

July 2008/04

This document sets out OFFA's requirements for annual monitoring of access agreements

All FECs and SCITTs with an OFFA approved access agreement for 2007-08 will need to submit a monitoring return by Friday 31 October

Access agreement monitoring 2007-08:

OFFA guidance for further education colleges and school centred initial teacher training providers

Alternative formats

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Access agreement monitoring 2007-08:

OFFA guidance for further education colleges and school centred initial teacher training providers

To	Heads of directly funded further education colleges and managers at school centred initial teacher training providers
Of interest to those responsible for	Implementation of access agreements, Higher Education Managers, Heads of Finance
Reference	2008/04
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Executive summary

What this document is about

1. This document sets out what we need from you in order to carry out our annual monitoring of access agreements. It asks all directly funded further education colleges and school centred initial teacher training providers (hereafter referred to as institutions) with an OFFA approved access agreement for 2007-08 to send us a monitoring return and report on milestones.

The information we need

2. You **must** provide financial data on:
- additional fee income
 - actual expenditure on bursaries (where such information cannot be collected from the Student Loans Company)
 - actual expenditure on any additional outreach activities covered in your access agreement.

3. You **must** also provide:

- the number of students in receipt of a bursary (where this information cannot be collected from the Student Loans Company)
- the estimated number of eligible students (where this information cannot be collected from the Student Loans Company)
- a report on how you ensure that all eligible students are aware of and take-up their bursary
- a report on progress against milestones
- confirmation that the information in monitoring returns has been validated and approved as correct.

Additional information

4. We also require the following additional information:

- an explanation of any significant differences between estimated and actual expenditure.

How the information will be used

5. We will use the information you provide to consider the extent to which your institution has broadly met the commitments set out in its access agreement. The information will also inform our annual report to Parliament and provide evidence for both the 2009 Independent Commission and our work on good practice.

Action required

6. We have emailed a template for your monitoring return to our OFFA contact. Please complete this template – using the guidance in this document – and return it to us by **Friday 31 October 2008**. For further details see paragraphs 73-76.

7. If you are subscribed to the Higher Education Bursary and Scholarship Scheme (HEBSS) full administration service, we will email you a further template by the end of August which will include expenditure paid through HEBSS, the number of bursaryholders and the number of eligible students. Institutions in the HEBSS information only service will also be sent the number of eligible students at their institution. This will give you the opportunity to verify the information we will be using in our assessment. For further details see paragraphs 24-28 and 51-53.

Background information

Why you need to complete a monitoring return

8. There is a legal requirement for institutions to let us know about the extent to which they have met the obligations set out in their access agreements, and to report on the progress they have made with their objectives and milestones. We need sufficient information in order to:

- monitor that institutions are meeting their commitments to individual students and are moving towards the milestones set out in their access agreements
- provide an annual report to Parliament containing an overview of progress with access agreements
- collect evidence for the 2009 Independent Commission. This will report on all aspects of the new fee and student support arrangements based on the first three years' operation of the policy
- identify emerging trends and best practice.

Common problems with reporting in 2006-07

9. Following the first round of monitoring we commissioned an evaluation in order to improve the process. This highlighted that there were some areas of the guidance that could have been clearer. This was evident in some of the problems we encountered with reports. These were institutions:

- including expenditure in the finance return that was not countable by OFFA, such as bursaries paid to students above the specified income levels or payments made from the Access to Learning Fund
- not providing an explanation for differences between estimated and actual expenditure
- not completing the validation and assurance statement correctly.

10. It was burdensome and time consuming for us and institutions to resolve these issues and to follow up missing information. We have tried to make the guidance clearer and to provide examples this year.

We have also produced a template to capture the main areas of information; if you have internal reports that cover the information requested you can email these to us but all of the information requested in the template must be covered.

11. To avoid the need for follow up queries and additional verification you should check your return carefully against the guidance in this document before submitting it. If in doubt, ask us for clarification.

