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Cylchlythyr

Circular

## Annual TRAC Return for Academic Year 2010/11

**Date:** 25 October 2011  
**Reference:** W11/37HE  
**To:** Heads of higher education institutions in Wales  
**Response by:** 31 January 2012  
**Contact:** TRAC reporting queries should be directed towards either:  
Bethan Owen  
Telephone: 029 2068 2215  
Email: [bethan.owen@hefcw.ac.uk](mailto:bethan.owen@hefcw.ac.uk); or  
Neil Hempstead  
Telephone: 029 2068 2286  
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This circular requests institutions to submit their annual Transparent Approach to Costing (TRAC) Return for 2010/11.

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 2225 or email [info@hefcw.ac.uk](mailto:info@hefcw.ac.uk).



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**Lywodraeth Cymru**  
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## Annual TRAC return for academic year 2010/11

1. This circular asks you to submit your institution's annual Transparent Approach to Costing (TRAC) Return by **31 January 2012**.
2. The template incorporates in a single return:
  - a. the annual TRAC reporting requirements
  - 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 the previous year.
3. 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; and
  - 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.
4. In September 2011 the TRAC Support Unit issued two new guidance documents: the TRAC update number 6 (<http://www.jcpsg.ac.uk/guidance/revisions/>) and the 'Enhanced Statement of Requirements' (version 4.1) (<http://www.jcpsg.ac.uk/guidance/require/>).

Your return and supporting documentation should conform to these requirements, and those of updates 1-5.

5. TRAC Update No. 3 (October 2009) included a requirement for institutions to carry out *a full self-assessment of compliance on each point listed in the Statement of Requirements (and any Updates not yet incorporated into that Statement) to be carried out at least every three years. The self-assessment should be carried out no later than 31 January 2012.* See Update No.3, or point A.5.3 in the Statement of Requirements, for more information.

6. 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. 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; and
  - that the institution has implemented TRAC methods on a robust basis.
7. We are aware that in certain institutions the calendar of meetings does not coincide with the TRAC return submission dates and therefore the relevant Board-appointed committee may not have reviewed and approved the results in strict accordance with the TRAC guidance; in this instance we ask that the person signing the TRAC return confirms that proper authority has been given to approve and sign off, and that the result of any subsequent review by committee is confirmed back to us.

## **Submitting returns for 2010/11**

### TRAC Returns

8. A sample PDF version of a TRAC return form can be downloaded from the TRAC Guidance web pages at [www.icpsq.ac.uk/guidance/annexes](http://www.icpsq.ac.uk/guidance/annexes) (Annex 16); in addition, a list of peer groups that will be used for the 2010-11 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. As recently advised to your Head of Finance by email the individual organisational keys for 2010-11 remain unchanged from last year. If your Head of Finance or TRAC manager has difficulty accessing the extranet, they should contact either of the names given at the top of this circular.
9. A scanned copy of the completed TRAC return, signed by you (as head of institution) should be emailed by 31 January 2012 to [neil.hempstead@hefcw.ac.uk](mailto:neil.hempstead@hefcw.ac.uk). We will treat the information provided as strictly confidential. We will report to the Welsh Government on the sector aggregate TRAC return data, which we expect to publish.
10. Benchmarking feedback reports will be made available for download from the HEFCE extranet in due course.

## Freedom of Information

11. 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 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.
12. For information about HEFCW's TRAC reporting requirements, please contact Neil Hempstead or Bethan Owen, whose contact details are given at the cover page of this circular.
13. For further advice the TRAC Support Unit has responsibilities in the following areas:
  - provision of the TRAC Helpdesk (covering all aspects of the TRAC guidance, annual TRAC and TRAC EC-FP7)
  - policy research and support to the Financial Sustainability Strategy Group and the TRAC Development Group; TRAC Guidance research and development
  - communication with the sector on TRAC
  - support for the TRAC Self Help groups
  - promulgation of TRAC among the sector's stakeholders.

The Support Unit can be contacted via e-mail ([trachelpdesk@kpmg.co.uk](mailto:trachelpdesk@kpmg.co.uk)) or by phone (0115 935 3400).