

October 2009/36

Core funding/operations Request for data

Returns should be uploaded to the HEFCE extranet by noon on Thursday 10 December 2009

This document asks higher education institutions to complete the annual survey of students on recognised higher education courses. The data will give an early indication of the number of higher education students studying in the academic year 2009-10; enable us to monitor the achievement of funding agreement targets for 2009-10; and, with data supplied to the Higher Education Statistics Agency, inform our allocation of teaching funds for 2010-11.

October 2009/36

HESES09

Higher Education Students Early Statistics Survey 2009-10

Alternative formats

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The appendices contain detailed technical information and are available with this document on the HEFCE web-site, www.hefce.ac.uk, under Publications.

HESES09

Higher Education Students Early Statistics Survey 2009-10

To	Heads of HEFCE-funded higher education institutions Heads of universities in Northern Ireland
Of interest to those responsible for	Student data, Funding
Reference	2009/36
Publication date	October 2009
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Executive summary

Purpose

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

Key points

2. The data will:
 - a. Give an early indication, including for government planning purposes, of the number of HE students studying in the academic year 2009-10.
 - b. Enable us to monitor the achievement of funding agreement targets for the academic year 2009-10.
 - c. Together with data supplied to the Higher Education Statistics Agency (HESA), inform our allocation of teaching funds for the academic year 2010-11.
3. This document provides:
 - a. Guidance notes for completing the Higher Education Students Early Statistics Survey 2009-10 (HESES09).
 - b. Definitions used in the HESES09 survey.
 - c. Examples of the survey tables, which will be available to download from the HEFCE extranet by November 2009.
 - d. A summary of changes since HESES08 (Annex B).

Action required

4. Returns should be uploaded to the HEFCE extranet by noon on **Thursday 10 December 2009**. Workbooks will be available to institutions by November 2009.

The HESES09 survey

5. The following sources of data will inform our allocation of funds for 2010-11:

- Tables 1 to 4 of HESES09
- the individualised student data submitted to HESA and the Further Education (FE) Data Service
- the Research Activity Survey 2009 (HEFCE 2009/33).

In addition to their primary purpose of collecting data to inform funding allocations, Tables 1 to 4 of HESES09 provide us with information about institutions as a whole, including HE activity that we do not fund. Data returned in Table 5 are collected for planning and monitoring purposes, including those of the Department for Business, Innovation and Skills.

6. HESES09 should be completed by all HEIs receiving HEFCE recurrent funds for teaching.

7. The coverage of the HESES09 survey is given in Annexes C and D. Definitions of when activity should be counted are in Annex E. Annexes F to K explain how to record different categories of activity.

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

9. For allocation and other purposes we source various kinds of information from the HESA/FE Data Service July individualised student data. The algorithms we expect to use are shown in '2008-09 statistics derived from HESA data: guide to HEFCE web facility' which will be available later this year on the HEFCE web-site, www.hefce.ac.uk, under Publications. This information includes:

- re-creations of HEFCE funding returns (including a HESES08 re-creation)

- derived statistics likely to inform HEFCE funding (including indicative 2010-11 widening participation and teaching enhancement and student success allocations and the flexible study weighting)
- derived statistics we intend to publish, for verification by institutions
- data summaries for verification by institutions
- data quality tools (including a HESES09 non-completion toolkit).

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

10. Directly funded further education colleges (FECs) make a similar return to us in the Higher Education in Further Education: Students Survey 2009-10 (HEIFES09), issued as HEFCE 2009/37.

Institutional contacts

11. Each institution has sent us details of a contact for the HESES survey. If institutions wish to check or change their HESES contact details, they should contact their HEFCE Higher Education Policy Adviser (HEPA). The HEPA for each institution can be found on the HEFCE web-site under About us/Contact us.

Data collection and verification

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

13. Institutions will be able to access the following documents by November 2009:

- an Excel workbook with spreadsheet versions of the tables in Annex N
- a check list for use before final submission.

Heads of institutions and HESES contacts will be issued with an organisation key (unique to their institution) and a HESES09 group key (unique to the HESES09 survey) to access these documents via the HEFCE extranet, <https://extranet.hedata.ac.uk>. Institutions will need to upload the completed workbook to the same web-site.

14. The appendices are available with the electronic version of this document at www.hefce.ac.uk under Publications. They contain technical information on links between HESA and HESES data, validation checks, credibility checks, the data verification process and explanations of workbook content. The workbook contains a number of these checks, detailed in Appendix 2 and Appendix 4. Where first stage credibility warnings or automatic check highlighting are present in the completed workbook, we expect institutions to inform us of the reason(s) why the data are credible when uploading the completed workbook. We will carry out further checks when we receive the workbook. Once we have validated the returned data, institutions will be asked to verify their returns. We may refuse to revise allocations once data have been verified.

Outline timetable and process for the 2010-11 funding round

15. Institutions are required to return their HESES09 survey by **noon on Thursday 10 December 2009**. Once we receive the data, we carry out a number of validation and credibility checks, and calculate whether institutions have met their funding agreement targets for 2009-10. The data do

not need to be formally signed off by the vice-chancellor or principal at this stage. However, it is good practice for a senior member of the institution to agree the return prior to submission.

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

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

The timetable for this is tight: if corrections to data are made, we then reissue the data for re-verification by institutions. We expect institutions to answer any questions about data within five working days.

17. By 13 January 2010, all institutions must have signed off their HESES data as being correct as at 1 December 2009. The data should be signed off by the vice-chancellor or principal of the institution, and they should assess the return for accuracy and completeness before signing it off. If an institution fails to meet the deadline for signing off data, or we believe the data to be inaccurate, we reserve the right to use our own estimates of data to inform funding allocations (see paragraph 13 of 'Model Financial Memorandum between HEFCE and institutions' (HEFCE 2008/19)). We cannot guarantee that any amendments to data after 13 January 2010 will be taken into account.

18. During January we will consider any appeals against formulaic grant adjustments. Institutions will be notified of the outcomes of their appeals in February. We intend to notify institutions of their provisional allocations of recurrent grant for 2010-11 on 12 March 2010.

19. The provisional timetable is summarised below.

By November 2009	<ul style="list-style-type: none"> • Organisation and group keys issued to institutions • HESES workbooks available to institutions
December 2009	<ul style="list-style-type: none"> • 10 December – deadline to return HESES data • Mid-December – validation and credibility checks by HEFCE • Mid-December – we write to institutions, asking them to verify the data, answer any questions about the data and submit any appeals against formulaic grant adjustments. Institutions will have five working days to answer questions about data
13 January 2010	<ul style="list-style-type: none"> • Institutions must have authorised and signed off their HESES data as being correct at 1 December 2009 • Deadline for submission of appeals
February 2010	<ul style="list-style-type: none"> • Institutions notified of final grant adjustments, including the outcome of appeals
12 March 2010	<ul style="list-style-type: none"> • Institutions notified of provisional allocations of recurrent grant for 2010-11
18 March 2010	<ul style="list-style-type: none"> • Publication of provisional recurrent grant for 2010-11 for all institutions
30 April 2010	<ul style="list-style-type: none"> • Deadline for institutions to request full transfers and to provide information on mainstreaming of LLNs
14 May 2010	<ul style="list-style-type: none"> • Deadline for institutions to request amendments to provisional allocations
Late July 2010	<ul style="list-style-type: none"> • Institutions receive their funding agreements, including final grant allocations, for 2010-11

20. There are two grant announcements in the year: in March and July. To be reflected in the March grant announcement, we need to receive all HESES data amendments by 13 January 2010. To be reflected in the July grant announcement, we need to receive any further HESES data amendments by 14 May 2010.

However, because our total budget is limited, we cannot guarantee to provide additional funding arising from amendments received after

13 January 2010. All changes to grant after the initial March announcement are subject to approval by our Board; we will not confirm the effects on funding of data changes until that approval has been given.

After the March grant announcement, the Board will next consider changes to grant in July so that they can be included in the July funding announcement.

21. In January 2011, we will compare HESES09 data with the 2009-10 HESA student record. If we find, either through reconciliations with HESA data,

or through any data audit, that erroneous data have resulted in institutions receiving incorrect funding allocations (including for widening participation, teaching enhancement and student success and other targeted allocations), we will adjust their funding accordingly (subject to the appeals process and the availability of our funds).

Returns

22. Returns should be uploaded to the HEFCE extranet no later than **noon on Thursday 10 December 2009**. We will not give extensions to this deadline.

23. Where an institution fails to return data on time, or the returned data are not credible, we may base the allocation of funds on our own estimate of student activity. Institutions that do not submit credible data on time are more likely to be audited.

Audit

24. We will continue our programme of audits of data used for funding purposes. Any institution that has not had an audit of HESES07 or HESES08 will be subject to audit of HESES09, as notified in Circular letter 20/2009, 'HEFCE Student Data Audits'. Institutions should therefore keep an adequate audit trail recording how the data have been derived. This is especially important where institutions are including estimates or making judgements; for example, the basis for forecasting non-completions should be recorded. Institutions must ensure that estimates are reasonable and have sufficient supporting data. Evidence of enrolment should be available for inspection. Our auditors will also seek to rely on any relevant internal audit work that has been carried out on the student record system and/or the method for compiling the HESES return, where appropriate.

25. As part of our audit process we will compare HESES09 data with a variety of other data, most notably individualised HESA data as these become available. Details of how we expect to compare HESA data are given in '2008-09 statistics derived from HESA data: guide to HEFCE web facility', and in Appendix 1. We will use HESA data to assist in assessing the validity of non-completion forecasts. We will also compare data returned on HESES09 and the 2009 Research Activity Survey.

26. Paragraph 52 of 'Model Financial Memorandum between HEFCE and institutions' (HEFCE 2008/19) states that the annual report of the institution's audit committee must include the committee's opinion on the adequacy and effectiveness of the HEI's arrangements for the management and quality assurance of data submitted to HESA and to HEFCE and other funding bodies. This is to ensure adequate governance oversight of the systems used to generate funding data by the HEI since poor data may represent a significant financial risk for HEIs that audit committees need to consider. Further guidance for audit committees on data assurance can be found on the HEFCE web-site, www.hefce.ac.uk under Finance & assurance/Assurance and institutional risk /Guidance/Audit arrangements.

Audit of HESES08

27. For HESES08 we are auditing 25 institutions and following up previous audits at a further 15 institutions. At the time of preparing this publication, not all the audits and follow-up work had been completed. The completed audits highlighted areas in which some institutions were incorrectly interpreting the HESES definitions, or where internal institutional systems and practices did not facilitate the production of the HESES return. The main findings included:

- incorrect application of the rules on student completion, particularly those around the requirement for submission of the final assessment in all modules being intended to be studied in the year
- lack of robustness in the estimation of non-completions and forecast countable years
- misunderstanding of the rules for student inclusion in Column 2
- misunderstanding of the rules for returning students on non-standard years of instance
- incorrect calculation of full-time equivalence (FTE) and assessment of headcount and completion status, particularly for continuing education students
- poor communication within collaborative arrangements
- inadequate audit trail between the student record system and the HESES return
- lack of systems notes both for recording of student data activity and for the HESES preparation process
- lack of analytical review of figures in the return to identify anomalies and ensure that the data make sense
- lack of reconciliation between HESES and HESA returns before submission to HESA
- incorrect recording of student activity as being full-time if a student is only active for part of a year.

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

Audit issues

Inadequate audit trail

29. In some cases, the audit trail between student record systems and the HESES return was inadequate or had not been retained at all. A record of the basis for making estimates of non-completions and forecast countable years should be kept, along with any relevant electronically stored data, printouts and working papers used in completing the return. This is particularly important where only one person is responsible for the return, because the institution must be capable of reproducing the return should that person leave. The audit trail should be retained for at least three years. Source documents such as registration forms should also be retained. This should include information of the student's detailed study intentions for the academic year. Where an institution uses document image processing or other methods to store such information, the original documents should normally be retained for at least one year, and the copy retained for at least a further two years.

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

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

Knowledge management

32. At many institutions, the knowledge required to prepare the HESES return is undocumented and sometimes lies with only one person. This creates a risk that in the absence of that person, particularly at crucial times of the year, the institution may not be able to prepare the return on time or to the appropriate standard. A good audit trail helps to reduce this risk. But we also

consider it good practice for all institutions to manage this risk by ensuring that at least two people can both produce the information for the return and prepare the return itself.

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

34. There are quite reasonable differences between academic regulations of institutions and the rules relating to funding of students. It is essential that individuals involved in completing student data fields which are used for funding purposes fully understand the fields they are completing in the student record. For these fields, student activity should be reported with regard to funding rules and not in accordance with the institution's own academic regulations and progression rules. This is dealt with in more detail in the area of non-completions.

Analytical reviews and data reconciliations

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

36. A reconciliation between HESES09 and HESA 2009-10 returns should be made before the HESA data are submitted. Differences should be examined as part of the process for identifying possible data error, and amendments made to HESA data if necessary. This will be useful preparation for the HESA-HESES reconciliation exercise if differences are substantial. It should also help to eliminate inconsistencies in students' treatment in the two returns for future reference, and reduce systems problems with the way students are returned in HESA data before submission. In summer 2010 we will give institutions access to a web facility that will be able to generate a re-creation of HESES09 from a HESA 2009-10 return.

Authorisation of the HESES return

37. At some institutions, the person responsible for producing the HESES return also signed it off on the institution's behalf. We expect the HESES return to be signed off by the head of institution as described in paragraph 17, and not by the preparer of the return. They should have an understanding of our data collection requirements, to ensure that the institution has systems capable of producing an accurate, complete return and that the preparer of the return has compiled it competently.

38. An analytical review of the return is vital in reducing the number of 'obvious' errors returned (see also paragraph 35).

Management information

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

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

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

42. Management information is only useful if it is complete, accurate and timely. In turn,

complete and accurate data would produce a more accurate HESES return.

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

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

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

Variable practices

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

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

48. Data quality will be improved if the requirements of all data users are fully understood and taken into account by staff who manage and maintain the student record system. Many instances were found where staff were responsible for completing key fields required for funding purposes but they had no training on the rules governing completion of those fields in accordance with funding rules. In many cases the data required to complete those fields correctly was not recorded on the main student record system, so robust centralised systems could not be implemented, and reliance was placed on inadequately trained staff. All users should also be trained in the data requirements of the institution, with reference to differences between academic regulation requirements and funding rule requirements, so that they understand why they are asked to perform particular tasks.