How to complete the monitoring return

Financial data

You must complete and submit financial data on:

- **additional fee income (paragraphs 12-13)**
- **expenditure on bursaries and scholarships (paragraphs 14-23)**
- **expenditure on additional outreach (paragraphs 29-31)**

If your institution subscribes to the Higher Education Bursary and Scholarship Scheme (HEBSS) full administration service, you should NOT provide expenditure on bursaries UNLESS this is expenditure paid outside of the HEBSS system (paragraphs 24-28)

We have emailed a template showing estimates of income and expenditure for your institution to our main OFFA contact.

Additional fee income

12. The figure provided in your monitoring return should include:

- all fee income above the basic fee (£1,225 in 2007-08) for Home/European Union, full-time undergraduates, full and part-time PGCE or ITT and full-time undergraduate social work students
- all fee income above the basic fee from full-time undergraduate franchised courses.

13. The additional fee income figure provided to us should be based on actual additional fee income received by 31 July 2008. It should not include fee income from courses not covered under the 2004 Higher Education Act. These are:

- courses provided under NHS contracts (such as nursing, midwifery and allied health professions)
- part-time courses (apart from PGCE and ITT).

Expenditure on bursaries and scholarships

14. You should report on actual expenditure from additional fee income on bursaries and scholarships as set out in your access agreement.

Splitting expenditure by income thresholds

15. The monitoring template asks you, if possible, to split your expenditure on bursaries and scholarships between income thresholds as follows:

- Up to £17,910
- £17,911 - £38,330
- £38,331 - £48,330 (this is optional)

This will allow us to more accurately identify the amount of money being directed to the lowest income group (that is, with a residual household income of up to £17,910 in 2007-08).

16. If you provide a bursary which is means-tested but cannot provide the data in the way we have asked you can change the income thresholds in the template to reflect the ones you use at your own institution.

17. If you give a bursary or scholarship to students without a means-test you can provide the total amount of expenditure. We will then calculate an estimate of the expenditure that falls into each income bracket based on SLC data on the proportion of students at your institution who fall into the different income groups.

18. For the purposes of our assessment we will count any expenditure on bursaries and scholarships paid to students from all of the above household income brackets.

19. For institutions subscribed to the HEBSS full administration service, we will ask the SLC to provide this information. Please see paragraphs 24-28 for further details.

20. If your institution provides bursaries or scholarships which are awarded on measures of under-representation that is countable by OFFA (such as first in family or bursaries to students from low-participation postcodes), but you are unable to attribute these to the income bands as requested, there is a separate field for recording this.

What your expenditure data should include

21. The data should include actual expenditure from 1 August 2007 to 31 July 2008 on bursaries and scholarships paid to students from the requested household income groups or from other under-represented groups.

22. If you give 'in-kind' awards such as laptops as part of the support package under your access agreement, this expenditure can also be included.

What your expenditure data should not include

23. The data should not include:

- any payments made after 31 July 2008. These will be included in the following year's monitoring
- expenditure that is not paid directly to students as an award with a financial benefit, for example on the overall improvement of services for students and broader retention measures
- Access to Learning Fund payments; this is funding is received by all institutions from the Government and does not form part of any access agreement.

Collection of data for institutions in the HEBSS full administration service

24. We will ask the SLC to provide information on the money that has been disbursed through the HEBSS. If your institution subscribes to the HEBSS full administration service, you should not provide any data on expenditure that has been paid through HEBSS.

25. We will ask the SLC to tell us the expenditure paid from 1 August 2007 to 31 July 2008 to Home/EU students with assessed household incomes described in paragraph 15 above. This will include any scholarship payments paid through HEBSS.

26. The SLC will also provide the expenditure on awards paid to students above these household income levels and awards made to students where no income data was available. This expenditure is not normally countable in OFFA monitoring unless you can confirm that the awards were made on the basis of other measures of under-representation (see paragraph 20 above).

27. We expect to receive expenditure data from the SLC towards the end of August. We will send you these figures before our deadline for receiving your monitoring return so that you can verify them with your own records.

