

Annex L: Price groups

This annex explains how years of instance should be mapped to price groups for the purposes of HESES14, including guidance on the special cases of medicine, dentistry, veterinary science, education, social work and social policy, computing and sandwich years out. Examples are given for cases where a year of instance can be split across price groups or where provision is franchised out.

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

Cost centre	Price group(s)
101 Clinical medicine	A, B
102 Clinical dentistry	A, B
103 Nursing and allied health professions	C2
104 Psychology and behavioural sciences	C2
105 Health and community studies	C2
106 Anatomy and physiology	B
107 Pharmacy and pharmacology	B
108 Sports science and leisure studies	Sports science and leisure studies
109 Veterinary science	A, B
110 Agriculture, forestry and food science	B
111 Earth, marine and environmental sciences	B
112 Biosciences	B
113 Chemistry	B
114 Physics	B
115 General engineering	B
116 Chemical engineering	B
117 Mineral, metallurgy and materials engineering	B
118 Civil engineering	B
119 Electrical, electronic and computer engineering	B
120 Mechanical, aero and production engineering	B
121 Information technology, systems sciences and	C1

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Cost centre	Price group(s)
computer software engineering	
122 Mathematics	C2
123 Architecture, built environment and planning	C2
124 Geography and environmental studies	C2
125 Area studies	D
126 Archaeology	C1
127 Anthropology and development studies	D
128 Politics and international studies	D
129 Economics and econometrics	D
130 Law	D
131 Social work and social policy	C2, D
132 Sociology	D
133 Business and management studies	D
134 Catering and hospitality management	C2
135 Education	C2, D
136 Continuing education	D
137 Modern languages	C2
138 English language and literature	D
139 History	D
140 Classics	D
141 Philosophy	D
142 Theology and religious studies	D
143 Art and design	C1
144 Music, dance, drama and performing arts	C1
145 Media studies	Media studies
999 Cost centre not assignable	D

Price group	Cost centres
A	101*, 102*, 109*
B	101*, 102*, 106, 107, 109*, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120
C1	121, 126, 143, 144
C2	103, 104, 105, 122, 123, 124, 131*, 134, 135*, 137
D	125, 127, 128, 129, 130, 131*, 132, 133, 135*, 136, 138, 139, 140, 141, 142, 999
Media studies	145
Sports science and leisure studies	108

* For definitions see following paragraphs.

Special cases

Sandwich years out

2. Regardless of academic cost centre, students on a sandwich year-out should be recorded in price group C2.

Medicine, dentistry and cost centres 101 and 102

3. Medical and dental years of instance recorded in price group A must be generated by students in one of the following categories.

- a. Clinical medical students on the final three years of a first registrable medical qualification for doctors taken at one of these points.
 - i. After the pre-clinical part of the course.
 - ii. After a free-standing pre-clinical course.
 - iii. As part of an integrated pre-clinical and clinical course.
- b. Clinical dental students on the final four years of a first registrable dental qualification for dentists taken at one of these points.
 - i. After the pre-clinical part of the course.
 - ii. After a free-standing pre-clinical course.
 - iii. As part of an integrated pre-clinical and clinical course.
- c. Clinical medical (including clinical psychology) and clinical dental postgraduate taught students whose course meets the following three criteria.
 - i. The course bears very high costs of at least £15,000 per full-time equivalent (FTE).
 - ii. A substantial proportion of the staff teaching time contributed to the course is provided by medically or dentally qualified, university-funded

clinical academic staff who hold honorary contracts with the NHS. This includes general practitioners.

- iii. Nearly all of the course is taught in a clinical environment.
 - d. Research students the focus of whose research is in a clinical environment and whose lead supervisor is a clinical academic.
4. Students who meet the criteria in paragraph 3 should have all of their activity for the year of instance attributed to price group A, irrespective of any activity in academic cost centres. All other activity in cost centres 101 and 102 should be returned in price group B.
 5. Where, and only where, a postgraduate course meets the criteria set out in paragraph 3, the subject of course aim should be coded as A3 (clinical medicine), A4 (clinical dentistry), C842 (clinical psychology) or C845 (clinical neuropsychology) on the Higher Education Statistics Agency (HESA) student record.

Veterinary science and cost centre 109

6. Undergraduate veterinary science students should be included in price group A if they are in the final five years of a course which leads to eligibility to register to practise as a veterinary surgeon, irrespective of any activity in academic cost centres. All other undergraduate veterinary science activity, including foundation years, should be returned in price group B.
7. To be included in price group A, clinical veterinary science postgraduate taught students must also be on courses which meet the following three criteria.
 - a. The course bears very high average annual costs of at least £15,000 per FTE.
 - b. A substantial proportion of the staff teaching time contributed to the course is provided by veterinary-qualified, university-funded, clinical academic staff.
 - c. Nearly all of the course is taught in a clinical environment.
8. For research students to be included in price group A, the focus of their research must be in a clinical environment and the lead supervisor should be a clinical academic.
9. All other postgraduate activity in cost centre 109 should be recorded in price group B.

Social work and social policy – cost centre 131

10. Students on courses leading to registration as a social worker with one of the UK regulatory bodies, and students on courses providing post-registration qualifications for social workers, should be entirely attributed to price group C2, irrespective of any activity in academic cost centres.
11. For the purposes of paragraph 10, the UK regulatory bodies are the Scottish Social Services Council, the Care Council for Wales, the Northern Ireland Social Care Council and the Health and Care Professions Council (identifiable on the HESA record where REGBODY = 09, 10, 11, 54 respectively). Post-registration courses for social workers will commonly be coded on the HESA record using COURSEAIM = H76 or M76. Pre-

registration courses for social workers will commonly be coded on the HESA record using COURSEAIM = H16 or M16.

