

Consultation

**Office for
Students**

The logo for the Office for Students, featuring a dark blue square with a yellow square in the top right corner containing the letters 'OfS' in white.

OfS

Additional recurrent and capital funding for 2020-21 and monitoring of medical and dental intake targets

Consultation and invitation to bid for capital funding

This consultation runs from **15 October 2020** to **9 November 2020**.

Reference OfS 2020.45

Enquiries to recurrentgrant@officeforstudents.org.uk

Publication date 15 October 2020

The Office for Students is the independent regulator for higher education in England. We aim to ensure that every student, whatever their background, has a fulfilling experience of higher education that enriches their lives and careers.

Our four regulatory objectives

All students, from all backgrounds, and with the ability and desire to undertake higher education:

- are supported to access, succeed in, and progress from, higher education
- receive a high quality academic experience, and their interests are protected while they study or in the event of provider, campus or course closure
- are able to progress into employment or further study, and their qualifications hold their value over time
- receive value for money.

Additional recurrent and capital funding for 2020-21 and monitoring of medical and dental intake targets: consultation and invitation to bid for capital

The Department for Education (DfE) has made available up to £10 million in additional recurrent teaching grant, and up to £10 million in additional capital funding for the Office for Students to distribute to support increased student numbers in 2020-21. We have set out proposals in this document for how we distribute these funds to providers and would like to hear your views. This document also invites providers to bid for the additional capital funding.

We are also seeking views on our future monitoring of medical and dental intake targets following the decision to lift the cap on home and EU intakes to pre-registration medical and dental courses for 2020-21.

When is the consultation?	Start: 15 October 2020 End: 9 November 2020
Who should respond?	Anyone with an interest in finance for those higher education providers that are registered, or are applying to be registered, with us in the Approved (fee cap) category.
How to respond	Please respond to the consultation by 9 November 2020 . Use the online response form available at https://survey.officeforstudents.org.uk/s/fundingandmonitoringconsultation/ Please submit bids for capital funding by 1700 on 30 November 2020 . Providers wishing to bid should email additionalcapitalfunding2020-21@officeforstudents.org.uk to request access to an online form for completion. A draft of the information to be collected in the form is provided in Annex B.
Enquiries	Email recurrentgrant@officeforstudents.org.uk Alternatively, call our public enquiry line on 0117 931 7317

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About this consultation

On 17 August 2020, the Department for Education announced the joint agreement of the government and Ofqual that students in England would receive centre assessment grades for GCSE, A- and AS-level qualifications in summer 2020.¹ On 20 August 2020 the Minister of State for Universities wrote to providers to ask that they honour all offers accepted to date, and honour all offers made and now met, due to the decision to revert to centre-assessed grades.² That letter also announced that the cap on medical and dental intakes in 2020-21 had been lifted and advised that providers should offer places to students who met the terms of their offer, where clinical placements were available.

On 14 September 2020, the Office for Students (OfS) received a guidance letter from the Minister of State for Universities, which announced up to £10 million additional recurrent teaching funding and up to £10 million additional capital funding for the financial year (April to March) 2020-21.³ The guidance letter sets out the government's priorities in distributing the funding to registered higher education providers.

Recurrent funding

We propose to distribute the additional recurrent funding among eligible approved (fee cap) providers that have an overall increase in OfS-fundable full-time or part-time undergraduate full-time equivalent student numbers (FTEs) in price groups A, B and C1⁴ for 2020-21 compared to the numbers that informed their grant for the year. To do so, we propose to calculate, for comparison purposes and separately for each mode of study, a notional allocation of 2020-21 recurrent grant for each eligible provider, using the existing formula methods and parameters, but informed by the FTEs reported in the 2020 Higher Education Students Early Statistics survey (HESES20). Providers will receive a pro rata share of the additional recurrent funding to the extent that this notional allocation for either mode of study is greater than their equivalent 2020-21 recurrent grant (which for most providers has already been allocated⁵ and largely informed by student numbers in the 2019-20 academic year). We will not reduce the 2020-21 grant already announced for any provider in distributing this additional funding. Having regard to the guidance letter of 14 September 2020, we propose that these calculations are limited only to:

- the main high-cost subject funding allocation and the nursing, midwifery and allied health supplement, so as to prioritise the additional subject-related costs of courses in price groups A, B and C1, as these are courses that cost more to deliver

¹ See: <https://www.gov.uk/government/news/gcse-and-a-level-students-to-receive-centre-assessment-grades>.

² See: <https://www.gov.uk/government/news/action-agreed-to-support-students-into-preferred-universities>.

³ Available from: www.officeforstudents.org.uk/advice-and-guidance/regulation/guidance-from-government/.

⁴ Price groups are explained in paragraph 56 of 'Guide to funding 2020-21', OfS 2020.23 (www.officeforstudents.org.uk/publications/guide-to-funding-2020-21/).