28. Last year several institutions queried the SLC figures – the main reason for identified differences was the inclusion in institutional data of HEBSS service charges and our exclusion of expenditure made to students above the £48,330 level or where no income data was available. The data we request meets our reporting requirements and is the figure that will be published unless you can provide evidence that additional expenditure should be included.

Expenditure on outreach

29. We asked institutions to set out in their access agreement whether any additional fee income would be specifically set aside for additional outreach work. We define outreach as any activity that involves raising aspirations and attainment and encouraging students from under-represented groups to apply to HE. This might mean funding specific new activities or enhancing and growing existing programmes.

30. The expenditure you report on outreach should only relate to funds committed from additional fee income and should relate to the additional outreach activities.

31. If your institution did not commit itself in its access agreement to spending part of its additional fee income on additional outreach activity and did not give an estimate of this expenditure, but additional expenditure has been made, this can be reported on. To be countable it must be additional to activities or costs that existed before the introduction of variable fees and should meet the definition in paragraph 29. This can include staffing and overhead costs for additional activities.

Optional expenditure reporting

32. Administration costs associated with the implementation of bursary schemes, such as the cost of subscribing to HEBSS, or additional staffing costs can be included in your financial return. The return of this data is optional and does not form part of our assessment. Some institutions requested the opportunity to provide this information when first submitting agreements to demonstrate that bursary schemes are not cost neutral. We will use the data we have as evidence for the 2009 review of fees and student support but because submission of the data is optional it will not be published as part of our monitoring outcomes document.

Explanation for differences between estimated and actual expenditure

33. You must give us an explanation if your actual expenditure is more than 20 per cent below your estimates for bursaries and outreach. These explanations are exclusive of each other and are not based on total expenditure. For example, if you have a shortfall in expenditure on bursaries but an overspend on outreach, we still need an explanation from you on the reasons for the difference in expenditure on bursaries.

34. We have emailed your institution's estimates to our main OFFA contact to allow you to see the figures that we are monitoring against.

35. Your explanations do not need to be lengthy but should provide a real sense of the reasons, including any relevant statistical assumptions - space is provided in the monitoring template. We anticipate that most institutions will have produced the information we need as part of their own internal management processes and may have an existing report which can be used for this purpose. If it is easier to submit an existing report that is acceptable.

36. We reserve the right to ask you for further information and clarification if the explanation you give does not provide sufficient assurance that your institution is satisfactorily delivering the commitments in its access agreement.

Explaining the difference in bursary expenditure

You must provide an explanation where the proportion of additional fee income spent on bursaries is more than 20 per cent below your estimate.

Where expenditure is less than 20 per cent below the original estimate there is no need to provide any explanation or further information.

37. We recognise that the amounts of expenditure will shift according to changes in the actual student cohort therefore this year we are requesting reports based on proportions of additional income rather than actual amounts. For example, if your institution estimated that expenditure on bursaries would be 15 per cent of its additional fee income, we only need an explanation if the actual proportion of expenditure was below 12 per cent.

38. Last year the main reasons for differences between estimated and actual expenditure were a mixture of overestimating the number of students who would be eligible but also students who were eligible failing to claim their bursary.

39. Your explanation does not need to be lengthy but should set out any assumptions that were made in making estimates and what these were based on.

Explaining the difference in outreach expenditure

You must provide an explanation where the actual amount of expenditure on outreach is more than 20 per cent below your estimate.

Where expenditure is less than 20 per cent below the estimate there is no need to provide any explanation or further information.

40. Where your actual expenditure on outreach is more than 20 per cent below your estimate, you must give us an explanation for the difference. For example, if you estimated that your expenditure on additional outreach would be £10,000, we would need an explanation from you if actual expenditure was below £8,000.

41. We are interested in general progress and knowing that any additional outreach commitments have been broadly met. Your explanation should focus on the reasons for any difference in expenditure. You don't need to give us detailed information about changes in the levels or types of activity.

42. If your additional fee income was substantially less than forecast we think it is reasonable that you may have needed to reduce your financial commitment to additional outreach and this is an acceptable explanation for any reduction in outreach expenditure.

