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Cylchlythyr

Circular

## Annual TRAC Return for Academic Year 2008/09

**Date:** 17 November 2009  
**Reference:** W09/37HE  
**To:** Heads of higher education institutions in Wales  
**Response by:** 29 January 2010  
**Contact:** TRAC reporting queries should be directed towards either:  
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Email: [richard.hirst@hefcw.ac.uk](mailto:richard.hirst@hefcw.ac.uk); or  
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This circular requests institutions to submit their annual Transparent Approach to Costing (TRAC) Return for 2008/09.

This document is available online, in large print, Braille, on CD and on audio CD and cassette. Should you or someone you know require this in an alternative format, please contact us on (029) 2068 2280 or email [info@hefcw.ac.uk](mailto:info@hefcw.ac.uk).

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Lywodraeth Cynulliad Cymru  
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## Annual TRAC return for academic year 2008/09

1. This circular asks you to submit your institution's annual Transparent Approach to Costing (TRAC) Return by **29 January 2010**.
2. You will be aware of the increasing importance of TRAC data to support institutional decision making and to inform public policy making. The TRAC Development Group issued new guidelines in March 2009 and October 2009 and you should ensure that your return and supporting documentation conform to the latest requirements, particularly in light of the recent QAV exercise, the requirement for key risk sign-off, and the subject of time sheets for DI staff and indexation of charge-out rates. The October 2009 guidance also sets out methods institutions could use to comply with the TRAC requirement to compare academic staff time and costs that come into effect at the end of 2009.

The profile of TRAC data has been further raised through a workshop for practitioners held on 13 October 2009 and a conference for PVCs and Registrars which took place on 4 November 2009

3. This year's template incorporates in a single return:
  - a. the annual TRAC reporting requirements (including some changes to the reporting format approved by the Financial Sustainability Strategy Group, formerly the TRAC Strategy Group), and
  - b. the charge-out rates for research collected on behalf of Research Councils UK (RCUK), which will be used for benchmarking purposes. To help improve the quality of the data submitted, a number of automatic and self-validation checks have been introduced, as well as a free format template for institutions to explain any unusual movements when comparing their data with 2007-08.
4. In reporting these data, please confirm that:
  - the costs reported have been prepared in accordance with the TRAC requirements – as set out in Section B (minimum requirements) of Part III of the TRAC Guidance, issued by the Joint Costing and Pricing Steering Group in June 2005, and subsequent revisions and updates as published at [www.jcpsg.ac.uk](http://www.jcpsg.ac.uk) under TRAC guidance
  - income has been prepared in accordance with the Funding Councils' requirements set out in the updated Annex 16 of that guidance
  - tests for reasonableness have been carried out and the results of these have been presented to a Board Committee to give assurance that the outcome is fair and reasonable, as required in part II, Chapter C.1.

5. The annual TRAC return also asks institutions to provide details of the committee, authorised by the governing body, responsible for confirming compliance with the costing standards. These standards are set out in Part II of the TRAC Guidance, Chapter B.2. In providing assurance to the head of institution, the relevant committee should seek assurance from the internal auditors to confirm:
  - that they have reviewed progress on meeting the annual TRAC requirements
  - that the processes in place comply with the TRAC Guidance
  - that the institution has implemented TRAC methods on a robust basis.

## **Submitting returns for 2008/09**

### TRAC Returns

6. A sample PDF version of a TRAC return form can be downloaded from the TRAC Guidance web pages at <http://www.jcpsg.ac.uk/guidance/annexes.htm> (Annex 16); in addition, a list of peer groups that will be used for the 2008-09 TRAC benchmarking and an updated income allocation schedule can be found there. Your institution's individualised template for completion of the TRAC **data** return should be downloaded and submitted through the HEFCE extranet. A copy of this letter will be sent to your Director or Head of Finance, with details of how to access the extranet, including the appropriate organisation and group keys.
7. A hard copy of the completed TRAC return, signed by you (as head of institution) should also be sent by 29 January 2010 to **Neil Hempstead at HEFCW, Linden Court, The Orchards, Ilex Close, Llanishen, Cardiff CF14 5DZ**. We will treat the information provided as strictly confidential. We will report to the Welsh Assembly Government on the sector aggregate TRAC return data only, which we expect to publish.
8. Benchmarking feedback reports will be made available for download from the HEFCE extranet in due course.

## **Involving our stakeholders**

9. We are committed to making equality a core issue in developing and implementing our policies and services, and evaluating and refining those approaches to advance the equality agenda. We have a legal responsibility to assess the impact of our policies in regards to the six equality strands (age, disability, gender, race, religion/belief and sexual orientation) and to set out how we will monitor or address any possible

negative impact. An equality impact assessment (EIA) should improve HEFCW's work by making sure we do not discriminate in our services, functions, policies and employment and ensuring, where possible, we do all we can to promote equality and good relations between different groups. It also helps us when drafting policies to carefully consider the likely impact of our work and take action to improve it and ensure that, as far as possible, we eliminate any negative consequences.

If you would like to contribute to our EIA process or become more actively involved in the development of this policy – or indeed any HEFCW policy – please contact us at [equality@hefcw.ac.uk](mailto:equality@hefcw.ac.uk) to be added to our stakeholder database. Any information is stored safely and confidentially and will not be shared with institutions or third parties. The outcomes of our impact assessments are available from our website at [www.hefcw.ac.uk](http://www.hefcw.ac.uk).

### **Freedom of Information**

10. HEFCW and HEFCE are covered by the Freedom of Information Act 2000. The Act gives a public right of access to any information held by a public authorities. In the event of a request for information contained in TRAC returns, we have a duty to decide whether information should be released or treated as confidential. Requests must be considered on a case-by-case basis, and we can refuse to disclose information only in specific circumstances. Should we receive a request, we will give careful consideration to whether the release of this information would, or would be likely, to harm the commercial interests of institutions submitting the data.
  
11. For further information about the TRAC reporting requirements, please contact Richard Hirst or Neil Hempstead. Details of all HEFCW contacts are on the web at [http://www.hefcw.ac.uk/about\\_us/staff\\_directory/staff\\_dir\\_con\\_details.aspx](http://www.hefcw.ac.uk/about_us/staff_directory/staff_dir_con_details.aspx)