fees above the basic fee level of £6,000) will be approximately £1.9 billion.

Expenditure under the National Scholarship Programme

From 2012-13, the Government has launched the National Scholarship Programme (NSP) to target students from low income backgrounds. All institutions with access agreements are taking part by match funding a Government contribution. In the first year of this programme, HEIs with access agreements have indicated they will spend £99 million in 2012-13, including the Government allocation of £45.9 million. This includes:

- £53 million on fee waivers
- £20 million of discounts on institutional services such as accommodation
- £18 million on cash bursaries
- a further £1 million on free foundation years.

There is currently still £8 million invested in NSP choice or funds not yet allocated. This occurs where institutions are either allowing students to choose in what form they receive their NSP support, or institutions are still modelling NSP.

Overall expenditure on bursaries, scholarships and outreach

Including expenditure being invested in the NSP in 2012-13, HEIs and FECs estimate they will invest:

- £334 million on bursaries, scholarships and support in kind
- £93 million on fee waivers
- a further £79 million on additional outreach activity, and a further £53 million on retention and student success.

Because 2012-13 is the first year of the new higher fees, these figures represent only one cohort paying higher fees. HEIs have estimated that by the time all students are under the new fee regime they will be spending £571 million on maintenance support and fee waivers for low income students or other under-represented groups, and £186 million on additional outreach, retention and student success. This represents £758 million a year for access measures through their access agreements (£621 million once the Government allocation for the National

Scholarship Programme is subtracted). This is equivalent to around 28 per cent of estimated higher fee income.

Key facts on bursaries and scholarships

In 2012-13, bursaries and scholarships can be divided into two main types: NSP awards and non-NSP awards.

NSP awards

Under the new NSP, institutions are obliged to offer all recipients a minimum of £3,000 in their first year of study, however institutions may offer more generous support if they wish. To be eligible to receive NSP, students must have a household income of £25,000 or below, but institutions may use additional targeting criteria for NSP awards if necessary.

NSP support ranged from the statutory level of £3,000 in the first year of study, to £8,450. Forty HEIs (32 per cent) offer NSP awards based solely on household income, of which:

- 30 have a top threshold of £25,000
- four have a threshold ranging between £10,000 to £24,999
- six have thresholds of £9,999 or below.

Non-NSP awards

From 2012-13 onwards, there is no national requirement to provide minimum bursary for entrants in receipt of full state support, although many institutions still choose to use the full state support threshold as a criterion for their non-NSP bursary and scholarship schemes. Institutions are not obliged to offer additional bursaries and scholarships beyond that needed to meet their obligations under the NSP.

However 114 HEIs (92 per cent) are offering additional non-NSP, OFFA countable[10], bursaries and scholarships. Awards ranged from £100 to £9,000 in a single academic year. Institutions reported having one or more awards relating to:

- income (63 HEIs, 51 per cent)
- students from care backgrounds (31 institutions, 25 per cent)
- merit on entry to university (18 institutions, 15 per cent)
- progression from a partner institution, such as a school or college (17 institutions, 14 per cent)
- location, such as a low participation neighbourhood (14 institutions, 11 per cent)
- subject studied (11 institutions, nine per cent)
- academic achievement, or progression, while studying at university (10 institutions, 8 per cent)
- students with disabilities (10 institutions, 8 per cent).

[10] OFFA only counts institutional financial support that benefits students from low income households and other under-represented groups. The OFFA threshold for low income households varies slightly depending on the level of partial state maintenance grant for a given cohort. The current household income thresholds for new and old system students are around £42,000 and £50,000 respectively.

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OFFA's future programme of work

Summary

A brief look at our programme of work in the year ahead and future challenges.

Transition

Although most of the new fee and support arrangements are now in place for public providers of higher education, 2012-13, like 2011-12, will be a transitional year.

Regulations are now in place for part-time entrants for 2012-13, but we do not yet know what approaches institutions will take to part-time students in their access agreements, which are due to be submitted at the end of May. From June to July we will be assessing institutions' access agreements for 2013-14 (including part-time for 2012-13 and 2013-14). We also don't know what approach institutions will take to the recently announced policy on student number controls for 2013-14 entrants. We also await the outcomes of the Government's consultation on the Higher Education White Paper and new regulatory framework, and a timetable for the next Higher Education Bill.

All of this means that some uncertainty remains about the final details of the new system. However, the direction that the Government set out for OFFA in the White Paper and in Ministers' guidance to OFFA is sufficiently clear for us to proceed.

Access agreements in a changing world

In 2012-13 we will focus on ensuring that the second year of the transitional arrangements goes as smoothly as possible. We will advise and negotiate with institutions to deliver the best possible set of access agreements based on the latest policy, guidance and experience.

We recognise that, as last year, some details may not yet be in place at time of submission, or institutions may have to respond to guidance in a limited timeframe. This means some elements of access agreements may be provisional or in development and therefore might change once the landscape becomes clearer, or development is completed.

Because the new system requires institutions (and us) to review and update access agreements annually, this should not be problematic where revisions fit an annual timetable. However, we hope – wherever possible – to avoid the disruption to institutions and students of in-year revisions.

Concurrently, we will continue to monitor institutions' agreements for students who entered under previous funding arrangements. Our monitoring will be, as ever, a core element of what we do and we will continue to use a joint monitoring return with HEFCE, for access agreements and WPSAs.

Increasing outreach, collaboration and understanding of what works

We know unequivocally that the fee rises in 2006 did not damage participation to the sector as a whole; it has grown significantly in recent years, particularly for the most disadvantaged groups. However, we don't know how potential applicants will respond to the level of fees that universities and colleges decide to charge from 2012-13, when the limits will be substantially higher than before. Therefore, in 2012-13 and the years to come, we will monitor demand for higher education very carefully and adjust our guidance to institutions where necessary.

