

21 March 2024

Dear Accountable Officer

## Data to inform OfS funding in 2024-25

Thank you for returning and signing-off the data in your Higher Education Students Early Statistics 2023-24 (HESES23) survey, which we use to calculate funding allocations for the following year.

I'm writing today to explain the approach we plan to take to calculating allocations for 2024-25, and how you can ask questions, seek advice or to make representations about the proposed approach.

Following the completion of the HESES survey, we have now derived the student data figures for the 2023-24 academic year that we will use to calculate funding for 2024-25. The method of determining these funding figures, expressed as full-time equivalent (FTE) values, has changed for this year. We announced the new method on 27 July 2023, following the removal of the requirement for providers returning data to HESA to collect and submit funding completion data. To calculate the FTEs for providers, we have applied multiplication factors to the data submitted in HESES23. These factors have been derived from 2022-23 HESES data.

We are aware that provision and student numbers at higher education providers can change from year-to-year. Significant changes to provision in 2023-24 may have resulted in changes which mean the multiplication factors derived from 2022-23 HESES data may no longer be appropriate for determining the FTE for a provider. To account for year-to-year changes, you can make representations to the OfS regarding these calculated multiplication factors.

This letter summarises the approach we will be taking to finalising the multiplication factors that will be used to derive FTEs from the data providers submitted in HESES23, and the corresponding representations process that will be run for the multiplication factors.

## **Multiplication factors**

Multiplication factors have been derived from the non-completion and FTE data submitted in the HESES22 return. Where we had insufficient data for a provider, we used sector averages.

The multiplication factors for your provider will be published on the OfS portal on 21 March 2024. Technical guidance about how the factors have been determined will be available on the OfS website.<sup>1</sup> Staff at your provider with access to the HESES area of the portal will be able to access and download the 'multiplication factors representations' workbook which will contain your multiplication factors.

Once published, we are asking providers to review the multiplication factors that we have calculated and consider whether they are appropriate for deriving FTEs for funding purposes. If you consider that the calculated multiplication factors are appropriate, you do not need to take any further action. However, if there has been significant change to your provision since HESES22, this may mean the basis on which the multiplication factors have been calculated is no longer appropriate. We will accept representations about the multiplication factors where significant changes have occurred.

Criteria for the changes that we will consider, and further guidance about the representations process, will be published on the HESES pages of the OfS website on 21 March 2024.<sup>2</sup>

## **Making representations to the OfS**

We do not require a reply to this letter, but you are welcome to submit representations about the multiplication factors. The technical guidance will provide further information, including about the deadline for representations.

The representations process will open on 21 March 2024 and close on 16 May 2024. We are asking that you submit only a single representations workbook, although there is no limit on the number of multiplication factors about which you can submit representations. Once you have submitted your representations, resubmissions should only be made after discussions with the OfS funding team.

To be included in the main announcement of grant funding for 2024-25, scheduled for July 2024, you must submit representations before the 16 May 2024 deadline. The multiplication factors representations workbook will be released on the OfS portal on 21 March 2024.<sup>3</sup>

## **Level 4 and 5 funding for the 2023-24 financial year**

The government has provided £16 million of funding for Level 4 and 5 qualifications, including Higher Technical Qualifications (HTQs), through the strategic priorities grant. As explained in the

---

<sup>1</sup> See Appendix 2 at [www.officeforstudents.org.uk/data-and-analysis/data-collection/multiplication-factors/](http://www.officeforstudents.org.uk/data-and-analysis/data-collection/multiplication-factors/).

<sup>2</sup> See [www.officeforstudents.org.uk/data-and-analysis/data-collection/multiplication-factors/](http://www.officeforstudents.org.uk/data-and-analysis/data-collection/multiplication-factors/).

<sup>3</sup> For information on accessing the portal and the multiplications factors representations workbook, see Appendices 1-4 at [www.officeforstudents.org.uk/data-and-analysis/data-collection/multiplication-factors/](http://www.officeforstudents.org.uk/data-and-analysis/data-collection/multiplication-factors/).

minister's March 2023 statutory guidance letter, this reflects the government's view that these qualifications are in demand from employers and represent good value for money for the investment made by learners and the taxpayer.<sup>4</sup>

A further announcement on this Level 4 and 5 funding will be made in April 2024. The allocations for the majority of this funding will be calculated based on the initial funding FTEs made available in the multiplication factors representations workbook. A proportion of the funding will be allocated in July 2024 after all representations have been considered to account for any possible changes.

### **Further information**

On 14 March 2024 we published a call for evidence on the OfS's future approach to funding and would welcome your views on these issues. If you would like to contribute, please see the call for evidence publication for further details on how to submit a response.<sup>5</sup> The call for evidence will close on Thursday 23 May 2024.

We can provide informal advice about the effects of any data changes, transfers or mergers to aid planning. If you wish to discuss this, or have any questions about your allocations, please contact [recurrentgrant@officeforstudents.org.uk](mailto:recurrentgrant@officeforstudents.org.uk).

Yours sincerely

**John Blake**  
**Director for Fair Access and Participation**

---

<sup>4</sup> For 'Guidance to the Office for Students on the Higher Education Strategic Priorities Grant for the 2023-24 Financial Year', see [www.officeforstudents.org.uk/advice-and-guidance/regulation/guidance-from-government/](http://www.officeforstudents.org.uk/advice-and-guidance/regulation/guidance-from-government/).

<sup>5</sup> See [www.officeforstudents.org.uk/publications/approach-to-ofs-public-grant-funding-call-for-evidence/](http://www.officeforstudents.org.uk/publications/approach-to-ofs-public-grant-funding-call-for-evidence/)