Problems with implementing new student record systems

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

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

Annex A

HESES09: Getting started

1. This annex is an introduction to the Higher Education Students Early Statistics Survey (HESES) guidance and should be used in conjunction with the other annexes.

Which students are in the HESES population?

2. A definition of the HESES population is given in Annex C. The population includes student instances which meet **all** the following criteria:

- a. At least part of a year of instance in which the student is actively pursuing studies with the institution falls within the academic year 2009-10. This includes outgoing, but not incoming, exchange students.
 - b. The instance has a course aim of a recognised HE qualification, or an HE level credit that can be counted towards such a qualification.
 - c. The instance will be returned on the HESA student record.
 - d. The instance is not being returned on any other institution's HESES or Higher Education in Further Education: Students Survey (HEIFES) return for that year of instance.
3. Instances where most of the time for the whole instance is spent outside the UK should not generally be included in the population.

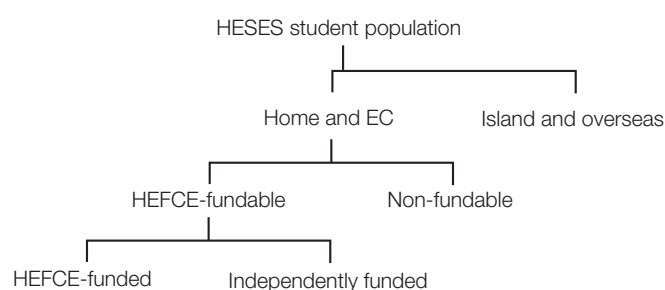
Are they countable on this year's HESES?

4. A year of instance for a student within the HESES09 student population must meet the following criteria to be counted:
- a. A fee is charged for tuition or supervision of research for the year of instance (the fee may be waived for individual students).
 - b. The FTE for the year of instance is at least 0.03.
 - c. The student is not writing up a thesis or similar piece of work for the whole of the year of instance.
5. When a year of instance becomes countable depends on the type of year of instance. Students on standard years of instance are counted at the start of each year of instance. Students on non-standard years of instance are counted on 1 August of each

academic year in which they are active, except the first. This is explained in more detail in Annex E.

What is their fundability status?

6. Annex G provides the strict definitions on residential and fundability status. In HESES, students are disaggregated between home and EC, and island and overseas. Home and EC students are then disaggregated between HEFCE-fundable and non-fundable. HEFCE-fundable students are then further disaggregated between HEFCE-funded and independently funded. This hierarchy is shown in the diagram below.



Home and EC; island and overseas

7. Island and overseas students are generally those from the Channel Islands or the Isle of Man, or from outside the EC or specified overseas territories. They are not included in any of our funding allocations or student number targets for 2009-10. Students who are not island and overseas are home and EC.

HEFCE-fundable; non-fundable

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

- a. Funded from another EC public source, for example the Department of Health, Apprenticeship scheme or Training and Development Agency for Schools (TDA), or from European grants such as the European Social Fund (ESF); or those on courses for which the TDA or NHS has funding responsibility. In some cases, where the public funding does not cover HEFCE standard resource rates, a proportion of the students on the course may be returned as fundable, as long as they are not excluded for other reasons – see sub-paragraphs 6a, 6d and 6e of Annex G.

- b. Students whose activity is not funded through mainstream HEFCE recurrent funds for teaching, but whose funding has been separately agreed and notified by us. This includes those who are to count towards the delivery of funding or student number targets relating to:
 - i. Lifelong learning networks (LLNs) that are not supported through the mainstream teaching grant and which are reported by the lead institution ('model 2' LLNs).
 - ii. Student numbers co-funded with employers.
 - iii. Any other separately notified allocation such as student activity funded through the Economic Challenge Investment Fund (ECIF).

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

- c. Postgraduate research students.
 - d. On closed courses, which are generally not open to any suitably qualified candidate. This will cover, for example, courses provided solely for the employees of particular companies.
 - e. On courses which are franchised out to an organisation that is neither an HEI nor an FEC supported from public funds, unless we have given specific approval to include them as fundable.
 - f. Students who are aiming for an equivalent or lower qualification (ELQ) compared to one they already hold, unless they are exempt from the ELQ policy.
9. Home and EC students who do not meet the definition of non-fundable are HEFCE-fundable.

HEFCE-funded; independently funded

10. Institutions may choose to record home and EC HEFCE-fundable students as independently funded, if they receive sufficient funding from non-public sources to cover the HEFCE standard resource level for the particular category of student. Independently funded students are not included in our calculations of standard and assumed resource or targeted allocations, but do still count towards FTE targets

for funding conditional upon delivery of growth. In general, the declaration of eligible students as independently funded will only benefit institutions that are currently under-resourced from public funds (below the ± 5 per cent tolerance band around standard resource), as an aid to migration to within the band. Home and EC HEFCE-fundable students whom the institution chooses not to record as independently funded are HEFCE-funded. See Annex G, paragraphs 40-42.

Is the qualification aim a recognised HE qualification?

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

What is considered a non-completion?

12. A student who fails to complete (that is, undergo the final assessment of, or pass) any module within the year of instance is to be returned as a non-completion for all activity in that year. See Annex E, paragraphs 28-36.

How are students classified into mode?

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

- a. Full-time students will be on a course where they are usually required to attend for at least 24 weeks, 21 hours a week for the year of instance, and a full-time fee is chargeable for the year (even if it is waived for some individuals).
- b. Sandwich year-out students are those on sandwich courses, as defined in Regulation 2 (10) of the Education (Student Support) (No. 2) Regulations 2008 (SI 2008 No. 1582), as amended, who are on their year out.

- c. Part-time students are all other students. This includes Higher National Certificate (HNC) students who are expected to complete in one year, but whose course is not subject to regulated fees.

How are students classified into level?

14. Undergraduates are students studying towards a first degree (including foundation degrees), foundation degree bridging course, HE certificate, HE diploma or equivalent (or registered for an institutional credit that can be counted towards one of these qualifications). In Tables 1a, 2 and 3, undergraduates are disaggregated between 'FD' (foundation degree) and 'UG (excl. FD)' (undergraduate excluding foundation degree). Provision below degree level includes Higher National Diplomas (HNDs), HNCs, Diplomas of Higher Education (DipHEs), Certificates in Education (CertEds) and the Diploma in Teaching in the Lifelong Learning Sector (DTLLS). Postgraduate qualifications, including higher degrees and Postgraduate or Professional Certificates in Education (PGCEs), are those where the normal condition of entry is a qualification at honours degree level, that is, the student is already qualified at Level 6 in the Framework for Higher Education Qualifications in England, Wales and Northern Ireland, published by the Quality Assurance Agency for Higher Education (QAA). Postgraduates are split into postgraduate research students and postgraduate taught students; a definition can be found in Annex J, paragraph 5.

What counts as a long year of instance?

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

16. For part-time courses, the distinction depends on the length of each year for an equivalent full-time course. See Annex K.

Under which price group should the student be returned?

17. Price groups are defined in terms of academic cost centres. A mapping from cost centre to price group can be found in Annex H, paragraph 1. Some cost centres are in more than one price group; these are described in paragraphs 3-15 of Annex H. Where the activity for a year of instance falls into more than one cost centre, and these cost centres do not fall entirely within one price group, the year should be split between price groups. Students on Initial Teacher Training (ITT) courses which lead to qualified teacher status (QTS), and all students holding QTS who are on an In-service Education and Training (INSET) course, should be attributed to the ITT (QTS) and INSET (QTS) price groups respectively, regardless of any activity in cost centres.

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

18. Generally, full-time undergraduates (including those aiming for a qualification below degree level) and PGCE students are subject to the regulated full fee, and part-time ITT students, sandwich year-out students and language year-abroad students are subject to the regulated half fee. Only full-year outgoing exchange students on ERASMUS exchanges should be returned with a regulated fee of £0. Most postgraduates and part-time students are not subject to regulated fees and should be returned with a fee level of 'Non-regulated', regardless of what they actually pay. See Annex M, paragraphs 12-14.

How is the FTE calculated for part-time students?

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

course should equal the total FTE per student for an equivalent full-time course. See Annex F for more details.

Which tables should be completed?

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

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

22. All home and EC students returned in Columns 1 or 2 of Tables 1a, 2 and 3 should also be returned in the fee table, Table 4. This table also contains new entrant data. Island and overseas students should not be included in Table 4.

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

Which columns should be completed?

Tables 1a, 1b, 2 and 3

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

- Column 1 – student data as at the HESES census date (1 December). Students who have withdrawn prior to 1 December are excluded (although students who have completed before this date are included)
- Column 2 – forecast data after the HESES census date (2 December to 31 July)
- Column 3 – forecast non-completions (after 1 December). These are recorded as negative values

- Column 4 – estimated completions for the year – the sum of the previous three columns
- Column 4a (Table 3 only) – FTE of estimated part-time completions
- Column 5 (Tables 1a, 2 and 3 only) – headcount of ‘model 2’ LLN ASNs delivered. This is a subset of Column 4 and should only be completed by institutions that are the lead of a ‘model 2’ LLN
- Column 5a (Table 3 only) – FTE of part-time ‘model 2’ LLN ASNs delivered. This is a subset of Column 4a and should only be completed by institutions that are the lead of a ‘model 2’ LLN.

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

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

27. Students who follow non-standard years of instance should also be returned in Column 1. However, they will be counted on 1 August in each academic year in which they have activity, except the first. For example, if a student starts a two-year course in January 2009, with each year of instance running from January to December, they will be counted at 1 August 2009 (on HESES09) and at 1 August 2010 (on HESES10). They will not have been counted on HESES08. They are counted twice, once for each year of instance. We would not expect to see any students following non-standard years of

instance returned in Column 2. See Annexes E and M for further explanation.

28. An estimate of students who will not complete the year of instance after 1 December 2009 should be returned in Column 3. The estimate should be based on past experience of non-completions. Negative numbers should be returned in this column.

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

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

Table 4

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

32. Students included in Columns 1 or 2 of Table 4 who meet the definition of 'new entrant' should also be returned in Column 3 of this table. See paragraph 52 of Annex E for the definition of 'new entrant'.

Table 5

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

34. Students included in Column 1 of Table 5 who meet the definition of 'new entrant' should also be returned in Column 2 of this table. See paragraph 52 of Annex E for the definition of 'new entrant'.

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

When the tables have been completed

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

37. Each worksheet also contains a number of credibility checks. These checks are intended to warn institutions that they have entered data which may be (but are not necessarily) erroneous. If potentially erroneous data are detected in a completed worksheet, a message reading **First stage credibility: Warnings** (see below table) will appear above the column in the table in which there are potentially erroneous data. Below the table, the warning will be described in more detail. Completed workbooks that have first stage credibility warnings may be submitted; however, institutions should inform us of the reason(s) why the data are credible. If the source of the warning cannot be identified, institutions should e-mail us for advice at heses@hefce.ac.uk. The credibility checks are described in more detail in Appendix 4.

Annex B

Summary of changes and clarifications since HESES08

Changes

1. Prior to HESES09, lead institutions of HEFCE-recognised funding consortia were required to return data about their member colleges in Table 6. The HEFCE-recognised funding consortium route no longer exists; therefore Table 6 has been removed from the HESES return.
2. In order to take account of the £65 million efficiency saving applied for 2009-10, the methods described in Annex G for determining the number of students supported from other EC public sources and for determining the number of HEFCE-fundable students who may be returned as independently funded have been adjusted. Further information about the implementation of this efficiency saving can be found in paragraphs 6-13 of the July 2009 grant announcement covering letter to higher education institutions, which can be found on the HEFCE web-site, www.hefce.ac.uk, under Finance and Assurance/The annual grant announcement/Notification to institutions.
3. We have modified Table 4 of the HESES09 return so that new entrants can be monitored in more detail in the longer term. A new column (Column 3) has been added to this table for the return of new entrants. This is in addition to the data recorded in Column 2 of Table 5. See paragraph 17 of Annex M for more details.

Clarifications

4. We have sought to further clarify the non-completion guidance by adding more examples of how this rule applies, including in particular special cases. See paragraph 30 of Annex E for more details.
5. We have made it transparent that where a student has a clear intention of completing a specified activity within the year of instance, completion is measured against this intention, and that this applies to all students. Therefore institutions should collect information on all students' study intentions for the year so that completion status can be assessed appropriately. See paragraph 29 of Annex E for more details.
6. From 2009-10 onwards we have included a flexible study weighting in the teaching funding

method to reflect credit completed by students who do not complete their year of instance. It is important to note that the introduction of a flexible study weighting does not change the definition of non-completion which can be found in paragraphs 28-36 of Annex E of this document.

7. We have expanded our guidance on counting student activity to include guidance on how to count modules that span years of instance. See paragraph 24 of Annex E for more details.
8. Our guidance on identifying ELQ students has been expanded. See paragraphs 7-32 of Annex G for more details.
9. In July 2009 the Secretary of State announced the availability of 10,000 new student places for 2009-10. Such students should be returned in HESES in the usual way, following the guidance given in Annexes C to M of this publication.
10. To reflect the fact that NHS bursaries apply to years of courses rather than courses as a whole we have modified our guidance to account for this. See paragraph 7d of Annex G and paragraph 10d of Annex M.
11. The treatment of medical and dental courses along with other activity in cost centres 01 and 02 has been clarified. See paragraphs 3-5 of Annex H for more details.
12. The thresholds to be used when determining the most appropriate cost centre in which to return franchised-out activity have been expanded. See paragraph 18 of Annex H for more details.

Process changes

13. Due to a change in our data audit cycle, institutions that have not had a HEFCE student data audit in 2008-09 or 2009-10 can expect to be audited in 2010-11. The focus of the audits to be undertaken in 2010-11 will be on the HESES09 return. Circular letter 20/2009, 'HEFCE Student Data Audits' gives more information about this change in our data audit cycle, and a list of common issues we find in our data audit work with institutions. In addition to the common issues listed in the circular letter, information on common issues identified in our data audit work is also placed

throughout this document. Note that institutions that were audited in 2008-09 or 2009-10 are not necessarily exempt from being audited in 2010-11.

