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Cylchlythyr

Circular

Redistribution Exercise 2010/11

Date: 16 July 2010
Reference: W10/25HE
To: Heads of higher education institutions in Wales
Principals of directly-funded further education colleges in
Wales
Response by: 1 September 2010
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This Circular sets out the arrangements by which higher education institutions and directly funded further education colleges may redistribute funded credit values for 2010/11, and introduces the STEM incentivisation programme which will provide limited funding for 2010/11 to transfer existing credit values into certain activities in ASC 3,4 & 6.

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.

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Introduction

- 1 This Circular sets out the arrangements by which higher education institutions (HEIs) and directly funded Further Education Colleges (FECs) may redistribute funded credit values for 2010/11 and introduces the STEM incentivisation programme which will provide limited funding for 2010/11 to transfer existing credit values into certain activities in ASC 3,4 & 6.

Background

- 2 Each year, following the announcement of funded numbers and associated funding for the coming session, the Council invites proposals for redistribution from institutions to provide them with the opportunity to shape their profile in accordance with trends in recruitment or their strategy for future development.
- 3 Circular W10/09HE *Outcome of consultation on changes to funding arrangements* informed the sector that from 2011/12 the recovery element will be removed from the funding model. Institutions should bear this in mind while completing this redistribution exercise to ensure that funded credits reflect the pattern of recruited credits as far as possible and unfilled funded credits are redistributed to areas of over-recruitment. The lack of a recovery process from 2011/12 will mean that unfilled funded credits will be reallocated across the sector immediately, within the funding model, as institutions will no longer have a year's grace to offset a dip in enrolments.

Scope of redistribution

- 4 Redistribution is available to both HEIs and directly funded FECs. However, FECs may redistribute funded credit values only within their agreed portfolio of course provision.
- 5 Redistribution is available only in non-quota funding cells, and not in Academic Subject Category (ASC) 10 Art, Design and Performing Arts (performance element) funding cells. Redistribution is not available into, out of, or within, ring-fenced ASC 11b Education Non-QTS funding cells. This is to ensure that the places created through reductions in ITT (QTS) targets from year to year are kept separate until the full effect of these reductions have been realised, and to ensure that there is no financial loss to institutions. There is no limit on the numbers of credit values that may be moved between eligible funding cells. Credit values may be moved from cells where there has been recovery.
- 6 Redistribution may be used to move credit values between institutions. This could be, for example, to facilitate collaborative working or to

transfer directly funded provision in an FEC to a franchised out arrangement with an HEI.

Regional Approach to Funding from 2011/12 – Redistribution implications

- 7 Given our remit requirements on the development of regional approaches, there may be an additional redistribution exercise during the year, to allow numbers to move from one provider to another to rationalise activity within a region. This will be confirmed in due course.

Incentivisation of STEM ASCs 3, 4 & 6

- 8 In addition to the traditional process of cost-neutral redistribution, for 2010/11 we are introducing an incentive to transfer credits to Science, Technology, Engineering and Mathematics (STEM) subjects from other subjects, i.e. to redistribute non-STEM credit values into certain ASC 3, 4 and 6 activity. We will provide additional limited funding to cover the difference between the costs of the original ASC and ASC 3, 4 or 6.
- 9 In line with traditional redistribution, movement is not possible from quota cells. In addition, in order to protect Welsh Assembly Government priorities, movement from modern foreign language provision in JACS codes R and T will not be allowed. In order to demonstrate that funded credits have not been moved from these areas into STEM, and to ensure that appropriate movement supports the STEM activities which are *For our Future* priorities, all requests should be accompanied by a full rationale explaining the detail of the proposed movement and the purpose. Should credit values which are delivered in the medium of Welsh be redistributed, these should be redistributed only to alternative Welsh medium provision. In terms of widening access, if there are any proposals to move franchised provision, the rationale must include the purpose and scope, and explicit approval received through this process.
- 10 This funding will be capped at £250k in total and all the requests for funding support to transfer credits to STEM will be subject to a competitive process, with the rationales assessed against two criteria –
- That the requested movement is into ASCs 3,4 & 6;
 - The extent to which movement will support *For our Future* priorities.