Our key objective remains protecting access and we continue to believe that this is best achieved by increasing targeted, sustained, co-ordinated outreach work by universities and colleges. We will therefore continue to work to increase this, including collaborative initiatives delivered by regional or national groups of institutions.

We will also strive to ensure that institutions' financial support packages are well targeted at the most disadvantaged, and fit appropriately with the new NSP awards. And we will further encourage institutions to evaluate what they do, including putting in place evaluation plans at the start of any initiatives, to increase understanding of what works best and enable good practice to be shared across the sector.

Ministers have indicated in the HEFCE grant letter that they will ask OFFA and HEFCE to develop a joint strategy on how we can best support institutions to deliver on their access and retention plans and we look forward to developing this in the coming year.

Close collaboration

We are already liaising very closely with other sector bodies such as HEFCE and UCAS on the transitional arrangements and this will increase in 2012-13. For example, we will work with the National Union of Student (NUS) on better understanding student union views on access agreements – close communication with NUS has already helped us to improve our guidance for 2013-14, including a requirement to report on how students were consulted in drafting agreements.

We will also develop our partnerships with analysts in other organisations to further explore the evidence base around access and retention, and ensure that our processes and data requirements are aligned wherever possible. In particular, we will continue collaborating with UCAS to better understand how their data provides an early indication of student demand, including from under-represented groups, under the new fees and how their data might provide different ways of measuring performance in widening access. Young full-time application rates have largely held up in the latest UCAS data from January 2012. But we must avoid complacency; these were students who were already a long way down the road to higher education and we must maintain our efforts for future cohorts, particularly those yet to make the decisions that will lead them to higher education.

The delivery of clear information about the benefits and costs of higher education is an equally key challenge, because it helps potential applicants and applicants to make well informed choices about whether and where to study. We will continue to work closely with our sector partners and institutions to this end.

Understanding and mitigating risks

Our key risks for 2012-13 derive from our strategic aims, which focus on successfully supporting the sector to maintain and deliver access agreements in the context of their WPSAs and the ongoing changes to the higher education environment. Our continued collaboration with institutions and sector colleagues, including student bodies, will enable us to understand and mitigate our risks as well as to achieve our shared aims of widening participation and improving access, retention and student success.

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Financial results for 2011-12

The accounts cover the year 1 April 2011 to 31 March 2012. The accounts have been prepared in accordance with the direction given by the Secretary of State for Business, Innovation and Skills (BIS), with the approval of the Treasury, in accordance with Schedule 5 (section 8) of the Higher Education Act 2004. The accounts are also produced in accordance with the Financial Memorandum with BIS.

Income

In 2011-12 OFFA did not have any revenue (2010-11: £15,000). This is because the Service Level Agreement with DELNI, that generated the revenue in the previous year, expired on 31 March 2011. The £670,000 grant in aid received this year from BIS (2010-11: £484,000) is taken to the Statement of Changes in Taxpayers' Equity rather than shown as revenue in the Statement of Comprehensive Net Expenditure. All of this funding was provided for administrative running costs of the organisation.

Expenditure

Total expenditure was £706,575 (2010-11: £491,061). Of this amount £538,012 (2010-11: £361,418) was paid to HEFCE for services provided through a Service Level Agreement (further details in section below). No revenue was received during the year, so OFFA had net expenditure of £706,575 for the year (2010-11: £476,061) which was transferred to general reserves. Reserves at year end totalled £18,598 (2010-11: £55,173).

Cash balance

Our Financial Memorandum (FM) with BIS recognises that it may not always be possible to match receipts with payments exactly within each year. In the FM with BIS, the Department considers a level of £40,000 to be a suitable guideline level for cash balances. This is being reconsidered in the light of the increased budget. At 31 March 2012 our cash balance was £48,598 (2010-11: £66,631).

Service Level Agreement with HEFCE

OFFA has a Service Level Agreement with HEFCE for the provision of various services including accommodation, finance, IT and human resources support, internal audit and general administrative activities. During the year ending 31 March 2012 OFFA paid HEFCE £538,012 including VAT (2010-11: £361,418) for the services provided through the Service Level Agreement including the costs of directly seconded staff. The increase relates to the increase in staff numbers. From February 2012 OFFA has changed its policy and now employs new staff directly.

Payment of creditors

In line with Government guidance OFFA is fully committed to the prompt payment of its suppliers' invoices and supports the Better Payment Practice Code. OFFA aims to pay invoices in accordance with agreed contractual conditions or, where no such conditions exist, as soon as possible. All suppliers have been notified of this commitment, through HEFCE, and have been given clear guidelines to help OFFA achieve this aim. Throughout the year HEFCE monitors actual performance against the 30-day target. During the year ending 31 March 2012 the target was met for 100 per cent of invoices (2010-11: 99 per cent) for OFFA.

HEFCE also monitors performance against a 10-day payment measure and aims to sustain or move as closely as possible to this measure wherever possible. OFFA's performance against this new prompt payment target of 80 per cent was 96 per cent in 2011-12 (2010-11: 92 per cent). During 2012-13 we will look to sustain and improve on this performance, with the aim of moving towards a five-day payment target, currently 92 per cent (2010-11: 67 per cent), balancing this against the impact on our resources and the need to maintain effective internal controls. OFFA pays relatively few invoices in total.

A copy of the prompt payment code can be found at www.promptpaymentcode.org.uk.

How our accounts are audited

The accounts are audited by the Comptroller and Auditor General, who is appointed by Statute. The audit fee is £10,500 (2010-11: £9,400). The Comptroller and Auditor General did not provide any non-audit services during 2011-12.

External audit information

So far as the Accounting Officer is aware, there is no relevant audit information of which OFFA's auditors are unaware. The Accounting Officer has taken all the steps he ought to have taken to make himself aware of any relevant audit information and to establish that OFFA's auditors are aware of that information.