Reporting on the number of bursary holders

You must provide information on the number of students in receipt of a bursary and the total number of students that you estimated would be eligible for a bursary.

You must tell us what you did to ensure that all eligible students are aware of and take up their bursary.

Number of bursary holders

43. As well as considering your overall level of expenditure, we are concerned to see that you have met your commitments to individual students. We therefore ask you to tell us the number of students in receipt of a bursary or scholarship and what proportion of the 'new system' student population this represents. Where possible these figures should be split between income bands as set out in the template.

44. A space is provided in the monitoring template for this information, however if it is easier to submit an

existing report, provide the information in a different format or adapt the template to suit the income thresholds at your institution that is acceptable.

45. As set out in paragraph 16 above, if you provide bursaries to all your students without a means-test and cannot provide the data in the way requested, please provide the total number of bursary and scholarship holders and we will make an estimate of the split between income levels.

46. We are interested in the number of students rather than the number of awards. Therefore if a student has been awarded more than one bursary they should only be counted once.

Bursary awareness and take up

47. The first year of monitoring highlighted that the failure of some students (and/or their parents/carers) to consent to share their financial information was a significant problem for institutions subscribed to HEBSS, resulting in lower than expected bursary take up.

48. However, this problem was not restricted to HEBSS subscribers and institutions outside of the HEBSS system also reported fewer students than expected coming forward to collect their bursaries.

49. It is therefore particularly important to make sure that all students are aware of and take up their bursary entitlement and we need to continue to monitor this. You should therefore tell us how many students you thought would be eligible for a bursary and what you do to ensure that eligible students are made aware of, and receive their bursary. There is a space in the monitoring template but the information can be provided in a separate report if this is easier.

50. For institutions that are subscribed to the HEBSS full administration service we will request the data from the SLC. See paragraphs 51-53 for details.

Collection of data from SLC

51. For institutions that subscribe to the HEBSS full administration service we will request data on the number of bursary holders. For institutions that subscribe to the full and information only service we will request the numbers of eligible students.

52. The data we request will:

- cover the full academic year
- be split between new entrant and continuing 'new system' students
- show the number of students consenting to share data and receiving bursaries split between the different income groups
- show the number of those students and their parents /sponsors within each group who consented or did not consent to share their financial information.

53. We expect to receive data from the SLC towards the end of August. Where relevant, we will send you these figures before our deadline for receiving your monitoring return so that you can verify them with your own records.

Reporting on milestones and objectives

You must submit a summary report on progress against the milestones set out in your access agreement.

Further education colleges

54. You must give us an update on your progress with the milestones in your access agreements. This report should only include milestones and objectives within the milestone section of your access agreement.

55. There is no template for this report; this is because each institution sets its own milestones which makes it difficult to provide a standard template. However, you should:

- re-state each milestone as it exists in the access agreement (including any baseline figure),
- set out the current position; and
- provide any commentary as necessary.

56. If the information you give us is not sufficient to allow us to gauge your progress against the milestones set out in your access agreement, we reserve the right to ask you for more information.

57. We recognise that it is possible that you may meet all your financial commitments and outreach plans under your access agreement but not achieve your milestones. When we are analysing progress with milestones we will consider whether the commitments have been met and if there is a positive direction towards milestones.

58. Where progress has been significantly less than expected, or there has been movement away from milestones, you should briefly explain what plans and strategies are in place to review the arrangements under your access agreements and what changes might be necessary in order to make progress. We may also wish to talk to you to gain a better understanding of the situation.

School centred initial teacher training providers

59. The majority of SCITTs committed to return to us with milestones in 2008 once baseline data was available. Because of the small number of trainees we think it is acceptable to provide, as a minimum, the number of trainees entitled to a bursary in each year with a commitment to monitor these going forward. You should now be in the process of amending your access agreement to reflect this, including the baseline figures for 2006-07. We will ask you to comment on any changes in the numbers of bursary holders in next year's report.

