

Office for  
Students



# Data collection to inform funding for 2020-21

Confirmation of approach and  
responses to feedback received

**Reference** OfS 2019.31

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**Publication date** 22 August 2019

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# Summary

1. On 9 July 2019 we published 'Data collections to inform funding for 2020-21: Notification of changes' (OfS 2019.27)<sup>1</sup>. This document announced, and invited comment on, changes to the collection of data to inform funding for 2020-21, through the 2019 Higher Education Students Early Statistics (HESES19) and Higher Education Students Forecast 2020-21 (HESF20) surveys. We particularly invited comments on changes to how years of instance are assigned to price groups for funding purposes.
2. This document:
  - sets out feedback on the responses we received
  - announces a small number of changes to the guidance on price group assignments that we will make as a result.

We will undertake, and consult on, a full review of our approach to funding over the coming months, and this will include a more fundamental review of how we prioritise funding towards high-cost activities, including different subjects.

## Background

3. In the OfS 2019.27 document, we explained that the first criteria for assigning students' years of instance to price groups<sup>2</sup> are common to all providers and **are unchanged for HESES19 and HESF20**:
  - a. Firstly, sandwich years out are assigned to price group C2.
  - b. Secondly, other years of study are mapped to price groups for students undertaking courses leading to qualification to practise in certain professions, or courses that provide further training for those already qualified in those professions. This applies in relation to medicine, dentistry, veterinary science, nursing, midwifery, certain allied health professions, social work and teacher training.
4. For any provision that does not meet those first two criteria, we proposed that:
  - a. Further education and sixth form colleges and academies would continue to map activity to price groups on the basis of the Learning Direct Classification System (LDCS) codes for their courses, reflecting the use of these codes by the Education and Skills Funding Agency (ESFA). Some changes were proposed in how a small number of such codes would map to price groups.

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<sup>1</sup> See [www.officeforstudents.org.uk/publications/data-collection-to-inform-funding-for-2020-21-notification-of-changes/](http://www.officeforstudents.org.uk/publications/data-collection-to-inform-funding-for-2020-21-notification-of-changes/).

<sup>2</sup> See HESES18 (OfS 2018.40), Annex G paragraphs 3-20, available at: [www.officeforstudents.org.uk/publications/heses18-higher-education-students-early-statistics-survey-2018-19/](http://www.officeforstudents.org.uk/publications/heses18-higher-education-students-early-statistics-survey-2018-19/).

- b. All other providers would map their remaining activity to price groups on the basis of the Higher Education Classification of Subjects (HECoS) codes for their courses. This represented a change from previous years, where most such providers would have used Higher Education Statistics Agency (HESA) academic cost centres (for providers funded by the OfS for 2018-19) or Joint Academic Coding System (JACS) codes (for other providers that completed HESES18).
5. Annex A to OfS 2019.27 set out our proposed mappings of LDCS and HECoS codes to price groups.

## Decisions and responses to comments received

6. We received 46 responses to OfS 2019.27 from providers and other organisations. The comments received were grouped in three main areas, regarding:
  - the assignment of specific subjects and codes to price groups
  - the administrative burden to providers of the changes
  - requests for confirmation of further details of how the new approach will be implemented.

Though the majority of respondents had specific questions about the method set out in OfS 2019.27, a small number of providers were broadly welcoming of the proposed changes.

### Changes to assignment of price groups

7. Comments on the assignment of price groups to specific subjects were received from 25 respondents with the majority focusing on two particular areas: veterinary nursing, and dietetics and nutrition. We have accepted the arguments made by respondents for these subjects and have changed their price group assignments as follows:
  - a. **Veterinary nursing** (HECoS code 100532; LDCS code SN.4) will be mapped to price group B instead of C2.
  - b. **Dietetics** (HECoS code 100744) and **Nutrition** (HECoS code 100247); (LDCS code NH.2 and its subcategories) will be mapped to price group B instead of C2.
8. Our initial proposals in OfS 2019.27 were based on the mapping of cost centre 103 (Nursing and allied health professions) to price group C2. In practice, because of the initial criteria for price group assignments (see paragraph 3):
  - a. Pre-registration courses in human nursing are mapped to price group C1 and additional funding provided through the nursing, midwifery and allied health supplement.
  - b. Pre-registration courses in dietetics are already mapped to price group B.
9. We have accepted arguments that the costs of veterinary nursing are similar to those for other courses in the same Common Aggregation Hierarchy (CAH) category (CAH05-01-02: others in veterinary sciences) and that, because there is no contribution through the NHS, it is appropriate for veterinary nursing to attract a higher rate of funding than human nursing. We