14. We have made some small changes to the data verification process. Further information on the data verification process, and the credibility checks that are present within the workbook, can be found in paragraphs 13-19 of the main document and also in Appendix 2 and Appendix 4.

15. We now require the HESES return to be signed off by the vice-chancellor or principal of the institution only. See paragraph 17 of the main document for more details.

Annex C

The HESES09 student population

1. HESES09 records counts of years of instance for students (regardless of age and whether or not the year of instance is being repeated) aiming for a recognised HE qualification. An instance is defined as a coherent engagement with the institution by a student aiming towards the award of a qualification(s) or credit. Paragraphs 2 and 3 of this annex define which student instances should be included in the HESES09 population. Some student instances within this population may generate countable years of instance which are counted in a previous or future HESES survey, but do not generate any years included in HESES09 (see Annex E for when to count activity). All years of instance counted in HESES09 must relate to a student instance within this population.

2. Student instances meeting **all** the following criteria should be included in the HESES09 student population:

- a. At least part of a year of instance in which the student is actively pursuing studies with the institution falls within the academic year (1 August 2009 to 31 July 2010). This includes outgoing, but not incoming, exchange students.
- b. The instance has a course aim of a recognised HE qualification, or an HE-level credit that can be counted towards such a qualification, as defined in Annex D.
- c. The instance will be returned on the HESA individualised student record.
- d. The instance is not being returned on any other institution's HESES or HEIFES return for that year of instance.

3. Student instances in **any** of the following categories should **not** be included in the HESES09 student population:

- a. Instances whose course aim is not a recognised HE qualification, or an HE-level credit that can be counted towards such a qualification.
- b. Instances where the sole course aim is an NVQ. However, instances should be included if they lead to both a recognised HE qualification and an NVQ.

c. Student instances that will not be included in the HESA individualised student record. The HESA return should include student instances in 'model 2' LLNs where the institution is the lead. All student instances included in the HESES09 student population must be included in the institution's HESA individualised student record, even if this is not normally compulsory under the coverage of the record.

- d. Instances for incoming exchange students.
- e. Instances where the student is franchised in from another institution (see paragraphs 4-13 of this annex).
- f. Instances where most of the time for the whole instance is spent outside the UK (including distance learners outside the UK), except where:
 - i. There is a clear academic reason for studying abroad rather than in the UK. Even where such a reason exists, we must specifically sanction the course as eligible.
 - ii. The student is temporarily and unavoidably abroad and remains liable to UK tax on their earnings, or is a dependant of such a person. This includes members of HM Forces and their dependants.

Instances for sandwich students working abroad and language year-abroad students should normally be included in the HESES09 student population, because the year abroad will not constitute most of the instance.

- g. If no year of instance for which the student is actively pursuing studies falls at least partly within the academic year 2009-10. For standard years of instance this means the student is not actively pursuing any studies within the year. This includes:
 - i. Instances where all years of instance falling in the year are entirely writing up.
 - ii. Instances where the only activity is assessment. This includes students on TDA-funded Graduate Teacher Programmes (GTPs) or Overseas Trained Teacher Programmes (OTTPs) where the programme consists only of a QTS assessment.

- h. Instances whose course aim is a research qualification awarded primarily on the basis of published works, unless the instance involves a significant amount of research at the institution.
- i. Instances for students who are on School-Centred Initial Teacher Training (SCITT) programmes.
- j. Instances that are being returned on any other institution's HESES or HEIFES return. This will include instances funded under 'model 2' LLNs where the institution is not the lead.

Students taught under partnership, collaborative or similar arrangements

4. Institutions should note that a student is considered to be 'registered' on the HESA student record at the institution that collects the fee for the student.

5. Many students are taught under a variety of collaborative arrangements. For the purposes of HESES09 there are two broad types:

- a. Franchises – this applies to virtually all collaborative arrangements, including many that institutions may refer to as consortia, such as those for the delivery of foundation degrees.
- b. 'Model 2' LLNs.

6. The features of these two broad types of collaborative arrangement are described in paragraphs 7-15 of this annex.

Collaborative arrangements treated as franchises for HESES purposes

7. Unless the student is being taught as a 'model 2' LLN student, all provision delivered through a collaborative arrangement is regarded as being a franchise for the purposes of HESES09. Industrial placements, work experience and language years abroad should not normally be regarded as franchised out for the purposes of HESES.

8. Paragraphs 9-13 of this annex explain who should return franchised activity to us. The 'HEFCE survey' referred to will be either:

- HEIFES09 for FECs or
- HESES09 for HEIs.

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

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

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

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

13. In all the above cases, the student is a student of the franchiser. The institution that includes the student in its HESES09 student population must also return a record to HESA, and its performance indicators and quality assessments will take account of activity relating to that student as appropriate.

LLNs

14. There are two types of LLN, 'model 2' and 'model 1':

- a. 'Model 2' LLNs are a temporary way of funding ASNs where they are to be delivered via a number of institutions. Funding (which is outside HEFCE's mainstream teaching grant) is allocated through a lead institution which will not necessarily be the institution that registers a student.

- b. 'Model 1' LLNs differ from 'model 2' LLNs in that 'model 1' LLNs have chosen to have their ASNs and associated funding allocated and monitored through (various) partner institutions' mainstream teaching grants and funding agreement targets.
15. Where students are to count towards the delivery of funding or student number targets for a 'model 2' LLN, they should be included as non-fundable in the HESES09 student population of the

lead institution (and no other institution). They should also be included in the individualised student record of the lead (and no other) institution. Such students will normally be included in published data relating to the lead institution and, in particular, will be included within the performance indicators of the lead institution. Students taught as part of a 'model 2' LLN who are not counting towards the delivery of funding or student number targets of the LLN should be included in the HEFCE survey population of the registering institution.

Audit issues

Collaborative arrangements

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

17. The different roles of each partner in collecting and managing data will vary. However, the principle applied at audit is that student data should be managed with equal professionalism at all partner institutions. When entering into partnership arrangements, the systems in operation and the exchange of information should form part of the negotiations and final agreement. It is the responsibility of the lead institution to ensure the quality of all the data it returns, including that relating to activity at its partner institutions.

18. It is also important that students are returned on HESES by the lead institution only. Institutions' student record systems should clearly identify the students eligible to be returned by

them, and should ensure that those not eligible are excluded. A lead institution's student record system should contain collaborative students' records in the same way as it does its 'own' students. This will help to ensure that collaborative students are correctly returned in HESES, and that an audit trail to such students is available.

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

Inclusion in the return of students who have not fully registered

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

Annex D

Recognised HE courses

1. Recognised HE courses are those defined in paragraph 1 of Schedule 6 of the Education Reform Act 1988. This includes any postgraduate or undergraduate degree, accredited HE diploma or certificate. Other courses leading to professional or vocational qualifications may be included if they are generally recognised as HE qualifications; this does not include NVQs.
2. Student instances that do not lead, upon successful completion, towards a recognised HE qualification, or HE-level credit that can be counted towards one, are excluded from the HESES09 student population.
3. Foundation years, and other provision commonly referred to as 'Level 0', are recognised HE courses only if they are an integrated part of a recognised HE qualification. Such provision will only be considered integrated if students are already registered for the recognised HE qualification and there is guaranteed progression to the recognised HE qualification, subject to satisfactory completion of the foundation year. Free-standing foundation years and other free-standing Level 0 provision are not recognised HE courses.

Annex E

Counting student activity

1. Students study towards qualifications over a period of time. This period can be split into one or more years of instance. The first year begins when the student starts studying towards the qualification; the second and subsequent years start on or near the anniversary of this date (to allow for minor variations in term dates).

2. HESES counts years of instance for students aiming for recognised HE qualifications. This is not the same as counting students. This approach ensures that comparable activity is recorded in the same way, irrespective of when it occurs.

3. Exceptionally, a student may study towards two or more independent qualifications at the same time. Each instance would then generate its own year of instance which would be countable. Thus, a student studying towards a PhD and an unrelated undergraduate professional qualification would generate two years of instance each year. However, a student studying for several institutional credits that can count towards the same final qualification would generate only one year of instance each year. Usually, independent instances would link to different courses on the HESA student record.

4. Where students complete a foundation degree and then undertake a foundation degree bridging course to enable them to join the final year of an honours degree, the foundation degree bridging course should be treated as an independent course which will generate its own year of instance. However, it will not be a separate instance on the HESA record. See paragraphs 61-65 of this annex.

5. Where students are on the TDA's Student Associates Scheme or a Subject Knowledge Enhancement short course, for HESES purposes they should not be seen as separate instances from the main programme of study. However in the HESA record they will be identified as separate instances.

6. In all cases where a student is studying for two or more separate and independent qualifications each should be returned as a separate instance on the HESA record. Guidance on when separate instances should be generated can be found on the HESA web-site www.hesa.ac.uk under Data Collection/Student Stream/C09051: Student

Collection 2009/10/Additional guidance/Year-on-year linkage (HIN).

7. To be counted, years of instance must be generated by a student in the HESES09 student population, and meet all the following criteria:

- a. A fee is charged for tuition or supervision of research. Exceptionally, this fee may be waived for individual students based on their particular circumstances. It should not be waived for all students on a course, and the criteria which determine whether fees may be waived should not be tantamount to waiving the fee for all students.
- b. The FTE for the year of instance is at least 0.03.
- c. The student is not writing up a thesis or similar piece of work for the whole of the year of instance. Students are writing up where they have completed their research work and will not undertake any significant additional research. It is common practice for such students to receive a small amount of supervision, and they may still have access to other facilities at the institution. However, such students should still be treated as writing up.

Audit issue

Written evidence of fee waivers

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

Counting years of instance

9. For students within the HESES09 student population, exactly when a year of instance becomes countable depends on the type of year of instance. There are two types of year of instance: standard and non-standard. A standard year is one where all activity for the year of instance is entirely within one academic year (1 August to 31 July). Nearly all undergraduate students are on standard years of instance. A non-standard year is one where all activity for the year of instance is **not** entirely

within one academic year – that is, the year of instance crosses from one academic year into the next.

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

11. Diagrams which illustrate how to count years of instance in HESES for the six examples below can be found on the HEFCE web-site, www.hefce.ac.uk, under Questions/HESES FAQs. Additionally the flow chart in Figure 2 below can be used in determining whether or not a particular year of instance should be counted in HESES09, and if so, whether it should be returned in Column 1 or 2.

Standard years of instance

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

Example 1

13. A student starts a degree programme on 21 September 2009, with each year of the course finishing at the end of June. Because all activity for each year is contained within the period 1 August to 31 July, all years are standard. Thus the student becomes countable on 21 September 2009 and, depending on when the activity for the year starts, on or around the anniversary of this date each year.

Example 2

14. A student starts a programme on 4 January 2010 which comprises two years of instance, each one running from January to June. Because all activity for each year is contained within the period 1 August to 31 July, all years are standard. Thus the student becomes countable on 4 January 2010 and again on or around 4 January 2011. The first year

of instance is recorded in Column 2 of HESES09, and the second year of instance is recorded in Column 2 of HESES10.

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

- a. Having caught up with the rest of the cohort, they will subsequently follow an identical pattern of study, and
- b. Activity for all years of instance for the cohort falls within the academic year.

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

Example 3

16. A full-time HND course starts on 1 October 2009 and runs from 1 October to 31 July each year, so the course has a standard year of instance. A student starts the HND programme late, on 7 December 2009, but intends to catch up with the rest of the students on the course and follow the same pattern of activity as them. The student should be treated as if they had started at the same time as the other students, that is, on 1 October 2009.

Non-standard years of instance

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

Example 1

18. A full-time student starts a degree programme in January 2010 and the first year of the course finishes in November 2010. The student is on a non-standard year of instance because the activity spans two academic years. This student would not be included in HESES09, but instead in HESES10. However, a similar student who started in the previous year, in January 2009, would be included in Column 1 of Table 1a of HESES09 for their first year of instance.

Example 2

19. A student starts a full-time MSc programme on 7 September 2009, and is actively pursuing studies for 12 months. The student is on a non-standard year of instance because the activity spans two academic years. This student would not be included in HESES09, but instead in Column 1 of Table 1a of HESES10. However, if this student is actively pursuing studies (see paragraph 3g of Annex C for a definition of actively pursuing studies) for more than 12 months (after allowing for minor variations in term dates) then they would generate two countable years for this instance in HESES10. See paragraph 20 of this annex for further guidance on how to return students who generate two countable years for the same instance in a particular HESES return.

20. Some students may generate two countable years for the same instance in a particular HESES return. This can happen where the student completes a non-standard year of instance and then intends to complete a second year of instance within the academic year – that is, there is a short period of activity after the anniversary of the commencement date which is completed before the end of the academic year, with no activity for the instance occurring between 1 August and the anniversary of the commencement date in the next academic year. In this case, the first year of instance should be returned as countable on 1 August. The second year should be returned as countable on or before 1 December if it starts on or before 1 December, and as countable after 1 December otherwise. Under such circumstances this activity should be returned as a standard year (TYPEYR = 1) on the HESA student record for the academic year in which the activity is counted on HESES.

Example 3

21. A full-time student started an 18-month course in January 2009 which ends in July 2010. They would not have been counted on HESES08. The student would be counted on 1 August 2009 for the first year of instance on HESES09, and again on HESES09 as a student expected to become countable on the anniversary of the start date, in January 2010, for the second year of instance. The first year of instance would be returned in Column 1 of the full-time table, Table 1a. The second year of instance

would be returned in Column 2 of the part-time table, Table 3, because it starts after 1 December but finishes within the academic year and in this case does not meet the criteria to be full-time.