Diversity and equality

OFFA, through its Service Level Agreement with HEFCE, follows HEFCE's policy on diversity and equal opportunities in line with its Equality Scheme (up to 2011 HEFCE 2007/01 *The HEFCE Equality Scheme* and from 2012 HEFCE 2012/03 *HEFCE Equality and Diversity Scheme* 2012-2014). OFFA, through HEFCE, is committed to making equality and fair treatment – irrespective of race, gender, disability, sexual orientation, age, religion or belief – a core element in the way services are delivered and in the way the organisation is managed.

How we consult employees

OFFA, through HEFCE, and directly, recognises the Public and Commercial Services (PCS) union as specified in their partnership agreement and regularly consults with all staff and the PCS union on changes concerning employee relations within the organisations, taking into account the differing views and opinions of colleagues.

Health, safety and welfare at work

OFFA, through its Service Level Agreement with HEFCE, follows HEFCE's Health and Safety at Work policy. HEFCE's aim is to have a clear and comprehensive framework to ensure, as far as reasonably possible, the health and safety of colleagues and others who may at any time be on their premises. The policy recognises the statutory responsibilities for providing a safe and healthy working environment for all members of staff and visitors to HEFCE's offices.

Sickness absence rate

HEFCE monitors sickness absence, including for those staff seconded to OFFA and those directly employed by OFFA. For individuals the aim is to get early warning of any issues and to be able to support colleagues in dealing with chronic health problems or returning to work after extended periods of sick leave. At the organisational level we believe that sickness is a useful indication of staff satisfaction and wellbeing. Absence due to sickness at HEFCE is very low compared to other organisations: an estimated average of 5.2 working days were lost for HEFCE in 2011-12 (2010-11: 5.6). The most recent available comparatives are for 2010-11 when the Government public service bodies average was 9.1 and the private sector services average was 7.1. It has been deemed inappropriate to report absence due to sickness for the staff employed by OFFA directly from February 2012, for data protection reasons.

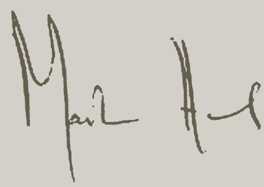
Environmental indicators

Using advice and guidance from UK Government sources HEFCE has produced a set of environmental performance indicators. The indicators include data on carbon dioxide emissions, energy usage, water usage, waste disposal to landfill and recycled paper. The performance indicators will be updated annually and are available on the web at www.hefce.ac.uk/about/howweoperate/corporatesocialresponsibility. As OFFA uses the HEFCE offices, the performance indicators include OFFA.

Personal data related incidents

OFFA does not hold any personal data and we have not had any personal data related incidents.

Sir Martin Harris



Director and Accounting Officer
Office for Fair Access
11 June 2012

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Remuneration report for 2010-11

Part 1: Unaudited information

Director of Fair Access

The Director of Fair Access is appointed by the Secretary of State for Business, Innovation and Skills. BIS invoices OFFA the cost of the Director's salary and national insurance contributions. The remuneration of the Director is determined by the Secretary of State for Business, Innovation and Skills.

Sir Martin Harris was appointed as the first Director of Fair Access on 15 October 2004. The Director's role is a part-time position, and was originally 0.5 full-time equivalent (FTE). From 14 October 2006 the post became 0.4 FTE (i.e. two days a week). The post does not offer any pension entitlements. The appointment was originally for a fixed term of three years, but this has since been extended until the end of August 2012 and since 28 May 2011 the post became 0.6 FTE (i.e. three days a week). Between 28 May and 2 September 2011 Sir Graeme Davies was appointed Interim Director for Fair Access while Sir Martin underwent treatment for cancer.

Other than the possibility of payment in lieu of notice, there are no explicit contractual provisions for compensation for early termination of this period. The leave accrual which applies under IFRS to other members of OFFA staff does not therefore apply to the Director.

Part 2: Audited information

Salary and pension entitlements for the Director

Salary details are given in the table for Sir Martin Harris and Sir Graeme Davies. Figures shown are full year values unless otherwise stated.

Remuneration shown in the table is salary. Salary includes: gross salary; performance pay or bonuses; and any other taxable allowances or payments. The monetary value of benefits in kind covers any benefit provided by the employer and is treated by the HM Revenue & Customs as a taxable emolument. Neither Sir Martin nor Sir Graeme received any benefits in kind or bonuses in 2011-12 but while officially off the payroll between June and August Sir Martin provided advice and assistance for which OFFA paid additional £4,119, not included in the figures shown in the table.

	Year ended 31 March 2012	**Year ended 31 March 2011**
Sir Martin Harris, Director, 2010-11 (2 days per week) (£000)		40-45
Sir Martin Harris, Director, April - May (2 days per week) (£000)	5-10	
Sir Graeme Davies, Interim Director, June - August (3 days per week) (£000)	20-25	
Sir Martin Harris, Director, September - March (3 days per week) (£000)	35-40	
Total (£000)	65-70	40-45
Band of highest paid Director (full-time equivalent)		
Total remuneration (£000)	110-115	110-115
Median total remuneration (£)	28,798	29,971
Remuneration ratio	3.8	3.7

As part of central Government's commitment to increase transparency and accountability, OFFA is reporting the median earnings of its workforce and the ratio between this and the earnings of its Director. The disclosure will also allow some comparability over time and across the public sector and private sector, where similar disclosures of senior employees' remuneration and pay multiples are made.

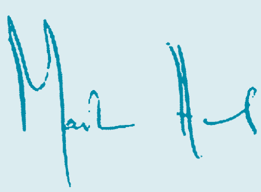
Civil Service pensions

The Civil Service pension is an unfunded multi-employer defined benefit scheme notionally backed by the Government. As a result OFFA is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out at 31 March 2007 and details can be found under 'Governance and Rules' on the Civil Service Pensions website (www.civilservice.gov.uk/pensions).