60. If you included other milestones in your access agreement you can report on these but we do not expect you to.

Validating your monitoring return

You must confirm that the monitoring return has been checked and validated as correct.

61. The monitoring return provides a section for you to confirm that all information in the return has been subject to an internal validation process and has been signed off and approved as correct. The purpose of the sign-off is to provide assurance that the information has been validated independently from the person responsible for compiling the return.

62. Contact details should be provided for the person compiling the monitoring return and for the senior manager responsible for signing it off. This could be the Principal, HE Manager or Finance Director.

63. It is for you to determine your own process for checking the accuracy of the information you provide – this could be through internal audit, or a report to the head of institution, a governors group or a steering committee. All information is subject to audit and you should ensure that your method of validating the information meets your own internal audit requirements.

How we will assess your monitoring return

64. We will compare your expenditure return against your additional fee income to monitor whether the proportions of expenditure are broadly similar to those set out in your financial estimates.

65. We will look to see that you have broadly met your financial commitments and, where you have not done so, that there is a reasonable explanation and/or appropriate review and re-adjustment of plans.

66. We will also look at the progress you have made towards your milestones. We will look for a positive direction and will not penalise institutions for not meeting their milestones where they can demonstrate that they have broadly met the commitments made in their access agreements.

67. We also recognise that progress in year two of the new arrangements may be limited. We are more concerned with trends over time. If central or institutional returns indicate that year on year, progress at your institution continues to be negative, or less than expected, then we will want to discuss this with you to understand the issues and investigate possible solutions.

68. Within this context, we may still wish to ask you about your return if, for example, some of the information or data:

- is unclear
- does not make sense from our knowledge of the access agreement and the institution
- is inconsistent with centrally collected data.

69. We will email you to confirm that monitoring returns have been received. We hope to have completed all assessments by mid-December and to communicate outcomes to you in January 2008.

70. We will publish a short report on the outcome of the monitoring process in February/March 2008.

We may audit your monitoring return

71. We reserve the right to audit monitoring returns and the implementation of access agreements but anticipate that we would only do so in exceptional circumstances. If, before taking this step, we identify significant concerns with delivery or the movement

towards milestones, we will invite institutions to discuss any emerging issues with us and provide further information if necessary.

How the Freedom of Information Act affects monitoring returns

72. We will publish a short report each year regarding the outcomes of the annual monitoring process. Additionally, individual monitoring reports may be disclosed on request, under the terms of the Freedom of Information Act (FOI). The Act gives a public right of access to any information held by a public authority, in this case OFFA. We have a responsibility to decide whether any monitoring returns should be made public or treated as confidential. We can refuse to disclose information only in exceptional circumstances. This means individual monitoring returns are unlikely to be treated as confidential except in very particular circumstances. Further information about the FOI Act is available at

www.informationcommissioner.gov.uk.

Submitting your return

73. You should email your monitoring returns and milestone reports to returns@offa.org.uk by **Friday 31 October 2008**.

74. One hard copy of the return, signed by a senior manager, should be sent to:

Richard Smith
Office for Fair Access
Northavon House
Coldharbour Lane
Bristol
BS16 1QD

Late returns

75. If your monitoring return needs to be approved at a meeting of your governing body or other relevant committee after the deadline of 31 October 2008 we will accept the submission of a draft electronic copy of your monitoring return with a request for a limited extension to the deadline for final versions.

76. It is a legal obligation to report on progress with your access agreement and we are unable to accept late returns in any other circumstances.

Annex A

Access agreement monitoring return academic year 2007-08

This annex is for reference only. We have sent a template to our main OFFA contact.

Institution	
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Financial estimates provided by your institution

	2007-08 (£)
Estimated additional fee income	<i>Data for your institution will be provided</i>
Estimated expenditure on bursaries and scholarships for students with household incomes up to £38,330	<i>Data for your institution will be provided</i>
Estimated expenditure on bursaries and scholarships for students with household incomes between £38,331 and £48,330	<i>Data for your institution will be provided</i>
Total bursary and scholarship expenditure	<i>Data for your institution will be provided</i>
Estimated amount of additional income to be spent on outreach	<i>Data for your institution will be provided</i>

Financial data

If possible you should split your expenditure on bursaries and scholarships between the income groups shown. If you can't provide the information in this way you can adapt the template to match the income thresholds used at your institution or just provide your total expenditure. See paragraphs 12-32 of the guidance.