12. All other activity in cost centre 131 should be attributed to price group D.

Education – cost centre 135, ITT and INSET courses

13. Students on initial teacher training (ITT) courses, whether or not leading to qualified teacher status (QTS), should be entirely attributed to price group C2, irrespective of any provision in academic cost centres. All Home and European Union (EU) students on ITT courses leading to QTS should be returned as non-fundable.

14. In-service education and training (INSET) courses are defined as courses for which the primary (but not necessarily the only) purpose is to improve the effectiveness of teachers, lecturers or trainers. Students who do not hold QTS but are studying for an ITT qualification via an INSET course should be recorded in price group C2. Other students on INSET courses should be attributed to price groups in the normal way. Home and EU students holding QTS on INSET courses should be returned as non-fundable.

15. Students studying for a foundation degree to become a teaching assistant should be returned in price group C2.

16. All other activity in cost centre 135 should be returned in price group D.

Attribution of computing to cost centres 119 and 121

17. Only computer engineering departments that relate to the development of computer hardware – specification, design (via computer-aided design), simulation, verification, construction and testing of the hardware of computer systems using logic, memory and interconnection technologies – should be included in cost centre 119. All other computing departments should be returned in cost centre 121.

Allocation of years of instance to price groups

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

19. Except where noted in paragraphs 2 to 19 of this annex, years of instance should be allocated to price groups according to the mix of cost centres in which activity takes place. Student FTE numbers are allocated to cost centres according to the cost centre of the member of staff teaching the module or supervising the activity. This will be described by the modules in the HESA record. Where the activity for a year of instance falls into more than one cost centre, and these cost centres do not fall entirely within one price group, the year should be split among the price groups according to the proportion of activity in each cost centre. Up to two decimal places may be used for this apportionment.

20. Where activity is franchised out for all or part of the provision, if at least one of the following conditions applies then it should be returned in the cost centre(s) most closely matching the academic content of the franchised-out provision.

- a. The franchised-out student FTE numbers are at least 20 per cent of the total student FTE in the department that arranges the franchise.

- b. The franchised-out student FTE numbers are at least 100.

Otherwise it may be returned in the cost centre(s) of the department that arranges the franchise. However, if the institution wishes to return the franchised-out FTE in the cost centre(s) most closely matching the academic content of the franchised-out provision, it may choose to do so.

21. Provision that is franchised out may not be naturally attributable to a cost centre in which the institution is usually active. In this case institutions should create a virtual cost centre in which this activity and its related expenditure are returned. If institutions return such activity using cost centre 999 on the HESA record, it should be treated as falling into price group D.

22. For students taking a whole or partial study year abroad, the price group attribution should be determined in the same way as if the provision was franchised out.

23. Institutions should ensure that where a student's provision does not fall entirely within a single cost centre and under a single subject of study, this is clearly specified on the HESA student record. The HESA student record links subjects and cost centres with students through the subjects and cost centres associated with the modules attached to the student. In January 2015 we will compare the FTE returned to cost centres with both:

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

Example 1

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

Example 2

25. A student studies engineering in the engineering department, and also studies some management in the engineering department. The engineering department is split between two cost centres, one for its engineering provision and one for its management provision. Each cost centre and subject studied is identified separately on the HESA student record. For HESES purposes, this is returned in price groups B and D.

Example 3

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

Example 4

27. Under a franchise arrangement 40 physics students are taught business, and for the entire physics department the franchised-out student FTE numbers amount to 10 FTE out of 40 FTE (25 per cent). The franchised-out FTE numbers should be returned under business and management studies.

Example 5

28. Under a franchise arrangement 40 physics students are taught business, and for the entire physics department the franchised-out student FTE numbers amount to 10 FTE out of 100 FTE (10 per cent). The franchised-out FTE numbers may be returned under physics.

Good practice

Assignment of departments to cost centres

29. When determining the cost centre for a given module, the cost centre of the member of staff most directly associated with it should be used. In general, staff will be associated with only a single cost centre even where their department is split across cost centres. In particular, where a department is split across cost centres, it is necessary to identify which modules are taught by individual members of staff in order to assign the student FTE numbers to the appropriate cost centre. In general this approach will not be consistent with pro-rating student FTE numbers to the staff cost centre split. Where two or more members of staff from different cost centres are associated with a particular activity, the student FTE numbers should be split according to the proportion contributed by each member of staff.

30. Institutions should be able to provide evidence of how they have allocated particular departments to cost centres, and their compliance with the guidance in HEFCE Circular letter 32/2005. This should include the rationale for splitting or not splitting departments.

31. The assignment of departments to cost centres should be reviewed regularly to ensure that the guidance is being followed.

Apportionment of student FTE to cost centres

32. Where provision for a course is in more than one department and cost centre, or a department is split across cost centres, institutions should take particular care in allocating student FTE numbers to cost centres, and therefore to price groups. If a module or part of a course is provided by a different cost centre from the rest of the course, this should be identified on the HESA record and on HESES by mapping the relevant student FTE numbers to the correct price group. There is more guidance in paragraphs 20 to 31 of this annex.