Pension benefits

Until 19 February 2012 OFFA did not directly contribute to any pension scheme. During the year it paid HEFCE £52,446 including VAT (*2010-11: £34,132 including VAT*) towards the cost of contributions to the Principal Civil Service Pension Scheme (PCSPS). This payment relates to the employer contributions of staff directly seconded to OFFA. Since 20 February 2012 OFFA contributed £2,814 to PCSPS directly, in respect of directly employed staff members.

Sir Martin Harris



Director and Accounting Officer
Office for Fair Access
11 June 2012

Statement of the responsibilities of the Director of Fair Access

Under section 8 of schedule 5 to the Higher Education Act 2004, the Director of Fair Access is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Secretary of State for Business, Innovation and Skills, with the consent of the Treasury. The accounts are prepared on an accruals basis and must show a true and fair view of OFFA's state of affairs at the year end and of its revenue and expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Director of Fair Access as Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual (FReM) and in particular to:

- observe the accounts direction issued by the Secretary of State for Business, Innovation and Skills, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards have been followed and disclose and explain material departures in the financial statements
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the body will continue in operation.

The Accounting Officer for BIS has designated the Director as the Accounting Officer for OFFA. His relevant responsibilities as OFFA Accounting Officer, including his responsibilities for the propriety and regularity of the public finances for which he is answerable and for the keeping of proper records, are set out in the non-departmental public bodies Accounting Officers' Memorandum, issued by the Treasury and published in *Managing Public Money*.

Office for Fair Access governance statement 2011-12

Scope of responsibility

As accounting officer, accountable to the Secretary of State for the Department for Business, Innovation and Skills (BIS) and the Permanent Secretary of BIS as its Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of OFFA's policies, aims and objectives, whilst safeguarding the public funds for which I am personally responsible, in accordance with the responsibilities assigned to me in the Treasury guidance Managing Public Money. I am also responsible for using the public funds assigned to OFFA economically, efficiently and effectively.

The purpose of the Governance Statement

The Governance Statement, for which I take personal responsibility, aims to give a clear understanding of the dynamics of the business and control structure. The Statement supplements the financial statements by recording the stewardship of the organisation, providing a sense of the organisation's performance and of how successfully it has coped with the challenges it faces. It aims to provide an insight into the business and how I have made use of resources, made informed decisions about progress against business plans and steered performance back on track where necessary. It explains how I have complied with the principles of good governance.

The Governance Framework for the Office for Fair Access

The Office for Fair Access was established in October 2004 under Part 3 of the Higher Education Act 2004. This legislation established the post of the Director of Fair Access (the Director) who is appointed by the Secretary of State. The powers and duties under the Act are invested in the Director. For administrative purposes the Director of Fair Access is classified as an executive non-departmental public body, which is known as the Office for Fair Access (OFFA). I as Director must perform my duties in such a way as to promote and safeguard fair access to higher education. I have a duty to protect academic freedom, including in particular the freedom of institutions in relation to course content and admission decisions. I may identify good practice in relation to equality of opportunity (for example on outreach, financial support for students, and retention and student success) and may give advice about such practice to publicly funded institutions.

I am responsible solely to the Secretary of State. I am independent from Government, but must have regard to any advice given to me by the Secretary of State. Any reports required of me by the Secretary of State must also be laid before Parliament. I maintain regular interaction with BIS Ministers and officials in performing my duties. From time to time I receive letters of guidance from Ministers setting out key Government policy direction. For this reason there is no Board or governing body in respect of the Office for Fair Access. Similarly there are no sub-committees or Audit Committee.

My financial authority has been delegated to me by the BIS Accounting Officer. The practicalities of financial management (budgeting and management accounting, preparation of accounts, payment of invoices, receipt of grant in aid, management of the bank account and so forth) are undertaken on my behalf under a Service Level Agreement (SLA) by the Higher Education Funding Council for England (HEFCE), with whom my staff share an office. I am based in Clare Hall, Cambridge, and therefore exercise this responsibility from a distance.

While I am ultimately responsible for ensuring that the system of internal control is effective in managing OFFA's risks, I am supported in this by the Assistant Director, other OFFA staff and a small number of HEFCE staff who support OFFA under the SLA. The system of internal control relies partly on monitoring the effectiveness of the service level agreement with HEFCE.

An internal audit service is also provided under the SLA (as are other office services and facilities, such as human resources, office accommodation and IT support). In the absence of an Audit Committee, I have agreed that the OFFA Head of Internal Audit has the right of direct access to the BIS Head of Internal Audit and/or BIS Accounting Officer, should there ever be cause to require such access. Apart from routinely providing the internal audit annual report to BIS for information, this right of access has never been used in relation to any control weaknesses in respect of OFFA.

I observe the relevant policy, procedure and guidance issued by BIS and its Ministers, and by other relevant Government departments, such as Treasury and Cabinet Office, with regard to all financial matters including accounting, budgeting, estimates, commercial matters relating to contracting, procurement, purchasing and sales and matters of corporate governance, fraud avoidance and risk management. I also carry out an annual review of the internal controls, financial or otherwise. This statement represents the outcome of that review.

Financial forecasting is also undertaken by the Assistant Director using expenditure to date and costed budget plans (where these are changing). The most significant items of expenditure in 2011-12 are pay, which follows from agreed structures, and the SLA with HEFCE, which is reviewed at least annually.

The Assistant Director monitors expenditure against profiled budget on a monthly basis, on the basis of financial advice provided through the SLA and discusses any material findings with me. Any plans to change staffing structure or budget would be discussed between me and the Assistant Director, and with the sponsor team in BIS.