have also accepted that courses in nutrition should be funded at the same rate as courses in dietetics.

### **Other comments on how specific codes and subjects have been mapped to price groups**

10. We also received comments suggesting that:

- Physical geographical sciences (CAH26-01-02) should map to price group B
- Classics (CAH20-01-05) should map to price group C2 (alongside other languages).

11. We did not accept the arguments made for reassigning these subjects.

- a. Geography has always mapped to price group C2, recognising that it is an intermediate cost subject because of the mixture of higher cost physical geography and classroom-based human geography. We were not persuaded that splitting these different aspects of geography between price groups was desirable. In reaching this conclusion, we reviewed providers' use of HECoS codes for courses in geography, environmental and earth sciences.
- b. Classics has always mapped to price group D (since it was part of the former cost centre for 'Humanities and language-based studies'). Recent Transparent Approach to Costing (TRAC) data continues to show lower average costs for the Classics cost centre than for Modern languages.

### **Administrative burden on providers**

13. Comments were received from 29 respondents relating to the administrative burden to providers of these changes. In particular these focused on two main areas:

- the impact on providers' internal systems
- the implications of these changes on OfS processes and for other data collections.

### **The impact on provider systems**

14. A small number of providers that have previously used academic subject categories to assign activity to price groups commented that the proposed move to using HECoS codes would involve significant changes to internal systems. Providers commented that making the required changes to bespoke IT systems in the period before HESES is due would be ambitious.

15. While we recognise that the change to using HECoS codes will require changes to IT systems for providers, we were not persuaded that implementation for HESES19 was unreasonable or unachievable. We believe there are significant benefits in moving to a system whereby all providers assign activity to price groups based solely on the characteristics of their courses, rather than where (in which academic department) teaching takes place. Many of those expressing concern about using HECoS codes already assign some of their activity to price groups based on course characteristics because of the first criteria for price group assignments described in paragraph 3. Because subject codes are used for other purposes (including students' applications through UCAS, Discover Uni, and certain categorisations for student

support purposes), we expect it will support greater consistency in reporting arrangements than using cost centres, which are not used widely beyond funding.

If you are concerned that the technical issues involved may affect your ability to accurately assign activity to price groups in HESES19 please contact [recurrentgrant@officeforstudents.org.uk](mailto:recurrentgrant@officeforstudents.org.uk) as soon as possible to discuss your circumstances.

16. As in previous years, we will re-create HESES19 for all providers, reflecting the definitions and guidance in the survey, using their final individualised student data for 2019-20, as reported to HESA or ESFA. Providers will be more likely to be selected to undergo a data assurance review where we identify significant differences with, or concerns about, their HESES19 submission. We will adjust funding for such providers to reflect their final individualised data for the year once that data assurance process is complete. Further information about OfS data assurance work is available on the OfS website.<sup>3</sup>