Audit issue

Reporting of non-standard years of instance and forecast Column 2 students

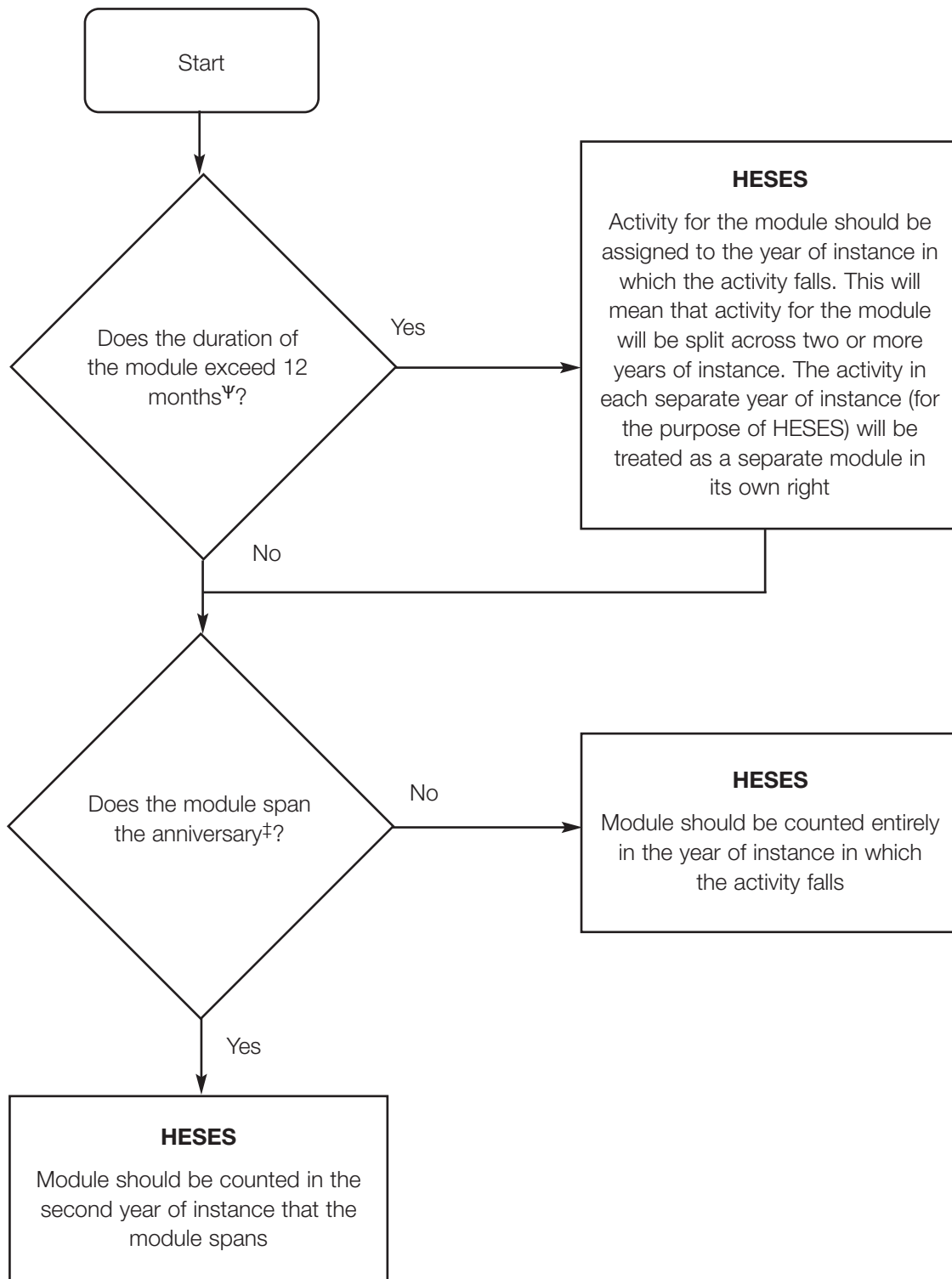
22. Audits are still finding that there is a misunderstanding of the new rules implemented for HESES07 for the reporting of students on non-standard years of instance. Such students are continuing to be reported by some institutions as forecasts in Column 2 and not in accordance with the rules set out above.

23. Generally, Column 2 will contain only students who are expected both to commence and to finish their studies for their year of instance between 2 December and 31 July of the academic year.

Assigning modules to years of instance

24. If a module spans two years of instance then all activity for the module should be counted in the second year of instance in which the module occurs. Exceptionally where the duration of the module is greater than 12 months then activity for the module should be assigned to the year of instance in which the activity falls. This means that the module is countable across two or more years of instance. In such cases, and for HESES purposes only, the module activity in each year of instance will be treated as a separate module in its own right. The flow chart in Figure 1 can be used to determine which year of instance a module should be assigned to. The flow chart in Figure 2 can then be used to determine whether or not the year of instance should be counted in HESES09, and if so, whether it should be returned in Column 1 or 2.

Figure 1 **Flow diagram for assigning modules to a year of instance**

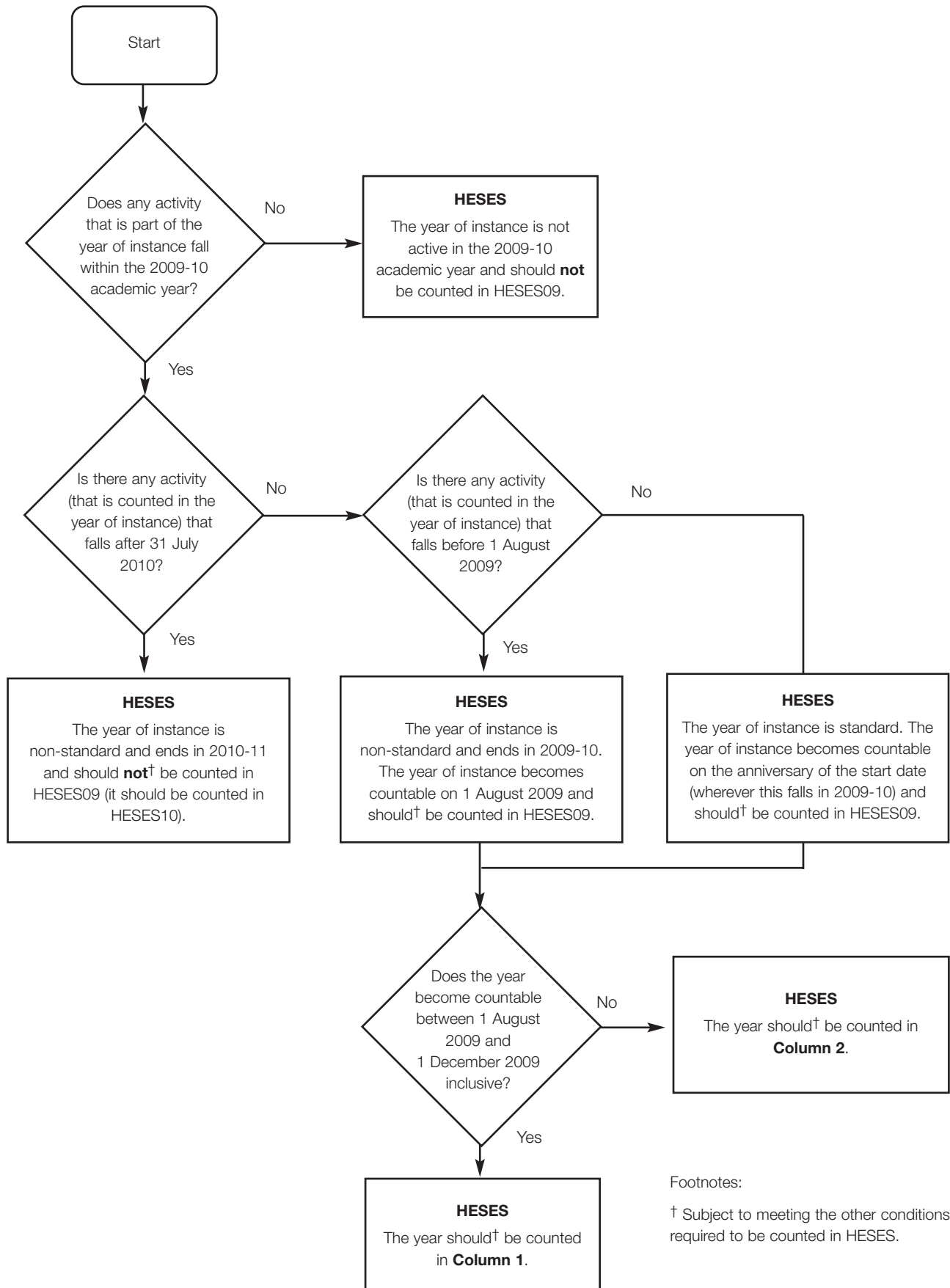


Footnotes:

‡ The anniversary of the start date for the instance.

Ψ Paragraph 1, Annex E of HESES09 refers to years of instance starting on **or near** the anniversary of the start date. The broad reference to '12 months' should reflect this.

Figure 2 **Flow diagram for determining whether year of instance should be returned in HESES09 and whether Column 1 or 2**



25. Data returned on the HESA record mainly relate to the HESA reporting year and are not disaggregated across years of instance. To allow institutions to return accurate data on activity within years of instance, four fields – INSTAPP, LOADYRA, LOADYRB and MODYR – are included on the HESA record. Completion of the latter three fields is optional. For monitoring purposes, where institutions do not complete these fields, we will use the following assumption or approximation. Where a student is active for the whole academic year, we will assume that the FTE for the year of instance is broadly comparable to the FTE for the academic year. Where the student is not active for the whole year, we will make an approximation based on the current year and the first year in which the student was active; or, where the FTE was returned using a different method during the student's first year, the FTE of similar first-year students from the current year. Full details of this process can be found in Appendix 1. Institutions should, where possible, avoid making an approximation of activity for the year of instance.

Audit issue

Students incorrectly recorded more than once on the HESES return

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

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

Completion and non-completion

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

29. Where a student has a clear intention of completing a specified activity within the year of instance, completion is measured against this intention. Therefore institutions should collect information on students' study intentions for the year so that completion status can be assessed appropriately. A student who fails to complete any module counted in the year of instance is to be returned as a non-completion for all activity in that year. Thus, if a student starts the year intending to follow a certain pattern of activity but does not complete all of it, then that student would be a non-completion. If the pattern of activity within the year is not specified, then, provided that the student completes all activity started in the year, they would be considered as completing. An exception is allowed for full-time students where the module is in addition to the standard requirements for full-time study. In this case, a student who completes the number of modules normally required in the year for full-time study may be treated as a completion for the year of instance, even if they fail to complete other modules in the year that are in addition to the standard requirement.

30. In order to be counted as a completion (and thus be included in column 4 of Tables 1a, 1b, 2 or 3), a student must complete all the modules they intended to complete in the year of instance. In order to complete a module, the student must either:

- undergo the final assessment of the module (this refers to the activity of the student in sitting an exam or submitting coursework rather than the activity of an assessment board in assessing the achievement of the student), or

- pass the module, where this can be achieved without undergoing the final assessment as they already have enough marks in that module to be awarded credit for it. In some cases institutional regulations allow credit to be given because of the level attained in other modules; this would not be treated as completion for funding purposes, even though the institution may allow the student to progress.

Examples

- a. A student studies for eight modules in a year of instance. They undergo the final assessments in seven modules, but do not undergo the final assessment in one, on the basis that they know that they have already passed the module. In this case, the student would be treated as a completion, because they underwent the final assessments in seven modules and passed the remaining module, where it was possible to pass without undergoing the final assessment.
- b. A student studies for eight modules in a year of instance. They undergo the final assessments for all modules, but in one module their performance is insufficient to meet the academic standards required to pass that module. Nevertheless the institution's academic regulations relating to progression allow credit to be awarded for the one failed module on the basis of the student's overall performance across all modules studied in the year. In this case, the student would be treated as a completion, because they underwent the final assessments in all modules. The fact that credit was awarded for a module that was failed is not relevant in determining the student's completion status.
- c. A student studies for eight modules in an academic year. They undergo the final assessments for seven modules, but do not undergo the final assessment in one, with the consequence that they do not have enough marks in that module to be awarded credit for it. Whether or not the institution's academic regulations relating to progression allow credit to be awarded for the one incomplete module on the basis of the student's overall performance across all modules studied in the

year, the student would be treated as a non-completion for funding purposes for all activity in the year, because they did not undergo the final assessment in a module. The fact that credit was awarded for the module under the institution's academic regulations on the basis of the student's overall performance across the year of instance is not sufficient to meet the completion definition. (Such a student's activity for the completed modules would, however, be counted under the flexible study measure – see paragraph 37 in this Annex).

31. Where there is no final exam, or the final exam does not constitute the final assessment for the module – for example, where a dissertation is submitted after exams – completion would be measured against submission of the final coursework or dissertation, or passing the module.
32. In some cases, a year of instance which counts towards a qualification taken over several years may not contain any formal assessment, for example where assessment will take place at the end of a later year. In this case, continued attendance throughout the year of instance would constitute completion. Institutions should therefore ensure that adequate evidence of attendance exists, such as class registers.
33. When a student undertakes a module that can lead to a qualification or institutional credit, but does not undergo assessment for that module, in general that student will be treated as a non-completion for all their activity in the year. This applies where assessment is optional (for example on open programmes, including continuing education provision). However, an exception is allowed where the student has entered into a binding and irreversible commitment before the commencement of that module that they will not undergo assessment for it. In this case, the module would not be reported at all in HESES and the completion status of the student would not be affected by their completion or non-completion of the unassessed module.
34. In some cases the final assessment for a module may fall slightly outside the academic year in which it is counted, or exceptionally outside the year of instance. In either case, completion of the module is

still measured by attendance at the final exam or submission of final coursework relating to the module, or passing the module. For example, if a student studies on a standard year of instance but the examinations are held in August, completion will be determined by attendance at the August examination, or by passing the module.

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

Example

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

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

37. For information, from 2009-10 onwards we have included a flexible study weighting in the teaching funding method to reflect credit completed by students who do not complete their year of instance. It is important to note that the introduction of the flexible study weighting does not change the definition of non-completion set out above. The flexible study weighting is calculated using recent individualised student data to avoid the need for any changes in reporting arrangements through HESES. It ensures that activity (amounting to at least one sixth of an FTE) that has been completed by students who are reported as non-completions is taken into account in our main teaching funding method. However, because of the operation of the tolerance band few institutions will see actual

changes in funding. Further information about the flexible study measure is available in Circular letter 12/2009, 'Funding partial completion: the introduction of the flexible study measure'.

Audit issues

Estimation of non-completions

38. The audits identified a common misconception that withdrawals notified from an academic department are the sole source of data for that department's non-completion estimate. Estimates of the number of non-completions should normally be based on the non-completion rate for the previous year for the particular course. Where this is not the case, there should be a clear rationale for any alternative methods used or adjustments made. Where the non-completion rate used in the return differs significantly from past data, there should be a clear rationale for the change. We found cases where institutions were using rates significantly lower than evidence from both their own data and audit, with no reasoning behind this.