OFFA publishes the Annual Report and Accounts to provide a transparent account of the use to which public funds have been put. As part of the Government's transparency agenda, we post an organogram, together with details of financial transactions above £25,000,on OFFA's website at www.offa.org.uk/about/transparency-data/. In 2011-12 the only non-pay invoices exceeding £25,000 relate to the quarterly charge for the SLA with HEFCE.

I have unlimited authority to spend in relation to agreed budgets, except ICT (£1 million), marketing and advertising (£100,000), property-related (£100,000) and consultancy (£20,000). These spending limits have not been breached in 2011-12.

Value for money

Value for money principles are embedded in our processes and activities, our corporate structure, and through the appraisal of staff and management performance. They are subject to challenge on a regular basis through the review of OFFA's control framework by the Head of Internal Audit. The director gains additional assurance about value for money through the annual renegotiation of our Service Level Agreement with HEFCE, which is delegated to the Assistant Director.

Policy advice

I have access, where I consider it useful or necessary, to an Advisory Group whose purpose is to assist me by providing expert and impartial advice on policy issues, procedures and individual access agreements. Members of the group are entitled to a fee for meetings attended and work completed.

The original members of the group were Dr Michael Goldstein, Professor Norman Gowler and Dr John Rea. OFFA had not called on these members to provide any advice in the two years prior to 2011-12. Having served for seven years the membership of the group was changed with effect from July 2011. The new group, consisting of Dr John Selby (Chair), Dr Lee Elliot Major and Aaron Porter, met three times during 2011-12. OFFA will review the terms of reference, size and membership of the Group once the new Director is in post.

The Risk and Internal Control Framework

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system is based on a continuing process designed to: identify and prioritise the risks to the achievement of OFFA's strategic aims, policies and objectives; to evaluate the likelihood of those risks being realised, and manage them efficiently, effectively and economically. The system of internal control has been in place for OFFA for the year ended 31 March 2012 and up to the date of the approval of the annual report and accounts, and accords with Treasury guidance.

Approach to risk management

Risks are identified and managed throughout the course of the year. Their identification and management is documented and reviewed in a risk register that is both high level and operational. The risk register is formally reviewed at least once a year, including at year end in a meeting specifically for that purpose. Risks are identified and classified according to their probability, business implications and mitigations, and contingencies are explored.

Some high level risks relate to Government policy and, where this is the case, OFFA is unable to determine its own risk appetite in respect of these risks. We aim to manage our identified risks as effectively as possible, recognising that we may have limited influence in mitigating some of these, as we are delivering Government policy through our interactions with universities and colleges and other higher education stakeholders.

OFFA's high level risk register recognises our 10 most significant risks, covering the following areas: budget and resource; staffing and structure; development of access agreements 2013-14; access agreement performance; institutional expenditure on outreach; capacity to engage with BIS in development of the new arrangements; capacity to engage with HEFCE in development of the new arrangements; relationships with other key stakeholders; OFFA's reputation and key messages; dispute and regulatory failure. Our high level risks reflect some of the uncertainties of operating in a period of transitional policy, where changes to the sector and the regulatory framework need to be managed, including the growth of OFFA to meet increased expectation, the implementation of the key policy changes and relationships with other stakeholders in the context of moving towards the new regulatory framework.

As well as our ongoing internal dialogue around risks, key risks are also discussed with our advisory group where necessary. A key aspect of our approach to mitigating risk is to ensure, as far as possible, that policy development and implementation is discussed with key stakeholders, consulted upon, and conducted in a transparent and well-documented manner. This includes the involvement of the Minister, key senior civil servants and other stakeholders.

Significant risks and issues connected to our control this year include:

- In order to meet the increased expectations of Government, OFFA has grown significantly over the past year, increasing from 3.5 to 10.2 staff (full-time equivalent) by the end of the year. Further growth is planned next year. The budget for 2012-13 has been agreed with BIS, subject to mid-year review which will take into account the detailed plans of the programme of work and staffing requirements for the coming year. OFFA will have a change of Director in September 2012 and so OFFA's provisional plans will be subject to confirmation by the new Director once in post.
- Due to the levels of policy change around transition and the delay in appointing a new Director, we have not renewed our strategic plan. This is overdue and we will seek to address this in the coming year, once the new Director is in post.
- One of the key risks facing OFFA relates to the smooth running of the access agreement process so that applicants are certain of the financial package (the fee charged and financial support available) relating to each course. A clear response from institutions to OFFA guidance on access agreements depends upon key elements of Government policy, such as student number controls, being in place in good time. The late change of Government policy on student number controls last year required emergency action from OFFA to re-open access agreements in-year. In doing so we needed to balance the interests of institutions and applicants. We worked hard with the sector to successfully minimise the disruption to institutions and students. Although the announcement on student number controls was later than expected for 2013-14, it was made in advance of the submission of access agreements.
- Under the new system there is significantly increased expenditure through access agreements. There is a risk that this expenditure does not lead to an increase in performance against the aims set out in institutions' access agreements. We will work with institutions and other sector bodies to better understand what activities and investments work best. In doing so, in line with current evidence, we will look to protect and increase the level of investment in outreach, including co-ordinated long term activities with students from an early age and collaborative work with other institutions. There is a risk that some institutions, in fulfilling their National Scholarship Programme commitments or in seeking to reduce their average fees using fee waivers, might restrict their investment in outreach activities. Our guidance seeks to mitigate this risk.

Ministerial directions

We have received no formal ministerial directions this year (our key guidance letter for the new fee and funding arrangements was issued last year, in February 2011). However, we have been in discussion with Ministers and BIS officials about establishing a shared strategy with HEFCE for widening access to higher education and this intention has been signalled in HEFCE's latest grant letter from Ministers.

Data security

There have been no reportable losses of personal data in this period.