### **Implications of the proposed changes**

17. Providers also queried the further implications of this move on internal OfS processes (such as HESES data verification) and on the continued collection of cost centre data used in HESA staff, student and finance records and for TRAC. Providers noted that the changes would likely result in price group shifts when HESES19 data is compared to that for previous years.
18. We are aware that the change to using HECoS codes may result in changes to the way students are distributed across price groups, and we will bear this in mind when determining any questions asked during the HESES data verification process. As in previous years, providers will be asked to discuss the underlying reasons for any significant changes in their HESES data. Where this is due to changes to OfS guidance, providers are encouraged to send details to us when they submit their HESES return, to pre-empt any data verification queries that might arise.
19. The assignment of subject categories to broad price groups and the rates of funding that the OfS provides for different price groups were determined through a consultation.<sup>4</sup> Proposals in the consultation were originally informed by analysis of finance and student data reported by academic cost centre, but the outcome of consultation has applied to all providers, most of whom already assign all their activity to price groups based solely on course characteristics. It has also informed the treatment for funding purposes of activity at all providers that is assigned to price groups based on course characteristics (see paragraph 3) rather than the cost centres in which teaching takes place.
20. There are no immediate consequences of the OfS's approach to price groups for funding purposes on the use of cost centres in data reporting to HESA or for TRAC returns. We recognise the value in having a subject categorisation that can apply across the different HESA returns and will consider separately how the requirements of these returns should develop in

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<sup>3</sup> See: [www.officeforstudents.org.uk/data-and-analysis/data-assurance/](http://www.officeforstudents.org.uk/data-and-analysis/data-assurance/).

<sup>4</sup> See 'Student number controls and teaching funding: Consultation on arrangements for 2013-14 and beyond', HEFCE 2012/04, available at: <https://webarchive.nationalarchives.gov.uk/20180405120707/http://www.hefce.ac.uk/pubs/year/2012/201204/>.

future. The OfS funding method is just one of the various uses made of these returns by different organisations.

## Further details of implementing the new approach

21. Comments were received from 25 respondents requesting further details on how the proposed method would be implemented. This included:

- the treatment of specific cases, such as sandwich years out and the assignment of clinical years of medical, dental and veterinary courses to price group A
- guidance on how HECoS codes would be assigned to courses and comments on the suitability of using HECoS codes for funding purposes
- confirmation that price groups would be considered at a course, rather than module, basis.

## Specific cases, including the assignment of activity to price group A

22. We confirm that the first criteria that determine the assignment of activity to price groups (set out in paragraph 3) will continue to apply. Activity will be assigned to price groups using HECoS or LDCS course codes **only where those first criteria are not met**.

23. Several providers specifically asked for further detail on the assignment of postgraduate clinical medical, dental and veterinary science provision to price group A. This requires three criteria to be met<sup>5</sup> which remain unchanged for HESES19. The HESES18 survey also included guidance on the permitted use of JACS codes for postgraduate courses depending on whether they met the criteria for price group A.<sup>6</sup> We will update this guidance to refer instead to HECoS codes<sup>7</sup> (LDCS codes are not relevant for such clinical provision), as follows:

- a. Where, and only where, a postgraduate [medical, dental or clinical psychology] course meets the criteria set out in paragraph 4c, the subject of the course aim should be coded as 100267 (clinical medicine), 100266 (clinical dentistry) or 100494 (clinical psychology) on the Higher Education Statistics Agency (HESA) student record.
- b. Where, and only where, a postgraduate [veterinary medicine or veterinary dentistry] course meets the criteria set out in paragraphs 8 to 9, the subject of course aim should be coded as 100531 (veterinary medicine) or 101347 (veterinary dentistry), on the HESA student record.

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<sup>5</sup> See HESES18, Annex G paragraphs 4c (for medicine and dentistry) and 8c (for veterinary science), available at: [www.officeforstudents.org.uk/publications/heses18-higher-education-students-early-statistics-survey-2018-19/](http://www.officeforstudents.org.uk/publications/heses18-higher-education-students-early-statistics-survey-2018-19/).

<sup>6</sup> See HESES18, Annex G paragraphs 6 (for medicine and dentistry) and 11 (for veterinary science), available at: [www.officeforstudents.org.uk/publications/heses18-higher-education-students-early-statistics-survey-2018-19/](http://www.officeforstudents.org.uk/publications/heses18-higher-education-students-early-statistics-survey-2018-19/).

<sup>7</sup> The HECoS implementation guide published by HESA (see <https://www.hesa.ac.uk/innovation/hecos>) explains in section 3.1: 'There are a number of areas where specific rules are implemented in this space, including clinical and pre-clinical courses. It is expected that this need will remain, and rules derived from the current HESA guidance will be proposed.'

