

**To: Heads of higher education
institutions in Wales**

Reference: W05/58HE
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Response By: No response required
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ADJUSTMENT TO THE 2004/05 GRANT FOR TEACHING

Circular W04/46HE set out the 2004/05 Annual Schedule to the Financial Memorandum – Funding and Associated Funded Numbers. The Schedule recorded the agreement between the Council and your institution concerning the amount of funding to be paid by the Council for the purposes of teaching students for the period 1 August 2004 to 31 July 2005 and the number of funded credit values to be provided in return for that funding in the academic year 2004/05. The Schedule also explained the rules regarding adjustments to be made to the funding to reflect any net under-recruitment against funded credit values. The Annex to this letter illustrates the net effect of the adjustments made to core and addition funding in accordance with those rules.

You will be recall that that, at its meeting on 23 September 2004, the Council agreed that any end-of-year mitigation on funding adjustments should be non-consolidated in order to align practice with that in March in relation to any supplement awarded at that time. The total funding adjustment for 2004/05 shown in Annex A has been calculated with this in mind. Where appropriate, the amount of the adjustment will be deducted from the monthly grant between November 2005 and January 2006.

You should also be aware that the Council will continue to monitor the accuracy of predictions made at HESES and their correlation to the final EYM numbers. If the Council has concerns about persistent unrealistic predictions, we will contact the individual institution to try to discuss the issue.

Please address enquiries about this Circular letter to Hannah Falvey (Tel 029 2068 2240, e-mail Hannah.Falvey@hefcw.ac.uk) or Leanne Holborn (Tel 029 2068 2259, e-mail Leanne.Holborn@hefcw.ac.uk).

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