Internal audit

Under the terms of the Service Level Agreement, the Head of HEFCE's Internal Audit Service also provides a service to OFFA. The Internal Audit Service carries out work designed to assess the quality of OFFA's governance, management and risk assessment and control. The internal audit opinion for 2011-12 is as follows:

Our review has confirmed that OFFA's arrangements for risk management are robust, proportionate to the significance of the risks to which they are exposed, and are well embedded within operational activities. OFFA's Governance Statement for 2010-11 is consistent with the findings of this review and our knowledge of OFFA's activities for the year.

Review of effectiveness

As Accounting Officer I have responsibility for conducting an annual review of the effectiveness of the system of the organisation's governance, risk management and internal control. This review is informed by the work of my Assistant Director, other managers and internal audit and takes account of comments made by the external auditors in their management letter and other reports. The Governance Statement represents the end product of the review of the effectiveness of the Governance Framework, risk management and internal control.

Apart from the issues discussed above in connection to OFFA's resources and key risks, the most significant issues affecting OFFA during 2011-12 have been:

- uncertainties caused by the delay of the appointment of a new Director, Professor Les Ebdon, who will take up office 1 September 2012
- managing a year of considerable change, including an unplanned period with an interim Director (due to illness), and managing a significant organisational change with OFFA growing from 3.5 to over 10 staff (full-time equivalent)
- the increased extraordinary business generated by our involvement in designing and implementing the transition to the new arrangements has placed significant strain on OFFA as a small organisation, particularly at senior management level. For example, OFFA's involvement in the Interim Regulatory Partnership Group and other related activities and groups has been largely covered by the Director and Assistant Director, in the absence of a wider senior management team. The provision of additional Government funding for OFFA has significantly mitigated the risks associated with increased transition business.

As a very small organisation, established without conventional governance arrangements, OFFA has not hitherto considered it worthwhile carrying out a self-assessment of the effectiveness of governance, as is recommended good practice. In the light of the increasing resources provided to OFFA, we will revisit this decision during 2012-13.

In the meantime, and on the basis of the evidence in relation to my own knowledge of the organisation, and information provided to me by internal and external audit, my conclusion is that the governance and internal control structures for the Office For Fair Access have been appropriate for OFFA's business and working satisfactorily throughout 2011-12.

Sir Martin Harris

Director and Accounting Officer
Office for Fair Access
11 June 2012

The certificate and report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of the Office for Fair Access (OFFA) for the year ended 31 March 2012 under the Higher Education Act 2004. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Board, Accounting Officer and auditor

As explained more fully in the Statement of the Responsibilities of the Director of Fair Access, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Higher Education Act 2004. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the OFFA's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by OFFA and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state OFFA's affairs as at 31 March 2012 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Higher Education Act 2004 and Secretary of State directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions made under the Higher Education Act 2004; and
- the information given in the sections entitled OFFA's role and responsibilities and Financial results for 2011-12 within the Management Commentary of the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Amyas C E Morse
Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London SW1W 9SP

13 June 2012

Financial Statements

Statement of Comprehensive Net Expenditure for the year ending 31 March 2012

	Note	Year ended 31 March 2012 £	Year ended 31 March 2011 £
Expenditure			
Staff costs	2	**487,554**	**320,104**
Other expenditures	3	**219,021**	**170,957**
Total expenditure		**706,575**	**491,061**
Revenue			
Revenue from activities	4	**0**	**15,000**
Total revenue		**0**	**15,000**
Net expenditure for the year transferred to general reserve		**706,575**	**476,061**

There were no gains or losses other than the net expenditure for the year.

All OFFA operations are continuing.

The notes on pages 47 to 52 form part of these accounts.

Statement of Financial Position as at 31 March 2012

	Note	As at 31 March 2012 £	As at 31 March 2011 £
Current assets			
Trade receivables and other current assets	6	**960**	**15,000**
Cash	7	**48,598**	**66,631**
		49,558	**81,631**
Current liabilities			
Trade payables and other current liabilities	8	**(30,960)**	**(26,458)**
Non-current assets plus net current assets		**18,598**	**55,173**
Assets less liabilities		**18,598**	**55,173**
Taxpayers' equity			
General reserve		**18,598**	**55,173**
		18,598	**55,173**

Sir Martin Harris

Director and Accounting Officer
Office for Fair Access

11 June 2012

The notes on pages 47 to 52 form part of these accounts.

Statement of Cash Flows for the year to 31 March 2012

	Note	**Year ended 31 March 2012 £**	**Year ended 31 March 2011 £**
Cash flows from operating activities			
Net expenditure		(706,575)	(476,061)
Decrease in trade receivables			
and other current assets	6	14,040	16,250
Increase/(decrease) in trade payables			
and other current liabilities	8	4,502	(2,666)
Net cash outflow from operating activities		**(688,033)**	**(462,477)**
Cash flows from financing activities			
Grants from parent department		670,000	484,000
Net cash inflow from financing activities		**670,000**	**484,000**
Net financing			
Net increase in cash for the year	7	(18,033)	21,523
Cash at beginning of period	**7**	**66,631**	**45,108**
Cash at end of period	**7**	**48,598**	**66,631**

The notes on pages 47 to 52 form part of these accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2012

	General Reserve Year ended 31 March 2012 £
Balance as at 1 April 2010	**47,234**
Changes in reserves 2010-11	
Grant from parent department	**484,000**
Net expenditure transferred in the year	**(476,061)**
Balance as at 31 March 2011	**55,173**
Changes in reserves 2011-12	
Grant from parent department	**670,000**
Net expenditure transferred in the year	**(706,575)**
Balance as at 31 March 2012	**18,598**

The notes on pages 47 to 52 form part of these accounts.