⁵ Summarised in 'Recurrent funding for 2020-21', OfS 2020.24 (www.officeforstudents.org.uk/publications/recurrent-funding-for-2020-21/).

- OfS-fundable undergraduates, separately for full-time and part-time modes but not including sandwich year out, to reflect that the funding has been provided to support additional student numbers following the regrading of A-levels and other Level 3 qualifications in summer 2020.

The distribution of the additional funding will be confirmed in February 2021, so that it is informed by each provider's signed-off HESES20 data.

Capital funding

We propose to distribute the additional capital funding in response to the submission of a bid by eligible providers that have an overall increase in OfS-fundable full-time or part-time undergraduate FTEs in price groups A, B and C1. Bids should set out how providers' capital plans will meet the priorities for the additional funding. Providers wishing to bid should email additionalcapitalfunding2020-21@officeforstudents.org.uk to request access to an online bidding form for completion: Annex B to this document provides a draft of the information that the form will collect. Bids will be assessed by OfS staff to ensure that only eligible spend is included and to determine how far the priorities for the funding have been addressed.

As the amount of funding available is limited to £10 million and we wish to provide material sums to providers that best demonstrate additional need arising from increased student numbers, we propose to apply both a minimum allocation threshold below which a provider will not be eligible for funding, and a maximum cap, to help ensure benefits support students in a broad group of eligible providers. Our consultation offers a preferred approach to how we determine the cash allocation for an eligible provider, on which we seek views. We will look to notify providers provisionally of any additional capital funding that we propose to allocate early in the new year. However, funding will be confirmed in February 2021 where we are satisfied that a provider's signed-off HESES20 data corroborates the increase in FTEs set out in its bid and the provider confirms that the full sum will be spent on eligible costs by 31 March 2021.

Medical and dental intakes

We are also consulting on our proposals for monitoring future medical and dental intakes, in the light of the removal of the cap for 2020-21. We currently monitor over-recruitment to pre-registration medical and dental degrees across a rolling five-year period. If in total there has been over-recruitment across the most recent five-year period, we deduct the excess from the numbers we count for funding in the following year. On the assumption that a cap on intakes is reinstated from 2021-22, we propose to continue this approach in future, but to disregard intake figures for 2020-21 where it falls within the relevant five-year period. This means we will adjust the numbers we count for funding if there is over-recruitment in total across the other four years.

The issues discussed in this consultation relate to the OfS's powers under the Higher Education and Research Act 2017 (HERA), specifically financial support for registered higher education providers (section 39). Providers eligible for financial support are those registered with us in the Approved (fee cap) category. We are consulting now, so that responses can inform decisions on the distribution of funding by the end of the financial year 2020-21.

This consultation seeks views on the distribution of the additional recurrent and capital funding that has been made available for the 2020-21 financial year. The amount of the additional funding available is set out in our grant from the DfE and is not subject to consultation. The funding

implications for financial years 2021-22 and beyond arising from increased recruitment in 2020-21 are also out of scope of this consultation, because they depend on the outcomes of the government's spending review and subsequent OfS decisions on the distribution of the grant available to us. However, we expect to count the increased student numbers recruited in 2020-21 in the usual way when determining providers' formula funding allocations for subsequent years. This includes making such adjustments as may be necessary to reflect how students on medical and dental courses are commonly expected to progress in subsequent years from pre-clinical (price group B) to clinical (price group A) years of study.

This consultation also seeks views on a change to our monitoring of medical and dental intake targets to reflect the lifting of the cap for 2020-21. In the absence of a decision otherwise, we expect the cap on intakes to apply again from 2021-22, but how, and at what level, that is done is not within scope of this consultation. We are, however, engaging with the Department of Health and Social Care (DHSC), Health Education England (HEE) and the DfE on this and expect to secure clarification through the spending review process.

The consultation questions are listed in full in Annex A.

For more information about our work to date on funding, please visit the OfS website.⁶

Who should respond to this consultation?

We are particularly (but not only) interested in hearing from **higher education providers that are registered, or are applying to be registered, with us in the Approved (fee cap) category**. We welcome the views of all types and size of provider.

We are also interested in the views of **representative bodies of higher education providers and their staff**, and others with an interest in the finance arrangements for higher education.

How to respond

The consultation closes at noon on **9 November 2020**.

Please submit your response by:

- completing the online form at <https://survey.officeforstudents.org.uk/s/fundingandmonitoringconsultation/>.

If you require this document in an **alternative format**, or need assistance with the online form, please contact digitalpublishing@officeforstudents.org.uk. **Please note** that this email address should **not** be used for submitting your consultation response.

⁶ See www.officeforstudents.org.uk/advice-and-guidance/funding-for-providers/annual-funding/.

Consultation events

We are not holding events in relation to this specific consultation.