Basis of redistribution

- 11 With the exception of movement to certain activity in ASCs 3, 4 and 6 as outlined in paragraph 10 above, all transactions will be on the basis of the monetary value of the credit values moved out of a funding cell.

Institutions should seek to ensure that redistributions which are not into ASCs 3, 4 and 6 are, as far as possible, cash neutral.

Arrangements for redistribution

- 12 Institutions are invited to propose the redistributions of funded credit values that they wish to make. Any proposed redistributions should be presented using the tables at Annexes Aii, Aiii and B. Annex Ai is for information only and will be populated with your institution's 2010/11 teaching funding information. The table at Annex Aii should be used for traditional cost-neutral redistribution within institutions, Annex Aiii should be used for the funded credit redistribution into ASCs 3, 4 and 6, and Annex B should be used for cost-neutral redistribution between institutions.
- 13 Individual spreadsheets for your institution, and further instructions, will be e-mailed to your data contacts on **20 July 2010**, for completion electronically.
- 14 As outlined in paragraph 9 above, each redistribution proposed must be accompanied by a rationale which should be attached to the appropriate completed annex.
- 15 In cases of redistribution between institutions, in order for the process to remain cash neutral, proposals may need to be in two stages – first within, and then between, institutions. In effect, the institution from which credit values are to be moved may need first to redistribute the credit values internally into the funding cell in which the other institution will receive those credit values.

Right of refusal

- 16 The Council reserves the right to refuse any proposal for redistribution, particularly if it results in a reduction in the diversity of provision currently available in the sector.
- 17 Institutions will be informed in September if their redistribution requests have been successful. Any associated funding for successful STEM requests will be paid with the recurrent grant payments in October 2010.
- 18 Institutions should note that during the **2011/12** redistribution exercise we will not allow movement from those STEM ASCs credits that we have funded under this incentivisation programme.

Return of proposals

- 19 All proposals for redistribution should be made by **Wednesday 1 September 2010** at the latest. They should be addressed to Leanne Holborn, (tel: 029 2068 2259/e-mail: leanne.holborn@hefcw.ac.uk)

TEACHING FUNDS AND FUNDED CREDIT VALUES 2010/11

For information only, no data should be entered in this table.

Institution :

Code :

ASC		Funded Credit Values 2010/11						Unit of Funding		Teaching Funds 2010/11					
		Full-time and Sandwich Year Out			Part-time					Full-time and Sandwich Year Out			Part-time		
		UG (Degree)	UG (Non-degree)	PGT	UG (non-FO)	UG (FO)	PGT	UG	PGT	UG (Degree)	UG (Non-degree)	PGT	UG (non-FO)	UG (FO)	PGT
1a	Pre-clinical Medicine							43.28							
1b	Clinical Medicine							43.28							
1c	Pre-clinical Dentistry							43.28							
1d	Clinical Dentistry							43.28							
2	Subjects and Professions Allied to Medicine						35.62	27.93							
3	Science						40.48	32.78							
4	Engineering and Technology						45.58	37.89							
5	Built Environment						36.11	28.42							
6	Mathematical Sciences, IT and Computing						31.97	24.27							
7	Business and Management						19.97	12.27							
8	Social Sciences						17.71	10.01							
9	Humanities						25.13	17.43							
10	Art, Design and Performing Arts						31.41	23.70							
10	Art, Design and Performing Arts (performance element)														
11aa	Education (QTS) - Primary						36.18	36.18							
11ab	Education (QTS) - Secondary						36.18	36.18							
11b	Education Non-QTS						30.66	22.96							
11b	Education Non-QTS (ringfenced)														
Total		0	0	0	0	0	0	0		0.00	0.00	0.00	0.00	0.00	

■ quota, ASC10 performance element and ASC11b (ringfenced) cell - not eligible for redistribution

■ part-time ASC 11aa and 11ab credit values can only be redistributed out to other ASCs. Redistributing to part-time ASC 11aa and 11ab cells is not available.

Level	Description
FO	Franchised out
UG	Undergraduate
PGT	Postgraduate taught