39. In some institutions, the continued recording of a student as current on the student record system at an arbitrary date, for example, 1 May or 31 July is being taken as a proxy for assessing the student completion status of the year. This is not a correct approach. The student may not have been active for a substantial period despite being current on the student record system.

40. Another misconception is that the completion status of a student should be determined by the institution's individual academic regulations and rules on student progression, and not in accordance with the funding rules for assessment of a student's completion status. Incorrect application of the FUNDCOMP status to student records returned in institutions' HESA returns has produced incorrect data on which subsequent HESES return forecasts have been based.

41. In using the previous year's non-completion rate for a course as the basis of the current year estimate, it is important to make sure that the non-completion rate for the previous year is accurately known. We found examples where this has not been the case. Non-completion status should be recorded in the year of instance. Continuation of study to the following year should not be taken as evidence of, or a proxy for, completion in the previous year. In addition, simply because a student has not formally withdrawn from the institution by the year-end does not make the student a completion. Completion must be assessed by reference to submission of the final assessment in, or otherwise passing, all modules the student intended to complete at the outset of their year of study (subject to formally deferring the assessment in accordance with the funding rules).

42. Institutions may also find it useful to demonstrate the validity of their non-completion estimates by analysing the non-completion rates for different courses over, say, three to five years. This would help to identify trends, and years where the result is atypical compared with the trend.

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

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

records had not been amended on the student record system.

45. Sufficient data should be recorded at the module level on the main student record system to allow accurate assessment of a student's completion status. This should include, but not necessarily be limited to, identification of the final assessment and the student's submission to it, and the overall outcome for the module. Coding should distinguish between non-submission to an assessment and a very low mark for poor academic performance or misconduct. This level of detail should be readily available to ensure accurate reporting of a student's completion status.

46. In the HESA data, the MODOUT status (module outcome field) of a module should be completed in accordance with these funding rules. The FUNDCOMP status of a student should in turn reflect the overall position of the whole student record for the year.

47. Exception reports should be used to establish if unlikely combinations of MODOUT and FUNDCOMP status are being reported so corrections can be made before data is submitted.

48. It is essential that HESA data, the outturn position for the year, are correct, to enable accurate forecasts of non-completion rates in the following year's HESES return. We consistently find issues with both MODOUT and FUNDCOMP, which are leading to under-reporting of non-completions in subsequent HESES returns.

Deferral of final assessment

49. The funding rules are clear that for a student to be a completion, formal deferral must be agreed with the student **before** the initial submission date for the final assessment, and completion will then depend on submission at the agreed revised date.

50. Institutions' regulations are often not consistent with our funding rules, and for legitimate academic reasons. However, our rules

are designed to treat all institutions equitably in funding terms and are not framed with reference to any particular form of academic regulation. Formal deferrals of assessments may be agreed retrospectively under institutions' academic regulations, but this does not then allow such students undergoing the deferred assessment to be treated as completions.

Assessment of headcount and completion status for continuing education students

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

New entrants

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

Summer schools

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

Summer schools for potential HE students

54. These are intended for potential HE students to experience a short period of study in an HE

environment in the summer vacation. Such students are not included in the HESES population because the provision is not HE level.

Access provision

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

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

Within-course periods of study in vacation time

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

58. Where the short period of study occurs during the summer vacation, this may cause students who would normally be following standard years of instance to generate a non-standard year for the year that includes the short period. However, for data collection purposes they should be treated as standard years of instance.

Example

59. A student studies full-time for a degree over three years, with activity for each year of instance

running from October to July. Between the second and third years, a short period of study, running from 25 July to 5 September, is undertaken to bring the student up to the standard of others on the course. This short period of study counts as part of the second year of the degree, and the second year of instance counts as a standard year of instance. The year of instance would only be counted as long if it fitted the criteria to be long, given in Annex K.

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

Foundation degree bridging courses

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

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

Example

63. A student completes a foundation degree in June 2009, then undertakes a bridging course from July to September, and then joins the final year of a degree which they complete in June 2010 (see table below).

Field	July 2009	July 2010
COURSEAIM	J10	H00
STULOAD	100	130
TYPEYR	1	1
BRIDGE	0	1

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

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

Annex F

Full-time equivalence for part-time years of instance

1. Student FTE recorded on HESES09 should relate to the years of instance being counted. In some cases this may not be consistent with the FTE returned on the HESA student record. However, it should be consistent with HESA data when summed over the instance.

2. The FTE for a part-time course is calculated by comparison with an equivalent full-time course, where such a course exists. If an equivalent full-time course does not exist, a reasonable academic judgement should be made of the FTE relative to a full-time student. Where such a judgement is made, the rationale should be recorded for audit purposes.

3. Calculation of the FTE can be based on either:

- a. Duration of the course, or
- b. Credit points studied.

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

4. The FTE for a foundation degree bridging course, as defined in Annex E, paragraphs 61-62, is 0.3.

5. Where a student does not complete a year of instance, the FTE should not be recorded on HESES. This is not consistent with the FTE returned on the HESA student record. When comparing the HESA student record with HESES, we will make adjustments to the FTE returned to HESA to reflect years not completed.

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

Example 1

7. Duration of the course: a full-time course is studied over three years. The equivalent part-time

course is studied over six years, and so would have an FTE of 0.5 in each year.

Example 2

8. Credit points: a full-time course is studied over three years, with 120 credits taken each year. The equivalent part-time course lasts six years. Ninety credits are studied in each of the first three years and 30 credits in each of the final three. The FTE would be 0.75 in each of the first three years and 0.25 in each of the final three.

Example 3

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

Example 4

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

Audit issue

Incorrect returning of student FTE

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

12. Use of standard part-time load factors is common, because the part-time student activity for the year may not have been ascertained by the census date because of the nature of the study. This can be acceptable practice. However, these standard load factors often do

not accurately reflect actual activity for the year. If standard load factors are to be used, there must be clear evidence that, on average, students do study at these levels of activity.

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

Example

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

15. APL modules should be excluded from the calculation of the FTE for both full-time and part-time students. A student may be on a full-time programme but due to APL may be studying only at a part-time rate.

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

Annex G

Residential and funding status

Home and EC students

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

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

3. SLC Student Finance England provides a student support helpline to provide advice and guidance on the fees and awards regulations (including eligibility). Where institutions are unsure whether an individual student meets the eligibility requirements as set out in paragraphs 1 and 2 of this annex, they should contact the student support helpline on 0845 602 0583. If SLC Student Finance England says that the student is eligible, this means that the student is also regarded as home and EC for HESES purposes.

HEFCE-fundable students

4. Home and EC students are eligible for HEFCE recurrent funds for teaching (HEFCE fundable) if they are in the HESES population, as defined in Annex C, and they are not excluded by virtue of paragraphs 6-28 of this annex.

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

6. Home and EC students meeting any of the following criteria should be recorded as HEFCE non-fundable:

- a. Students on courses which would otherwise be HEFCE-fundable, but whose places are funded at the standard HEFCE rate, or higher, from another EC public source, such as the ESF, Department of Health, NHS or Home Office. In some cases an EC public source may provide funding that is in addition to the mandatory or recommended fees, pro rata for part-time students, but the funding falls significantly short of the HEFCE standard rate per student. In this situation, the total funds received in addition to the fees should be used to calculate the number of students who (for funding purposes) are assumed to be fully supported from other EC public sources. The remaining students are then eligible for HEFCE recurrent funding (see paragraph 33 of this annex for more details).
- b. Students whose activity is not funded through mainstream HEFCE recurrent funds for teaching, but whose funding has been separately agreed and notified by us. This includes those who are to count towards the delivery of funding or student number targets relating to:
 - i. LLNs that are not supported through the mainstream teaching grant and which are reported by the lead institution ('model 2' LLNs).
 - ii. Student numbers co-funded with employers.
 - iii. Any other separately notified allocation such as student activity funded through the ECIF.

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

- c. Postgraduate research students. Postgraduate research students who are recorded as non-fundable solely by virtue of this sub-paragraph should continue to be returned as fundable on the HESA record and included in the Research Activity Survey. This includes all years of a New Route PhD (New Route PhDs are four-year postgraduate courses offering a mixture of taught elements, training in professional skills, and a substantial research programme).
- d. Students on ITT courses leading to QTS, and all students holding QTS who are on an INSET course. This will include students transferring from courses where funding has been provided by the TDA for the whole year.
- e. Students on pre-registration nursing or midwifery courses, and courses (including postgraduate courses) leading to a recognised professional qualification in dietetics, speech and language therapy, chiropody/podiatry or prosthetics and orthotics.
- f. Students on programmes franchised to an institution that is neither:
 - an HEI supported from public funds, nor
 - an FEC supported from public fundsexcept where specific approval has been given. Institutions must ensure that all franchises to any other organisation have been specifically approved by HEFCE before students are returned as HEFCE-fundable on HESES. A form for completion by those seeking such approval can be found on the HEFCE web-site, www.hefce.ac.uk, under Questions/HESES FAQs. Institutions should reapply if there is a material change in the arrangement.
- g. Students on closed courses. These are courses that are restricted to certain groups of people and are not generally available to any suitably qualified candidate. For example, where a course is only available to employees of particular companies, that course is closed. A list of factors which we use in determining whether a course is open or closed can be found on the HEFCE web-site under Questions/HESES FAQs.

- h. Students who are aiming for an ELQ, unless they are exempt from the ELQ policy, as defined in paragraphs 7-9 of this annex.

Students aiming for ELQs

7. Home and EC students who are aiming for a qualification whose level is equivalent to, or lower than, one they already hold – as defined in paragraphs 8-28 of this annex – should be recorded as HEFCE non-fundable, except where their instance falls into one of the following categories of exemptions from the ELQ policy:

- a. They are in receipt of the Disabled Students' Allowance (DSA) for at least some of their year of instance reported in the HESES return. Institutions should make estimates for HESES purposes of the numbers of students whose receipt of the DSA for the year of instance will be confirmed after 1 December 2009.
- b. They have stated that their qualification aim is a foundation degree.
- c. They are on a course of initial or in-service teacher training (in any mode or level of study). In-service teacher training 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.
- d. They are on a year of course (in any mode or level of study) for which an NHS bursary is payable.
- e. They are on an undergraduate course (in any mode of study) which leads to a first registerable qualification with:
 - i. General Medical Council
 - ii. General Dental Council
 - iii. Nursing and Midwifery Council
 - iv. Health Professions Council (HPC) for the professions of:
 - chiropodist/podiatrist
 - dietician
 - occupational therapist
 - orthoptist
 - paramedic

- physiotherapist
 - prosthetist or orthotist
 - radiographer
 - speech and language therapist
- v. General Social Care Council
 - vi. Scottish Social Services Council
 - vii. Care Council for Wales
 - viii. Northern Ireland Social Care Council
 - ix. Royal College of Veterinary Surgeons.
- f. They are on an undergraduate course (in any mode of study) which is a course for which the primary (but not necessarily the only) purpose is to improve the effectiveness of practitioners registered with one of the professional bodies listed in paragraph 7e. In the case of the HPC, this must additionally relate to practitioners in the professions listed in paragraph 7e.iv.
 - g. They are on an undergraduate course (in any mode of study) which leads to a professional qualification that has been professionally validated by the National Youth Agency or the Youth Council for Northern Ireland. These are courses leading to qualification to practise as a youth and community worker.
 - h. They are on an undergraduate course (in any mode of study) which is a course for which the primary (but not necessarily the only) purpose is to improve the effectiveness of professionally qualified youth and community workers.
 - i. They are on a full-time undergraduate course which leads on successful completion towards registration with the Architects Registration Board.
 - j. They are either registered at an institution in Northern Ireland which receives funding from the Department for Employment and Learning (DEL); or are domiciled in Northern Ireland and registered with the Open University.
8. Home and EC students who are aiming for an ELQ in a strategically important and vulnerable subject (SIVS) should be reported as HEFCE non-fundable unless they are exempt from the ELQ

policy by virtue of paragraphs 7a-7j of this annex. The targeted allocation that we are providing for SIVS, following the introduction of the ELQ policy, is outside the mainstream teaching grant and does not in itself give exemption to students aiming for an ELQ in a SIVS.

9. Students are considered to be aiming for an ELQ where they are aiming for a qualification that is no higher than one they have already achieved. Therefore, the two key considerations in determining whether a student is aiming for an ELQ are: the academic levels of qualifications already awarded to the student; and the academic level(s) of the qualification(s) that the student has stated they are aiming for. As explained in Annex J, where students have currently stated multiple higher education qualification aims as part of the same instance, they should be recorded against the lower aim. Where the student's currently stated qualification aim for that instance is at a higher level than their highest existing HE qualification, then none of the study for the year of instance should be treated as study towards an ELQ. Study for a given year of instance which is at the same or lower level than a qualification already achieved, but which is being pursued solely as an integral part of a qualification aim that is higher than the one already achieved, should not be treated as study towards an ELQ.

Example 1

10. A student with a stated aim of both an HND and a degree as part of the same instance should be treated as aiming for an HND for ELQ purposes.

Example 2

11. A student aiming for a first degree has an HNC as their highest HE qualification already achieved. The student will be awarded an undergraduate certificate if they successfully complete their first year, but this is not a stated aim of the student. The student should not be treated as aiming for an ELQ for any of their years of instance (including the first), because the undergraduate certificate that they will acquire is not a stated qualification aim of the student.

Example 3

12. A student enters with a foundation degree as their highest qualification already achieved and has a stated qualification aim of an honours degree. The

student should not be treated as aiming for an ELQ. This would apply both where the student is aiming for the honours degree through, for example, a one-year top-up from the foundation degree, or where the honours degree involves three years of full-time study.

Example 4

13. A student enters with an honours degree and intends to study for a foundation degree over two years and then top up to an honours degree in one year. If they have a stated qualification aim of both a foundation degree and an honours degree as part of the same instance then the student would be exempt from the ELQ policy in the first two years when studying for the foundation degree. However for the final year when topping up to an honours degree the student would be treated as aiming for an ELQ.