	2007-08 actual (£)
Additional fee income	
Expenditure on bursaries and scholarships for students with household incomes up to £17,910	<i>Figures should exclude any expenditure paid through HEBSS.</i>
Expenditure on bursaries and scholarships for students with household incomes between £17,911 - £38,330	<i>Figures should exclude any expenditure paid through HEBSS.</i>
Expenditure on bursaries and scholarships for students with household incomes between £38,331 - £48,330	<i>This is optional information Figures should exclude any expenditure paid through HEBSS.</i>
Expenditure on bursaries and scholarships for students from other under-represented groups	<i>Figures should exclude any expenditure paid where income data was available.</i>
Total bursary and scholarship expenditure	<i>This should be the sum of the figures above.</i>
Expenditure on additional outreach	
Expenditure on administration costs associated with the implementation of the bursary scheme	<i>This is optional information.</i>

Explanation for differences between estimated and actual expenditure

Bursaries and scholarships

Please provide an explanation if your total actual expenditure on bursaries and scholarships as a proportion of actual additional fee income is more than 20 per cent below your estimate. See paragraphs 37-39 of the guidance.

For example: if you estimated that expenditure on bursaries and scholarships would be 15 per cent of additional fee income you need to provide an explanation if the actual proportion of expenditure was below 12 per cent

Separate reports can be emailed to OFFA.

Outreach

Please provide an explanation if your actual expenditure on outreach is more than 20 per cent below your estimate. See paragraphs 40-42 of the guidance.

For example: if you estimated that expenditure on outreach would be £10,000 you need to provide an explanation if actual expenditure was below £8,000

Separate reports can be emailed to OFFA.

Number of bursary holders

If possible, you should split the number of bursary and scholarship holders between the income groups shown. You can adapt the template to match the income thresholds used at your institution or provide the total number of bursary holders. See paragraphs 43-50 of the guidance.

Household income	Number of students in receipt of a bursary/scholarship	Bursaryholders as a proportion of the total number of new system students	Estimated number of students eligible for a bursary
Up to £17,910	<i>For institutions in the HEBSS full service we will request this from the SLC.</i>	<i>For institutions in the HEBSS full service we will request this from the SLC.</i>	<i>For institutions in the HEBSS full and info only service we will request this from the SLC.</i>
£17,911 - £38,330	<i>For institutions in the HEBSS full service we will request this from the SLC.</i>	<i>For institutions in the HEBSS full service we will request this from the SLC.</i>	<i>For institutions in the HEBSS full and info only service we will request this from the SLC.</i>
£38,331 - £48,330	<i>For institutions in the HEBSS full service we will request this from the SLC.</i>	<i>For institutions in the HEBSS full service we will request this from the SLC.</i>	
Other under-represented groups	<i>Only expenditure that is not attributable to the above income thresholds should be included.</i>		

What steps did you take to ensure that eligible students were made aware of and took up their entitlement to a bursary? See paragraph 49 of the guidance.

Milestones

Please email us a separate report on your progress with milestones. See paragraphs 54-60 of the guidance.

Validation of monitoring return

In submitting this monitoring return you are confirming that all the information you have provided (both in the return and in your report on milestones) has been compiled in accordance with our guidance, subject to an independent internal validation process, and signed off and approved as correct. See paragraphs 61-63 of the guidance.

In the event of any uncertainties with the information provided we will contact the people named below as responsible for completing and validating the information.

Contact details for person compiling the monitoring return:

Name	
Post	
Telephone	
email	

Contact details for senior manager responsible for validating the monitoring return:

Name	
Post	
Telephone	
email	

Signed

Date

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