Notes to the accounts for the year to 31 March 2012

1 IFRS accounting policies

Basis of accounting

The financial statements have been prepared in accordance with the 2011-12 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FreM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the Office of Fair Access for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Office for Fair Access are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

Accounting convention

The accounts are prepared under the historical cost convention.

Standards, interpretations and amendments to published standards which are not yet effective

The IASB and IFRIC issued the following standards and interpretations (see below) with an effective date after the date of these financial statements. Where the changes are relevant to OFFA's circumstances they will be adopted at the effective date. They have not been adopted early and their adoption is not expected to have a material impact on OFFA's reported income or net assets in the period of adoption.

Going concern

The net expenditure shown on the Statement of Comprehensive Net Expenditure is fully funded by BIS through running cost grant-in-aid. This funding is taken directly to reserves (Statement of Changes in Taxpayers Equity). Funding for 2012-13 has already been included in the Department's estimates for that year, which have been approved by Parliament, and there is no reason to believe that the Department's future sponsorship and future parliamentary approval will not be forthcoming. It has accordingly been considered appropriate to prepare these financial statements on a 'going concern' basis. The Government has signalled in the Higher Education White Paper and elsewhere that funding to support the expansion of OFFA by up to four times will be provided. OFFA is currently in discussion with BIS to formally agree a provisional budget for 2012-13. A final budget will be agreed once the new Director is in post and he has reviewed our structural and other resource needs.

Operating segments

OFFA is a very small body with the overall objective of supporting widening participation and fair access within higher education institutions. The Accounting Officer reviews reports on OFFA as an entity with

Standards and interpretations		Effective date
IAS 19	Post-employment benefits The amendment introduces a number of changes relating to recognition, presentation and disclosures and also modifies accounting for termination benefits.	1 January 2013
FReM	Revises the departmental resource accounting boundary to include non-departmental public bodies and other bodies classified to central Government by the Office for National Statistics. The FReM also interprets IAS 27 in relation to the consolidation boundaries.	1 April 2012

The impacts of the above have not been quantified and are not expected to be material. Other standards issued but not yet effective were not judged to be relevant to OFFA's circumstances.

costs analysed in a similar way to that shown in the financial statements. The Accounting Officer therefore considers that under IFRS 8 Operating Segments OFFA activities comprise one operating segment.

Financial instruments

Assets and liabilities that meet the definition of financial instruments are accounted for in compliance with IFRS 7 and International Accounting Policy Standards 33 and 39 where material. Receivables and payables falling due within one year are measured at cost on the basis that this is a reasonable approximation of fair value.

Employee benefits

Short term employee benefits comprising salaries, social security contributions and paid annual and sick leave for staff seconded to OFFA under the Service Level Agreement (SLA) as well as for staff directly employed by OFFA are recognised in the year in which the related service is performed. The exception to this is that any staff bonus awarded by HEFCE to seconded staff is recognised in the year in which a reliable estimate of the obligation can be made, which is when the decision to pay a specified bonus is made. The same applies to staff directly employed by OFFA , in line with the HEFCE terms and conditions. In addition to costs payable under the SLA or directly the cost of any untaken annual leave days is accrued at the year end, and the in year movement is taken to the Net Expenditure Account.

OFFA's post employment benefits liability under the Principle Civil Service Pension Scheme (PCSPS) is limited to the pension contributions paid to HEFCE under the SLA for the seconded staff and to PCSPS for the staff employed directly, and is recognised in the year in which the related service is performed. PCSPS is described in more detail in the remuneration report.

Property, plant and equipment

OFFA has no property, plant or equipment other than that which is provided by HEFCE under a Service Level Agreement.

Grants from the Department of Business, Innovation and Skills (BIS)

All grant from the parent department (BIS) is treated as financing as it is a contribution from controlling parties giving rise to a financial interest. It is recorded as financing in the cash flow statement and credited to the general reserve.

Revenue

OFFA generated no revenue in 2011-12.

Cash and cash equivalents

All revenue is held as cash. OFFA does not hold cash equivalents.

Accounting for Service Level Agreement with HEFCE

The costs of staff seconded to OFFA under the Service Level Agreement with HEFCE are included in staff costs. The cost of central support functions provided under the agreement, including the costs of staff performing these activities, are included within other administration costs.

Provisions for liabilities and charges

Provisions are recognised when OFFA has a present legal or constructive obligation as a result of a past event; it is probable that a transfer of economic benefit will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. OFFA has no provisions for the year ending 31 March 2012.

Taxation

OFFA does not trade and hence is not liable for Corporation Tax. Also OFFA has insufficient chargeable output to warrant registration for VAT. Costs are shown inclusive of VAT where applicable, including staff costs, which are provided as a service by HEFCE. No VAT is charged on staff costs for staff directly employed on OFFA's own payroll.

2 Staff numbers and related costs

Staff costs

	Year ended 31 March 2012 £	Year ended 31 March 2011 £
Staff employed by OFFA (including the Director and directly seconded staff)		
Salaries	349,903	229,243
Social security costs	32,415	19,929
Other pension costs	51,498	34,132
	433,816	283,304
Costs of employing contract, agency and temporary staff*	53,738	36,800
	487,554	320,104

* This line includes the payments to the Advisory Group members, as detailed below.

Average numbers of persons employed

	Year ended 31 March 2012	Year ended 31 March 2011
The average actual number of full-time equivalent persons employed during the year, including the Director, was:		
Directly employed	6.4	3.9
Average number of contract, agency and temporary staff	1.2	0.9
	7.6	4.8

Salaries

Salary includes gross salary, overtime, pay rises, reserved rights to London weighting or London allowances, recruitment and retention allowances, private office allowances and any other allowance to the extent that it is subject to UK taxation. HEFCE invoice OFFA for the seconded staff costs plus VAT. No VAT is charged for directly employed staff on OFFA's payroll. Annual settlements are awarded from 1 August each year for HEFCE seconded staff. This will apply for the directly employed staff as well, in line with HEFCE terms and conditions.