14. It is not possible for HEFCE to provide a full hierarchical list of the qualifications that are awarded in the UK or, indeed, elsewhere. In adjusting institutions' funding for 2008-09, we made some assumptions about a hierarchy, to reflect the data that we had available. However, institutions should not assume that the combinations of entry qualifications and qualification aims that we used to identify ELQ students for the purposes of adjusting 2008-09 funding are necessarily a definitive means of determining whether or not a student is aiming for an ELQ. In most cases, whether or not a student will be aiming for an ELQ will be clear. However, in a minority of cases, institutions will need to make a reasonable academic judgement about whether or not a student's qualification aim is at a higher level than their existing highest qualification achieved. Institutions should bear in mind the guidance in paragraphs 15-27 of this annex.

15. The Framework for Higher Education Qualifications in England, Wales and Northern Ireland (second edition published in August 2008) and the Framework for Higher Education Qualifications in Scotland (both available at www.qaa.ac.uk under Academic Infrastructure/Framework for higher education qualifications) should generally be used to determine a basic hierarchy of qualifications. Any

revisions to those frameworks should be reflected as they are introduced. Further guidance on use of those frameworks is provided below.

16. In general, institutions should treat qualifications that fall within the same level within these frameworks as being equivalent. However, it may be appropriate in particular circumstances to consider a hierarchy of qualifications within a single level, particularly where students are progressing through a succession of qualifications. In particular:

- a. Within Level 7 of the Framework for Higher Education Qualifications in England, Wales and Northern Ireland, it may be appropriate to consider a masters qualification to be at a higher level than a postgraduate diploma, which in turn may be at a higher level than a postgraduate certificate. However, this may not apply in all cases and will depend on the nomenclature adopted by different awarding bodies.
- b. Within Level 6 of the Framework for Higher Education Qualifications in England, Wales and Northern Ireland, it will normally be appropriate to consider a bachelors degree with honours to be at a higher level than a bachelors degree without honours.
- c. Within Level 5 of the Framework for Higher Education Qualifications in England, Wales and Northern Ireland, it will normally be appropriate to consider a foundation degree bridging course (which gives access to the final year of an honours degree) to be at a higher level than a foundation degree.

17. For a student who already holds an honours degree, their classification in HESES as either undergraduate or postgraduate taught should not, alone, determine whether or not they are aiming for an ELQ. The ELQ policy is about the academic level of qualifications, so it is the level of the final qualification for which the student is aiming that will determine their ELQ status. By contrast, whether or not a student is recorded as postgraduate taught in HESES is determined by whether or not a degree is a normal entry requirement and is not necessarily an indication of the academic level of their study or final

qualification aim. In particular, this means that, for a student whose highest qualification already achieved is an honours degree:

- a. Where they are undertaking a graduate conversion course, they should be recorded as postgraduate taught, but they should also be considered as aiming for an ELQ. In this context, a graduate conversion course is a course for which a normal condition on entry is an honours degree, but whose academic level is no higher than Level 6 of the Framework for Higher Education Qualifications in England, Wales and Northern Ireland. Some such courses may be designed to give access to postgraduate courses for those whose first degree was in a different subject area.
- b. Where they are undertaking an integrated masters programme (such as a four-year MEng, MPhys or MChem), they should be recorded as at undergraduate level in HESES, because a degree is not a normal entry requirement for such study. However, with the exception of the MPharm (see paragraph 18), they should not be treated as aiming for an ELQ, because the academic level of the final qualification of the integrated masters programme is at Level 7 of the Framework for Higher Education Qualifications in England, Wales and Northern Ireland. This also means (again with the exception of students who hold an MPharm) that a student who holds an integrated masters qualification and who wishes to enrol on a one- or two-year taught postgraduate masters qualification (such as an MA or MBA) should be treated as aiming for an ELQ.

18. The MPharm should be treated as a Level 6 qualification for ELQ purposes. This means that:

- a. A student whose highest qualification already achieved is a bachelors degree with honours and who is studying for an MPharm should be treated as aiming for an ELQ.
- b. A student who holds an MPharm as their highest qualification already achieved and who is now studying for a one-or two-year taught postgraduate masters qualification at Level 7 (such as an MA or MBA) should not be treated as aiming for an ELQ.

19. The second edition of the Framework for Higher Education Qualifications in England, Wales and Northern Ireland states (in paragraph 43) that the final outcomes of first degrees in medicine, dentistry and veterinary science typically meet the expectations of the descriptor for a higher education qualification at Level 7. However, for ELQ purposes only, these qualifications should continue to be treated as if they were at Level 6. This means that:

- a. A student whose highest qualification already achieved is a bachelors degree with honours and who is studying for a first registrable degree in medicine, dentistry or veterinary science would be considered to be aiming for an ELQ. However, they are exempt from the ELQ policy by virtue of paragraph 7e of this annex and (assuming they meet all other criteria for that status) can be recorded as HEFCE-fundable.
- b. A student who holds a first registrable degree in medicine, dentistry or veterinary science as their highest qualification already achieved and who is studying on a one-or two-year taught postgraduate masters qualification (such as an MSc or MBA) should not be treated as aiming for an ELQ.

20. As is stated in the Framework for Higher Education Qualifications in England, Wales and Northern Ireland, MAs granted by the universities of Oxford and Cambridge are not academic qualifications. Students holding such awards should be treated as holding a Level 6 qualification, reflecting also whether they are with honours for the purpose of the guidance at paragraph 16b of this annex. A number of universities in Scotland also have a tradition of awarding 'MAs' as opposed to 'BAs' at undergraduate degree level. These should also be treated in the same way as bachelors degrees, reflecting also whether they are with honours.

21. In some instances, a student may not be formally awarded a qualification which they have stated as their aim and to which they are entitled, having completed all of the necessary work for that qualification. This may occur, for example, because, while the student has been assessed as eligible for the award, they have not completed the formal process of receiving it. In such cases, the student

should be treated for ELQ purposes as if they had been awarded the qualification. The achievement and award of credit should not be treated as a qualification for these purposes.

22. All PGCEs (whether Postgraduate Certificates in Education or Professional Graduate Certificates in Education) should be treated, for the purpose of the ELQ policy only, as being equivalent to Level 6. This means that a student whose highest qualification already achieved is a PGCE, and who has no other postgraduate qualification, would not be treated as aiming for an ELQ if they enrolled on a postgraduate masters qualification. Students aiming for a PGCE of either type are exempt from the ELQ policy, as explained in paragraph 7c of this annex.

23. Where students are studying for a first HE-level qualification by accumulating credit on a succession of 'courses' or modules, they should not be treated as aiming for an ELQ. Such accumulation of credit should be treated as progression towards a final undergraduate qualification. However, if the student has an HE-level qualification (as well as potentially having accumulated undergraduate level credit from recent study), then the student would be treated as aiming for an ELQ if that qualification was at a level that is equivalent to, or higher than, the credit towards which the student was now studying. A similar approach should be adopted where students are accumulating credit at postgraduate level: credit previously achieved should not generally be used to determine that a student aiming for further postgraduate credit is aiming for an ELQ, but a previous postgraduate-level qualification generally would.

Example 5

24. A student without any prior HE qualification is undertaking a succession of 20 credit-point undergraduate continuing education courses, which are all at the same academic level. After successful completion of such a course, it is open to the student to be awarded a university certificate. If the student completes 120 credit points from such

courses, they can be awarded a Certificate of Higher Education. In this example:

- a. A student who has successfully completed a 20 credit-point course, but has not been awarded the university certificate should not be treated as aiming for an ELQ for any study towards another 20 credit-point course.
- b. Where the student has been awarded a university certificate for successfully completing a 20 credit-point course, then:
 - i. They should be treated as aiming for an ELQ if they are taking another 20 credit-point course, and either have a stated qualification of a university certificate or have not stated a qualification aim (that is, they are assumed to be studying towards further credit at the same level as a qualification already awarded).
 - ii. They should not be treated as aiming for an ELQ if they are taking another 20 credit-point course, but have a sole qualification aim of a Certificate of Higher Education. This because the Certificate of Higher Education would be considered a higher qualification than the university certificate already achieved. If the student has stated qualification aims for both a university certificate and the Certificate of Higher Education, then (following the guidance in paragraph 9), they would be treated as aiming for an ELQ, by virtue of paragraph 23b.i.

25. Institutions may wish to take advice from UK NARIC (www.naric.org.uk) about the relative level of professional qualifications and those awarded abroad. UK NARIC is the national agency responsible for providing information, advice and expert opinion on vocational, academic and professional skills and qualifications from over 180 countries worldwide. There may be cases where UK NARIC advises, for example, that the academic level of a degree awarded by another country is below that of a degree in the UK. Where this is the

case, it is acceptable to treat a student whose highest HE qualification is a degree from that other country, and who is studying for a degree in the UK, as not aiming for an ELQ.

26. In general, whether or not a student is aiming for an ELQ should be reviewed annually, at the start of each year of instance. This is necessary in order to take account of changing student circumstances, such as where a student:

- a. Following two separate programmes of study, receives a qualification for one before the other is complete.
- b. Changes their qualification aim.
- c. Begins to receive the DSA.

In general, we would not expect institutions to change the ELQ status of their students within a year of instance.

Example 6

27. A student with no previous HE qualifications is concurrently aiming for a first degree and a part-time two-year HNC. The student completes the degree when they are mid-way through the first year of the HNC. In this example, the student should not be treated as aiming for an ELQ for the first year of the HNC: although they will be awarded a degree part-way through the year, they did not have this qualification when they commenced the first year of instance for the HNC. However, the student should be treated as aiming for an ELQ for their second year of instance for the HNC, as their ELQ status should be reviewed annually to take account of any newly achieved HE qualifications.

28. The Student Fees (Qualifying Courses and Persons) (England) Regulations (statutory instrument 2007 No. 778, as amended in particular by statutory instrument 2008 No. 1640) define which categories of students and courses are covered by the regulated undergraduate fee regime – that is, those for whom institutions cannot charge a fee that exceeds prescribed limits, including those stated in their access agreement with the Office for Fair Access (OFFA). The Education (Student Support) No. 2 Regulations 2008 (statutory

instrument 2008 No. 1582) and the Education (Student Support) (Amendment) No. 3 Regulations 2008 (statutory instrument 2008 No. 2939) define entitlements to student support for 2009-10. These statutory instruments contain definitions of ELQs. It should be noted, however, that there may be some differences in the treatment of students between whether they may be recorded as HEFCE-fundable following the guidance in HESES; and whether or not they are liable to regulated tuition fees or are eligible for student support. In particular, there may be cases where a student can be treated as exempt from the ELQ policy for HEFCE funding purposes, but where they are not covered by the Student Fees (Qualifying Courses and Persons) Regulations – that is, they can, if the institution chooses, be charged a non-regulated tuition fee. We do not, however, expect there to be cases where a student is non-fundable by HEFCE because of their ELQ status, but where the institution is still restricted to charging a regulated tuition fee. Any questions about these statutory instruments should be raised with the SLC Student Finance England helpline on 0845 602 0583.

Audit issues

Collecting qualification data from students

29. Institutions should ask students to confirm annually that they haven't achieved any new qualifications since they last enrolled.

30. Institutions should ensure that their data protection notices allow them, the Government or their respective agents to check the accuracy of personal information provided by students against external data sources. For example, they should permit the institution to test whether the student has been reported on earlier HESA or the FE Data Service's individualised learner record (ILR) returns of other institutions and to contact those other institutions for confirmation of any qualifications obtained.

Keeping records of how students aiming for ELQs have been identified

31. In all cases, institutions should keep records for audit purposes of how they are identifying students as aiming for an ELQ. This should set out the broad approach adopted by the institution. Where, for individual students, there may be uncertainty as to whether they are aiming for an ELQ, institutions should also keep a record of how they have determined these students' ELQ status.

32. Institutions should take reasonable steps to test the accuracy of the qualifications achieved reported by their students, reflecting the availability of other sources of information, such as data from HESA, ILR, UCAS or the Student Loans Company (SLC). This does not require an institution to test the qualifications achieved of all its students. However, we recommend that institutions use a random sample to test the overall accuracy of their data on qualifications achieved plus selective samples, as necessary, where doubts may exist about the entry qualifications reported by individual students.

Determining the number of students supported from other EC public funds

33. The public funding should first be used to offset any shortfall between the fees charged and the assumed fees. Once this offset has taken place, any remaining public funding should be divided by the standard funding per student and rounded up to the nearest whole number to find how many students are non-fundable; the remainder are then fundable. The standard funding per student is calculated as the standard resource minus the assumed fee, then reduced by 1.36 per cent¹ to take account of the £65 million efficiency saving applied

for 2009-10. Standard resource is explained in paragraphs 46-49 of this annex. Note that in the following examples, the assumed fee per FTE for part-time undergraduates is £1,285.

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

Example 1

35. There are 10 full-time undergraduate students supported by £12,850 from a public source. The students are not charged a fee and there is no other income. The assumed fees are £1,285 per student, so the public money only covers the fees and all students are fundable.

Example 2

36. There are 10 full-time undergraduates, all in price group C. The fees for each year are £1,285 paid by the SLC, the student, or a mixture of the two. In addition, a public source puts in £1,000 per student. The assumed fees are fully met by the fees charged, so there is no offset.

Standard resource per student	$1.0 \times 1.3 \times \text{£}3,947$	= £5,131
Assumed fee per student	$1.0 \times \text{£}1,285$	= £1,285
Standard funding per student (adjusted for efficiency saving)	$= 0.9864 \times (\text{£}5,131 - \text{£}1,285)$	= £3,794
Remaining public money	$= 10 \times \text{£}1,000$	= £10,000
Non-fundable students	$= \text{£}10,000 \div \text{£}3,794$	= 2.6

Therefore three students are non-fundable, and the remaining seven are fundable.

¹ The figure of 1.36 per cent, wherever it occurs in this document in reference to an efficiency saving applied for 2009-10, has been rounded, but in adjusting figures in the actual calculations we used an unrounded figure of 1.360827 per cent.

Example 3

37. There are 50 part-time undergraduate students in price group C, each with an FTE of 0.5, who pay £100 a year tuition fee, and there is £30,000 from a public source.

Standard resource per student	$0.5 \times 1.3 \times \text{£}3,947$	=	£2,566
Assumed fee per student	$0.5 \times \text{£}1,285$	=	£643
Standard funding per student (adjusted for efficiency saving)	$= 0.9864 \times (\text{£}2,566 - \text{£}643)$	=	£1,897
Shortfall between fees charged and assumed fees	$\text{£}643 - \text{£}100$	=	£543
Remaining public money	$= \text{£}30,000 - (50 \times \text{£}543)$	=	£2,850
Non-fundable students	$= \text{£}2,850 \div \text{£}1,897$	=	1.5

Therefore two students are non-fundable, and 48 are fundable.