## Assignment of HECoS codes to courses

24. We will expect providers to comply with the HESA guidance when assigning HECoS codes to courses. In particular we note that section 2 of the HECoS implementation guide states that:

‘The allocation of HECoS courses will be performed by the course provider, or a delegated authority (particularly for franchised provision where the subject expertise may reside within the partner), as they are considered the authority on the content of the course’

and

‘The qualification subject(s) must represent directly, or relate very closely to, the wording on the qualification’s official certificate of award. More than three qualification subjects would generally be regarded as exceptional.’

25. A small number of responses suggested that HECoS codes were not designed to be used for funding purposes or that providers might wish to review their use of codes given their proposed use for funding. We do not accept either argument. It is entirely reasonable that funding should be informed by the subjects taught (as already applies for much activity) and we see no reason why a provider that has followed the HECoS implementation guidance provided by HESA should now need to review their use of codes.

## Assignment of price groups at a course level

26. We confirm that, where HECoS or LDCS codes determine the assignment of activity to price groups, this is the code **for the course as a whole**, not for modules within the course.

27. The fields that comprise ‘Course Subject’ in the HESA student record for 2019-20<sup>8</sup> allow up to five HECoS codes to be attributed to a course, together with a percentage attributable to each. The HECoS implementation guide also explains that:

‘good subject coding is economical. The number of codes to describe courses, modules and qualifications should always be minimised in the interests of providing succinct information for intended users and for consistency across the sector.’

28. In practice, we believe the need to use more than three codes for a course will be exceptional. Up to three LDCS codes can be attributed to a higher education course on the individualised learner record (ILR) submitted to the ESFA.

29. We believe that these arrangements provide sufficient scope for providers to reflect different subject content within their courses for all users of the data, including for the purpose of OfS funding by price group. The percentages attributable to different subjects should be based on a course as a whole, not on a year of instance.

## Next steps

30. The full technical specification of our data requirements and definitions will be published in autumn 2019. For further information, please contact [recurrentgrant@officeforstudents.org.uk](mailto:recurrentgrant@officeforstudents.org.uk).

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<sup>8</sup> See <https://www.hesa.ac.uk/collection/c19051/a/coursesubject>.



# Annex A: Updated mapping of LDCS and HECoS codes to price groups

1. Annex A is available to download as an Excel file alongside this document at [www.officeforstudents.org.uk/publications/data-collection-feedback-response/](http://www.officeforstudents.org.uk/publications/data-collection-feedback-response/). Compared to the mappings previously published as Annex A to OfS 2019.27, the annex to this document has been updated to include the changes to veterinary nursing, dietetics and nutrition, as discussed in paragraph 7 of the main document.
2. The workbook contains two worksheets:
  - Table 1: Mapping of LDCS codes to price groups for HESES19 and HESF20
  - Table 2: Mapping of HECoS codes to price groups for HESES19 and HESF20.
3. **Table 1** lists LDCS codes with their descriptions, along with columns that show:
  - the price group the code was matched with in the 2018 Higher Education in Further Education: Students (HEIFES18) survey
  - the proposed mapping for HESES19
  - whether the price group mapping has changed.
4. **Table 2** lists the HECoS codes and the HESA definition for each code<sup>9</sup>, along with columns that show:
  - the price group that each code was matched with in HESF19
  - the proposed mapping for HESES19
  - whether the price group mapping has changed.
  - the CAH level 3 for each code.

For convenience, both CAH versions 1.3.1 and 1.2 are included in the table.

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<sup>9</sup> Taken from the HECoS vocabulary document available from the HESA website at <https://www.hesa.ac.uk/innovation/hecos>.

## Annex B: List of abbreviations

Abbreviation	Definition
CAH	Common Aggregation Hierarchy
ESFA	Education and Skills Funding Agency
HECoS	Higher Education Classification of Subjects
HEIFES	Higher Education in Further Education: Students
HESA	Higher Education Statistics Agency
HESES	Higher Education Students Early Statistics
HESF	Higher Education Students Forecast
JACS	Joint Academic Coding System
LDCS	Learn Direct Classification System
OfS	Office for Students
TRAC	Transparent Approach to Costing



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