The Director of OFFA was employed for two days per week (0.4 FTE) until 27 May 2011 and three days per week (0.6 FTE) from 28 May 2011. An annual pay award for the Director of OFFA is determined by BIS and is awarded with effect from 15 October each year. There was no pay award in 2011-12. None of OFFA's staff are employed on capital projects.

Exit packages

No Civil Service exit packages were awarded in 2011-12.

Advisory Group

OFFA has maintained an Advisory Group since 2005 to provide the Director of Fair Access and OFFA with expert and impartial advice on policy issues, procedures and individual access agreements. The Group did not meet in the years 2007-08 to 2011-12 and therefore no fees were payable to Group members for these years. The term of office for the first members of the Group (Dr Michael Goldstein, Professor Norman Gowler and Dr John Rea) came to an end in July 2011.

In July 2011, the Director appointed three new members, Dr John Selby (Chair), Dr Lee Elliot Major and Aaron Porter. This group met three times in 2011-12.

Further details of the group and the members are provided on the OFFA website at www.offa.org.uk/about/offa-advisory-group/. Advisory Group members are entitled to a fee (paid at a rate of £250 a day) for attendance at meetings, or for work by correspondence, as agreed with OFFA. The fee is not pensionable. Members are also entitled to reasonable travel and subsistence expenses, payable on the same terms and conditions as OFFA staff.

	Year ended 31 March 2012 £	**Year ended 31 March 2011 £**
Dr John Selby[1]	0	0
Dr Lee Elliot Major	500	0
Aaron Porter	500	0
Total	**1,000**	**0**

[1]Fee waived.

3 Other expenditure

	Year ended 31 March 2012 £	**Year ended 31 March 2011 £**
External audit fee	**10,500**	**9,400**
Consultancy and legal fees	**9,912**	**20,928**
General administrative payments	**4,079**	**1,069**
Publications, printing, publicity	**2,265**	**5,734**
Recruitment and training	**5,355**	**14,514**
Service Level Agreement with HEFCE:		
– Accommodation and housing services	**63,652**	**30,606**
– IT, Finance and HR services	**64,779**	**52,354**
– Budget Management and Assurance services	**13,500**	**10,622**
– Other general expenses	**20,524**	**10,429**
– Internal Audit – provided by HEFCE	**7,572**	**3,966**
Travel and subsistence for staff	**16,883**	**11,335**
	219,021	**170,957**

HEFCE provides internal audit services to OFFA as part of the Service Level Agreement. These services can be performed either by HEFCE's own staff or outsourced at the Head of Internal Audit's discretion. These costs are classified as other administration to aid comparison of total internal audit costs between years.

4 Revenue

	Year ended 31 March 2012 £	Year ended 31 March 2011 £
Revenue		
Revenue from activities	0	15,000
Total revenue	0	15,000

The amount reported in 2010-11 (£15,000) was in relation to revenue from the Department of Employment and Learning Northern Ireland in respect of services provided under a Service Level Agreement. In 2011-12 OFFA provided no such service.

5 Financial instrument risks

Financial instruments are not significant in respect of OFFA's financial position and performance.

IFRS 7 and International Accounting Standards (IAS) 32 and 39 require an organisation to present and disclose information on the possible impact of financial instruments on its financial position and performance and on the extent of its risk profile. As a non-departmental public body (NDPB) funded by the Government, OFFA is not exposed to credit, liquidity, market or interest rate risks arising from any of its normal operations. OFFA has no overseas operations or foreign currency bank accounts; and therefore no currency risks arise.

The organisation has no fixed assets and therefore objectives, policies and processes relate principally to cash management.

6 Trade receivables and other current assets

All amounts falling due within one year:	As at 31 March 2012 £	As at 31 March 2011 £
(a) analysis by type		
Trade receivables and other current assets	0	15,000
Prepayments	960	0
	960	15,000
(b) analysis by source		
Other central Government bodies	0	15,000
Bodies external to Government	960	0
	960	15,000

7 Cash and cash equivalents

	As at 31 March 2012 £	As at 31 March 2011 £
Balance at 1 April	66,631	45,108
Net change in cash and cash equivalent balances	(18,033)	21,523
Balance at 31 March	48,598	66,631
The following balances at 31 March were held at:		
Government Banking Service	48,598	66,631
Balance at 31 March	48,598	66,631

8 Trade payables and other current liabilities

All amounts falling due within one year:	As at 31 March 2012 £	As at 31 March 2011 £
(a) analysis by type		
Accruals and deferred revenue	30,960	26,458
	30,960	26,458
(b) analysis by source		
Other central Government bodies	0	0
Bodies external to Government	30,960	26,458
	30,960	26,458

9 Contingent liabilities disclosed under IAS 37

OFFA had no contingent liabilities at 31 March 2012.

10 Related party transactions

OFFA is a non-departmental public body sponsored by its parent department BIS, and therefore BIS is regarded as a related party.

OFFA has a Service Level Agreement (SLA) with HEFCE, through which HEFCE provides a number of services to OFFA. During the year OFFA paid HEFCE £538,012 (*2010-11: £361,418*) for the services provided through the SLA including the costs of directly seconded staff. Of this amount, £367,985 (*2010-11: £253,441*) relates to staff costs.

OFFA uses admin support from Clare Hall, whose President is Director of Fair Access. In 2011-12 OFFA paid Clare Hall £10,800 (*2010-11: £14,175*).

Details of relationships are held in OFFA's register of interests, which is available on request.

11 Events after the balance sheet date

There have been no events after the balance sheet date and up to the date the accounts were authorised for issue requiring an adjustment to the financial statements. The date the accounts were authorised for issue is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General.

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