Example 4

38. As in example 3, but the fees are £643 a year all paid by the student. Each student pays a tuition fee which is equal to the assumed fee, so there are no tuition fees to make up using the public money. There is £30,000 public money and the standard funding per student (adjusted for the efficiency saving) is £1,897. Therefore 16 students ($\text{£}30,000 \div \text{£}1,897 = 15.8$) are non-fundable, and 34 are fundable.

Example 5

39. There are 10 full-time postgraduate students entirely in price group C. The fees for the year are £4,000; a public body pays half of the fee and the student pays the other half. The assumed fees are £3,947, which leaves £53 ($\text{£}4,000 - \text{£}3,947$) of public money per student.

Standard resource per student	$1.0 \times 1.3 \times \text{£}3,947$	=	£5,131
Assumed fee per student	$1.0 \times \text{£}3,947$	=	£3,947
Standard funding per student (adjusted for efficiency saving)	$= 0.9864 \times (\text{£}5,131 - \text{£}3,947)$	=	£1,168
Remaining public money	$= 10 \times (\text{£}4,000 - \text{£}3,947)$	=	£530
Non-fundable students	$= \text{£}530 \div \text{£}1,168$	=	0.5

Therefore one student is non-fundable, and the remaining nine are fundable.

HEFCE funded and independently funded students

40. All fundable students should be recorded as HEFCE-funded, unless the institution receives enough resources from other sources (other than EC public sources) for the year of instance to cover the HEFCE standard resource for its provision. Institutions should assume a 1.36 per cent reduction in standard resource to account for the £65 million efficiency saving applied for 2009-10. In such cases the institution may choose to record the students as independently funded. Independently funded students are not included in our resource calculations, but may count towards student number targets. In general, the declaration of eligible students as independently funded will only benefit institutions that are currently under-resourced from public funds (below the ± 5 per cent tolerance band around standard resource), as an aid to migration to within the band. Independently funded students are not counted in the volume measure for targeted allocations in the following year, including for widening participation and teaching enhancement and student success.

Example 1

41. There are 20 HEFCE-fundable full-time postgraduate students, in price group C. Each student pays £5,500 tuition fees. The standard

resource (adjusted for the efficiency saving) is $(0.9864 \times 1.3 \times \text{£}3,947) = \text{£}5,061$. Therefore the standard resource is fully covered by the fee paid by the student. In this case, the institution can choose to record the students either as HEFCE-funded or as independently funded.

Example 2

42. There are 20 HEFCE-fundable part-time postgraduate students, 0.6 FTE, in price group B. Each student pays £3,000 tuition fees. The assumed fee for each student is $0.6 \times \text{£}3,947 = \text{£}2,368$, which leaves £632 per student.

Standard resource per student	$0.6 \times 1.7 \times \text{£}3,947$	=	£4,026
Assumed fee per student	$0.6 \times \text{£}3,947$	=	£2,368
Standard funding per student (adjusted for efficiency saving)	$= 0.9864 \times (\text{£}4,026 - \text{£}2,368) = \text{£}1,635$		
Remaining money from fees paid by the students	$= 20 \times (\text{£}3,000 - \text{£}2,368)$	=	£12,640
Independently funded students	$= \text{£}12,640 \div \text{£}1,635$	=	7.7

Therefore, the institution can choose to return up to seven students as independently funded, with the remaining students returned as HEFCE-funded.

HEFCE non-fundable students

43. These are students who are home and EC, as defined in paragraphs 1 and 2 of this annex, but whose place is not considered eligible for recurrent funding for teaching as defined in paragraphs 4-6 of this annex.

Island and overseas students

44. All students who fall outside the definition of home and EC in paragraphs 1 and 2 of this annex should be recorded as island and overseas. This will include students usually resident in the Channel Islands and the Isle of Man.

Audit issue

Incorrect recording of overseas students

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

Calculation of standard resource

46. The 2009-10 standard resource for a student is calculated by multiplying the total weighted FTE by £3,947 – the base level of resource for price group D. The weighted FTE is the sum of price group-weighted FTE, London-weighted FTE and flexible study measure FTE.

47. The price group weights are shown below.

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

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

48. If an institution attracts London weighting or a flexible study weighting under the teaching funding method, the standard resource should be increased to reflect this.

49. London weighting varies depending on the institution's location. Institutions in inner London receive a weighting of 8 per cent, those in outer London 5 per cent. The flexible study weighting also varies by institution. We notified institutions of their weightings in Table G of their funding agreement.

These weightings are applied to student FTEs weighted by price group. Examples of the calculations are given in paragraphs 50-52 of this annex.

Example 1

50. The standard resource for a part-time student (0.4 FTE) in price group C is £2,052:

$$\begin{aligned} \text{Price group weight} & 0.4 \times 1.3 & = 0.52 \\ \text{Standard resource} & = 0.52 \times \text{£3,947} & = \text{£2,052} \end{aligned}$$

Example 2

51. The standard resource per FTE in price group B for a student at an institution receiving the inner

London premium and a flexible study weighting of 0.4 per cent is £7,274:

$$\begin{aligned} \text{Price group weight} & 1.0 \times 1.7 & = 1.700 \\ \text{Inner London premium} & 1.0 \times 1.7 \times 8\% & = 0.136 \\ \text{Flexible study weight} & 1.0 \times 1.7 \times 0.4\% & = 0.0068 \\ \text{Standard resource} & = (1.700 + 0.136 + 0.0068) \times \text{£3,947} & = \text{£7,274} \end{aligned}$$

Example 3

52. The standard resource for a full-time student who undertakes 60 per cent of their work in price group B and 40 per cent in price group D at an institution who receives a flexible study weighting of 0.8 per cent is £5,650:

	(a)	(b)	(c)	(d)	
Price group	FTE	Price group weighting	Price group weight = (a) x (b)	Flexible study weight = (c) x 0.8%	Total weight = (c) + (d)
B	0.6	1.7	1.02	0.00816	1.02816
D	0.4	1.0	0.40	0.0032	0.4032
					1.43136

Therefore standard resource = 1.43136 x £3,947 = £5,650.

Annex H

Price groups

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

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

Price group	Cost centres
A	01*, 02*, 03*
B	01*, 02*, 03*, 04, 08, 10, 11, 12, 13, 14, 16, 17, 18, 19, 20, 21, 38*
C	05, 06, 07, 23, 24, 25, 26, 28, 33, 34*, 35, 37, 38*
D	27, 29, 31, 34*, 38*, 41, 99
Media studies	30
ITT (QTS)	Courses of ITT leading to QTS (TTCID = 1, 8) ²
INSET (QTS)	Courses for teachers (TTCID = 5), where the student has QTS (QTS = 3) ³

* For definitions see following paragraphs.

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

Special cases

Medicine, dentistry and cost centres 01 and 02

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 taken:
 - i. After the pre-clinical part of the course, or
 - ii. After a free-standing pre-clinical course, or
 - 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 taken:
 - i. After the pre-clinical part of the course, or
 - ii. After a free-standing pre-clinical course, or
 - iii. As part of an integrated pre-clinical and clinical course.

c. Clinical medical and clinical dental postgraduate taught students, where the course meets the following three criteria:

- i. The course bears very high costs that are comparable to the clinical unit of resource.
 - 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 where the focus of their research is in a clinical environment and the 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 01 and 02 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) or C840 (clinical psychology) on the HESA student record.

² Teacher training course identifier on the HESA student record.

³ Qualified teacher status identifier on the HESA student record.

Veterinary science and cost centre 03

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 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 costs that are comparable to the clinical unit of resource.
 - b. A substantial proportion of the staff teaching time contributed to the course is provided by veterinary-qualified, university funded, clinical academic staff.
 - c. Nearly all of the course is taught in a clinical environment.
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 03 should be recorded in price group B.

Education – cost centre 34, ITT and INSET courses

10. Students on ITT courses leading to QTS should be entirely attributed to the ITT (QTS) price group, irrespective of any provision in academic cost centres. Students on ITT courses that do not lead to QTS, such as DTLLS, PGCEs for the post-compulsory education sector and other courses leading to Qualified Teacher Learning and Skills (QTLS) status (TTCID = 2), should be entirely attributed to price group C, irrespective of any activity in academic cost centres.
11. INSET courses are defined as courses for which the primary (but not necessarily the only) purpose is to improve the effectiveness of teachers, lecturers or

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

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

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

Sports science and leisure studies – cost centre 38

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

Attribution of computing to cost centres 20 and 25

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

Allocation of years of instance to price groups

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

17. Except where noted in paragraphs 3-15 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 is allocated to cost centres according to the cost centre of the member of staff teaching the module or supervising the activity. This will be described by the modules in the HESA record. Where the activity for a year of instance falls into more than one cost centre, and these cost centres do not fall entirely within one price group, the year should be split among the price groups according to the proportion of activity in each cost centre. Up to two decimal places may be used for this apportionment.

18. Where activity is franchised out for all or part of the provision, if at least one of the following conditions apply 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 is at least 20 per cent of the total student FTE in the department that arranges the franchise, or
- b. The franchised-out student FTE is at least 100.

Otherwise it may be returned in the appropriate 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.

19. 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 99 on the HESA record it should be treated as if it falls into price group D.

20. Institutions should ensure that where a student's provision does not fall entirely within a

single cost centre and subject pairing, this is clearly identified on the HESA student record. The HESA student record links subjects and cost centres to students through the subjects and cost centres associated with the modules attached to the student. In January 2010 we will compare the FTE returned to cost centres with both:

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

Example 1

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

Example 2

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

Example 3

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

Example 4

24. If 40 physics students are taught business under a franchise arrangement, and the franchised-out student FTE amounts to 10 FTE out of 40 FTE for the entire physics department (that is, 25 per cent), then the franchised-out FTE should be returned under business and management studies.

Example 5

25. If 40 physics students are taught business under a franchise arrangement, and the franchised-out student FTE amounts to 10 FTE out of 100 FTE for the entire physics department (that is, 10 per cent), then the franchised-out FTE may be returned under physics.

Audit issues

Assignment of departments to cost centres

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

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

28. Staff define cost centres so, when determining the cost centre for a given module, the cost centre of the member of staff most directly associated with it should be used. In particular, where a department is split across cost centres, it is necessary to identify which modules are taught by individual members of staff in order to assign the student FTE to the appropriate cost centre. In general this approach will not be consistent with pro-rating student FTE to the staff cost centre split.

Where two or more members of staff from different cost centres are associated with a particular activity, the student FTE should be split according to the proportion contributed by each member of staff.

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

Apportionment of student FTE to cost centres

30. The allocation of student FTE to cost centres, and therefore to price groups, can present problems where provision for a course is in more than one department and cost centre, or where a department is split across cost centres. If a module or part of a course is provided by a different cost centre to the rest of the course, this should be identified on the HESA record and on HESES by mapping the relevant student FTE to the correct price group. Where the student FTE for a course is split across cost centres, the FTE should be apportioned in an appropriate ratio. This ratio should be calculated on an individual course basis and reviewed regularly, with particular attention paid to areas affected by any changes to cost centre or price group assignments. It is not appropriate to apply a ratio calculated for one course to other courses. There is more guidance in paragraphs 16-25 of this annex.

Annex I

Mode of study

Full-time

1. A year of instance is counted as full-time if it meets the following criteria:
 - a. The student is normally required to attend the institution, or elsewhere, for periods amounting to at least 24 weeks within the year of instance and, during that time, they are normally expected to undertake periods of study, tuition, learning in the workplace or sandwich placement that does not meet the criteria to be sandwich year-out which amount to an average of at least 21 hours per week.
 - b. Full-time fees are chargeable for the course for the year. These include:

For 'current system students':

- i. Regulated fees of up to £3,225 for undergraduates and students registered for a PGCE.
- ii. Regulated fees of up to £1,610 for undergraduates on courses provided in conjunction with overseas institutions that are not ERASMUS exchanges, where study at the home institution is for less than 10 weeks.
- iii. Regulated £0 for undergraduates who are on full-year outgoing ERASMUS exchanges.

For 'old system students':

- iv. Regulated fees of £1,285 for undergraduates and students registered for a PGCE.
- v. Regulated fees of £640 for undergraduates on courses provided in conjunction with overseas institutions that are not ERASMUS exchanges, where study at the home institution is for less than 10 weeks.
- vi. Regulated £0 for undergraduates who are on full-year outgoing ERASMUS exchanges.

In the above examples, 'current system students' and 'old system students' mean those defined in the Education (Student Support) (No. 2) Regulations 2008 (SI 2008 No. 1582), as amended.

Exceptionally, all or part of the fee may be waived for individual students based on their particular circumstances. It should not be waived for all

students on a course, and the criteria that determine whether fees may be waived should not be tantamount to waiving the fee for all students.

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

Sandwich year-out

3. A year of instance is counted as sandwich year out if it includes a period of work-based experience and meets both of the following criteria:

- a. The course falls within the definition of sandwich in Regulation 2 (10) of the Education (Student Support) (No. 2) Regulations 2008 (SI 2008 No. 1582), as amended. This includes language year-abroad courses where the year abroad is spent working.
- b. The overall maximum fees are, for qualifying students, those described in Regulation 5 of the Student Fees (Amounts) (England) Regulations (SI 2004 No. 1932), as amended by Regulation 2(b) of the Student Fees (Amounts) (England) (Amendment) Regulations 2008 (SI 2008 No. 2507), or up to approximately half of the fees that would be chargeable if the student were full-time.
- c. Exceptionally, all or part of the fee may be waived for individual students based on their particular circumstances. It should not be waived for all students on a course, and the criteria that determine whether fees may be waived should not be tantamount to waiving the fee for all students.

4. Students spending a full year abroad working who are eligible for the regulated £0 fee under the ERASMUS scheme should be returned as sandwich year-out. This includes students under the British Council's Language Assistant scheme.

Part-time

5. A year of instance is counted as part-time if it does not meet the requirements to be either full-time or sandwich year-out. Note that this includes HNC students who are expected to complete in one year, but whose course is not subject to regulated fees.

6. In general, all students on a given course with a broadly similar pattern of activity, for a given year of instance, should be recorded as having the same mode.

7. In some cases a student's mode of study changes between years. For example, the mode of a student on a full-time 18-month course would change from full-time in year one to part-time in year two, where the second year does not have 24 weeks of study. In this case the student's activity would be recorded as 'other full-time' in year two on the HESA student record.

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

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

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

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

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

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

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

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

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

Audit issue

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

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

Annex J

Level of study

Undergraduate

1. Undergraduates are students studying towards a first degree (including foundation degree), HE certificate, HE diploma or equivalent (or registered for an institutional credit that can be counted towards one of these qualifications). In Tables 1a, 2 and 3, undergraduate data are split between 'FD' (foundation degree) and 'UG (excl. FD)' (undergraduate excluding foundation degree). A foundation degree is a two-year, full-time HE course, or the part-time equivalent, which has been validated as a 'foundation degree' and which is expected to incorporate the core features set out in the foundation degree prospectus, HEFCE 00/27. Foundation degree bridging courses should be returned as 'UG (excl. FD)' in Table 3.

2. The undergraduate data in Table 5 are split between:

- students on HND courses
- students on sub-degree courses excluding HNDs (such as those aiming for an HNC, DipHE or CertEd)
- students on foundation degree courses
- students on another undergraduate degree (excluding foundation degrees but including foundation degree bridging courses).

3. Where a student registers for credits (including Ufi courses) without stating a qualification aim, and where those credits may count towards either an undergraduate degree or a sub-degree qualification level, they should be counted as sub-degree level.

4. Where students have stated multiple qualification aims as part of the same instance, they should be recorded against the lower aim. For example, a student registered for an HND and a degree should be recorded as HND.

Postgraduate

5. Postgraduate students are registered for courses or credits where a normal condition of entry is that entrants are already qualified to degree level, that is, already qualified at Level 6 of the Framework for Higher Education Qualifications in England, Wales and Northern Ireland, published by the QAA. There are two groups: research and taught.

- a. Postgraduate research students are students whose qualification aim is a research-based higher degree. A research-based higher degree is a postgraduate programme comprising a research component (including a requirement to produce original work) which is larger than any accompanying taught component when measured by student effort. The arrangements for assuring and maintaining the academic standards and enhancing the quality of these programmes should be fully compliant with section 1 of the QAA's code of practice for the assurance of academic quality and standards in higher education (postgraduate research programmes). This definition is the same as that used in the Research Activity Survey, and includes New Route PhDs.
 - b. Postgraduate taught students are those who are postgraduates but do not meet the requirements to be a research student.
6. Postgraduates include those on graduate conversion courses and all PGCEs (whether Postgraduate or Professional Graduate Certificate in Education).

Annex K

Long years of study

Full-time students

1. For full-time courses, the year of instance will be classified as 'long' if:
 - a. Students are normally required to attend for 45 weeks or more within that year of instance, or
 - b. The year of instance includes a within-course short period of study, awarded as a summer school through a bidding exercise for ASNs and explicitly notified by HEFCE.
2. When determining length, students are deemed to be attending the institution if they are actively pursuing full-time studies towards the qualification. Years of instance that are not long are referred to as standard length.
3. If the year of instance is 45 weeks or more in length because of a period of work-based study, then the year of instance is not counted as long. This applies to both learning in the workplace and work experience. Sandwich years-out cannot therefore be recorded as long, and we would also not generally expect foundation degrees to be recorded as long.

Example

4. A full-time student on a foundation degree studies for 47 weeks in the year of instance, but 10 of these weeks are work-based study. The year of instance is not counted as long, because without the work-based study the number of weeks studied within the year of instance is 37. Similarly a full-time student on a foundation degree studies for 47 weeks in the year of instance entirely in the workplace. The year of instance is not counted as long.
5. For undergraduate students, long courses will typically be accelerated programmes where the qualification is achieved in a much shorter period than is normal for that qualification. The number of credit points studied in the year is not a criterion in the definition of a long year of study.
6. For postgraduate students, most long courses will be for higher degrees.

Part-time students

7. For part-time courses, the distinction will depend on the length of each year for an equivalent full-

time course. The number of weeks attended within the year of instance for part time students is irrelevant to determining whether the year of instance is long. The equivalent full-time course used should be the same as that used in calculating the FTE. If an equivalent full-time course does not exist, the method for determining whether a part-time year of instance is long should be consistent with the approach taken to determine the FTE following the guidance in paragraph 2 of Annex F and the rationale for such a judgement should be recorded for audit purposes.

Example 1

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

Example 2

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

Mixed-length courses

10. In some cases a full-time course may have one or more years of instance which are long, with one or more standard-length years. When determining which FTE to return as long for the equivalent part-time course, the following two principles should be applied:
 - a. The FTE over the entire course should be identical to that of the full-time course.
 - b. The proportion of the FTE recorded as long should be the same on both the full-time and part-time programmes.

Example 1

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

Example 2

12. A two-year, full-time course has year one long and year two standard length. The equivalent part-time course lasts two-and-a-half years. If the FTE is 0.8, 0.8 and 0.4 in the three years respectively, then the second principle in paragraph 10 of this annex means that 50 per cent of the FTE should be recorded as long. This can be achieved by recording all first-year students as long, and half of the final year students as long, with the remaining year recorded as standard length.

Annex L

Table descriptions

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

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

Table 1b – Counts of years of instance for first registrable medical and dental qualifications

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

3. Years of instance should be classified according to which year of the course they are. Intercalated years should not be returned in this table and should be disregarded when determining the year of instance of a medical or dental course. For HESES purposes, an intercalated year is defined as a year inserted into a medical course to allow for the award of a BSc or BA in addition to the normal medical degree.

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

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

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

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

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

Table 4 – Home and EC fees

9. The data returned in Table 4 must match the home and EC data returned in Columns 1 and 2 of Tables 1a, 2 and 3. Table 4 contains the number of years of instance for all modes, split between those countable on or before 1 December 2009, and those expected to become countable between 2 December 2009 and 31 July 2010, for home and EC students only. Island and overseas students should not be returned in Table 4.

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

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

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

Annex M

Description of columns in tables

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

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

2. Column 1: Number of years of instance countable between 1 August 2009 and 1 December 2009 inclusive. If a year of instance has been classified as a non-completion, as defined in Annex E, on or before 1 December 2009, it should not be returned.

3. Column 2: Number of years of instance expected to become countable between 2 December 2009 and 31 July 2010 inclusive. Institutions should make sure that estimates included in this column are made on a reasonable basis, and that supporting evidence for the assumptions is kept for audit purposes. Students on non-standard years of instance should not be shown here. Column 2 should only include those years of instance expected to become countable after 2 December 2009 but which will be completed by 31 July 2010. In general we would not expect many full-time students to be recorded in Column 2. Guidance on when years of instance become countable is given in Annex E.

4. Column 3: Number of years of instance which students will fail to complete after 1 December 2009. This is an estimate of the number of years of instance that have been returned in Columns 1 or 2 but will not be completed – according to the definition given in Annex E. Numbers of non-completions should be entered as negative values in the workbook. Institutions should ensure that these estimates are supported by historical data.

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

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

7. Column 5 (Tables 1a, 2 and 3 only): Estimated completed years of instance that are to count towards the delivery of funding or student number targets for LLNs that are not supported through the mainstream teaching grant and which are reported by the lead institution of the LLN ('model 2' LLNs). Provision for students in Column 5 is non-fundable, by virtue only of the criterion in sub-paragraph 6b.i of Annex G. Any LLN students that are non-fundable by virtue of the other criteria in paragraph 6 of Annex G should not be included in Column 5. Column 5 is a subset of the non-fundable years of instance recorded in Column 4.

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

Table 4 – Home and EC fees

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

10. Regulated fees are those that apply to qualifying courses as defined in the Student Fees (Qualifying Courses and Persons) (England) Regulations 2007 (SI 2007 No. 778) as amended (including by the Student Fees (Qualifying Courses and Persons) (England) (Amendment) Regulations 2008 (SI 2008 No. 1640)). The fees are subject to overall limits set out in the Student Fees (Amounts) (England) (Amendment) Regulations 2008 (SI 2008 No. 2507), which amended the Student Fees (Amounts) (England) Regulations 2004 (SI 2004

No. 1932). These regulations can be found on the OPSI web-site, www.opsi.gov.uk, under Legislation/Original/UK/Statutory Instruments. In general, the fees are:

- a. Regulated full fee – full-time and sandwich undergraduate courses (where the student is not on their year-out) and full-time PGCE courses. The overall maximum fees for qualifying students on such courses are those described in Regulation 2a of the Student Fees (Amounts) (England) (Amendment) Regulations 2008 (SI 2008 No. 2507).
- b. Regulated half fee – undergraduates following sandwich courses who are on their sandwich year-out, students on a non-ERASMUS, study related year abroad, part-time ITT courses and students on the final year of a full-time undergraduate programme which is normally required to be completed after less than 15 weeks' attendance. The overall maximum fees for qualifying students on such courses are those described in Regulation 2b of the Student Fees (Amounts) (England) (Amendment) Regulations 2008 (SI 2008 No. 2507).
- c. Regulated £0 – outgoing ERASMUS full-year abroad students only.

Also identified separately in Table 4:

- d. NHS-bursaried years of courses – students on years of courses for which an NHS bursary is payable, even if the individual student does not receive the bursary.
 - e. Foundation degree bridging courses – students on a foundation degree bridging course.
11. Years of instance should be returned under the fee level 'Non-regulated' where the course the student is studying for is not prescribed under Regulation 4 of the Student Fees (Qualifying Courses and Persons) (England) Regulations 2007 (SI 2007 No. 778) as amended.

Part-time undergraduate students subject to regulated fees

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

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

In cases a and b, the students should be recorded as subject to regulated half fees; in case c they should be recorded as subject to regulated full fees.

13. Part 11 of the Education (Student Support) (No.2) Regulations 2008 (SI 2008 No. 1582), makes provision for the support of students undertaking a designated full-time distance learning course. Part 12 of those regulations makes provision for students undertaking a designated part-time course, through grants for help with fees and a £260 grant for help with other course costs. Such students should still be returned under 'non-regulated' fees, because these courses are not explicitly designated under the Student Fees (Qualifying Courses and Persons) (England) Regulations 2007 (SI 2007 No. 778) as amended.

Postgraduate students subject to regulated fees

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

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

15. Column 1: Number of years of instance for home and EC students countable between 1 August 2009 and 1 December 2009 inclusive. The column is broken down by mode of study as defined in Annex I.

16. Column 2: Forecast of number of years of instance for home and EC students expected to become countable between 2 December 2009 and 31 July 2010 inclusive. The column is broken down by mode of study as defined in Annex I.

17. Column 3: New entrants included in Columns 1 or 2 of this table, defined as the first countable year for an instance (see Annex E, paragraph 52). The column is broken down by mode of study as defined in Annex I.

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

18. Column 1: Years of instance countable between 1 August 2009 and 31 July 2010 inclusive. These data are split by mode, then between home students and others entitled to pay home and EC fees. A definition of home students is in Annex L, paragraph 10. In total, these data are the same as the home and EC data returned in Columns 1 and 2 of Tables 1a, 2 and 3.

19. Column 2: New entrants included in Column 1 of this table, defined as the first countable year for an instance (see Annex E, paragraph 52). These data are split by mode, then between home students and others entitled to pay home and EC fees.

20. Column 3: Number of years of instance returned in Column 1 for students who are wholly or partially franchised out, broken down by the type of institution involved. The countable years of instance, and not the proportion of the year of study franchised, should be returned where the student is partially franchised out. 'Other inst' applies to provision that is franchised out to an institution that is not an HEI or FEC supported from public funds. Annex G, paragraph 6f explains that home and EC students franchised to such other institutions may only be recorded as HEFCE-fundable where we have given specific approval; in the absence of our approval, they should be recorded as HEFCE non-fundable. This distinction between fundable and non-fundable students franchised to other institutions should be reflected in Table 5.

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

Annex N

Sample tables

These tables are available to download as Excel files on the HEFCE web-site with this document under Publications.

Annex O

List of abbreviations

APL	Accredited prior learning/accreditation of prior learning
ASNs	Additional student numbers
CertEd	Certificate in Education
DEL	Department for Employment and Learning (Northern Ireland)
DipHE	Diploma of Higher Education
DSA	Disabled Students' Allowance
DTLLS	Diploma in Teaching in the Lifelong Learning Sector
EC	European Community
ECIF	Economic Challenge Investment Fund
EEA	European Economic Area: all EC countries plus Iceland, Liechtenstein and Norway. Students from Switzerland are treated in the same way as those from the EEA
ELQ	Equivalent or lower qualification
ERASMUS	European Community action scheme for the mobility of university students. This is part of the European Commission's Lifelong Learning Programme
ESF	European Social Fund
FAQs	Frequently asked questions
FD	Foundation degree
FE	Further education
FEC	Further education college
FTE	Full-time equivalent/equivalence
GTP	Graduate Teacher Programme
HE	Higher education
HEFCE	Higher Education Funding Council for England
HEI	Higher education institution
HEIFES	Higher Education in Further Education: Students Survey
HEPA	HEFCE Higher Education Policy Adviser
HESA	Higher Education Statistics Agency
HESES	Higher Education Students Early Statistics Survey
HNC	Higher National Certificate
HND	Higher National Diploma
HPC	Health Professions Council
ILR	The FE Data Service's individualised learner record
INSET	In-service Education and Training
ITT	Initial Teacher Training
LLN	Lifelong Learning Network

NVQ	National Vocational Qualification
OFFA	Office for Fair Access
OPSI	Office of Public Sector Information
OTTP	Overseas Trained Teacher Programme
PGCE	Postgraduate/Professional Graduate Certificate in Education
QAA	Quality Assurance Agency for Higher Education
QTLS	Qualified Teacher Learning and Skills status
QTS	Qualified teacher status
SCITT	School-Centred Initial Teacher Training
SIVS	Strategically important and vulnerable subject
SLC	Student Loans Company
TDA	Training and Development Agency for Schools
Ufi	A government initiative to develop a 'university for industry'. Learning services are provided through Learndirect
UG	Undergraduate
UG (excl. FD)	An undergraduate course that is not a foundation degree

Annex P

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

Note that some words and phrases are defined in the list of abbreviations at Annex O.



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