Consultation principles

We are running this consultation in accordance with the government's consultation principles.⁷

At the OfS we are committed to equality and diversity in everything we do. We have a legal obligation to show due regard to the Public Sector Equality Duty.⁸

How we will treat your response

Your response to this consultation, including any personal information you provide, may be subject to publication or disclosure under the Freedom of Information Act 2000, the Data Protection Act 2018 or the Environmental Information Regulations 2004.

Please tell us if you would like all, or any part, of your response to be treated as confidential.

More information is available from the Information Commissioner's Office or from us at dp@officeforstudents.org.uk.⁹

Next steps

We will issue a document on the decisions we have taken in the light of consultation as soon as we can, prioritising in particular decisions relating to the proposed capital funding process. We intend to issue this during the week beginning 16 November 2020.

Providers wishing to apply for the additional capital funding for 2020-21 should email additionalcapitalfunding2020-21@officeforstudents.org.uk to request access to an online bidding form for completion (a draft of which is provided at Annex B). Bids must be submitted by 1700 on **30 November 2020**. **Providers should wait until we have published our decisions document before submitting their bids**, so that they can take it into account in finalising their submissions. We will publish a summary of responses to this consultation when we announce allocations, expected to be in February 2021. This will explain how and why we have arrived at our decisions.

Key terms and definitions used in this consultation

Funding and **grant(s)** are used synonymously in this document to mean financial support provided under section 39(1) of HERA by the OfS to the governing body of an eligible higher education provider – that is, one registered with us in the Approved (fee cap) category – in respect of expenditure incurred, or to be incurred, by the provider for the purposes of either or both of the following:

⁷ See <https://www.gov.uk/government/publications/consultation-principles-guidance>.

⁸ See Part 11 of the Equality Act 2010, available at www.legislation.gov.uk/ukpga/2010/15/part/11/chapter/1.

⁹ See <https://ico.org.uk/>.

- a. The provision of education by the provider.
- b. The provision of facilities, and the carrying on of other activities, by the provider, which its governing body considers it is necessary or desirable to provide or carry on for the purposes of, or in connection with, education.

Recurrent grant and recurrent funding mean funding allocated in respect of operating expenditure incurred, or to be incurred, by the provider on its ongoing teaching and related activities.

Capital funding and capital grant mean funding allocated in respect of capital expenditure incurred, or to be incurred, by the provider. Capital expenditure means money used to acquire or maintain fixed assets, such as land, buildings and equipment, and which is normally capitalised in the provider's audited annual accounts. It does not include expenditure on rent or hiring or leasing of equipment and facilities.

MDS and MDS20 means the annual Medical and Dental Students survey,¹⁰ returned by providers from across the UK, providing data on their intake of medical and dental students. This data is collected by the OfS on behalf of the DHSC, HEE, the Scottish Funding Council, the Higher Education Funding Council for Wales and the Department for the Economy in Northern Ireland.

HESES and HESES20 means the annual Higher Education Students Early Statistics survey,¹¹ returned by providers registered with the OfS in the Approved (fee cap) category. The data collected in this survey, along with data supplied to the Higher Education Statistics Agency and the Education and Skills Funding Agency, is used to inform the allocation of OfS funding.

FTEs means full-time equivalent student numbers. A full-time student counts as one FTE. Students on a sandwich year out are counted as 0.5 FTE. The FTE of part-time students depends on the intensity of their study by comparison with an equivalent full-time student, based either on how long it takes them to complete their qualifications, or on how many credit points they study in the year.

Academic year means the 12-month period from 1 August to the following 31 July.

Financial year means the 12-month period from 1 April to the following 31 March.

Protected characteristics are defined under the Public Sector Equality Duty as: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

¹⁰ MDS20 is the survey to be completed for the 2020-21 academic year. See www.officeforstudents.org.uk/publications/medical-and-dental-students-survey-2020/.

¹¹ HESES20 is the survey to be completed for the 2020-21 academic year. See www.officeforstudents.org.uk/publications/heses20/.

Introduction

1. The minister's guidance letter to the OfS of 14 September 2020,¹² announced additional funding of £10 million for both recurrent and capital grants for the 2020-21 financial year. This funding is provided to support the increased intake of students in 2020-21, following the decision to revert to using centre-assessed grades for A-levels and Level 3 qualifications.
2. The minister's guidance letter has set certain parameters and expectations around the distribution of this funding. While these have framed the proposals set out in this consultation, the OfS has also had regard to its own statutory duties under the Higher Education and Research Act 2017 and the Equality Act 2010 in forming these proposals. The approaches that we put forward in this consultation on priorities and eligibility criteria for funding, allocation methods and monitoring arrangements have therefore been developed having regard to the guidance letter, but in the context of our wider statutory duties.
3. For recurrent grant, the guidance letter states:
 - a. 'Allocations should only be made to support providers who have taken on additional students studying high-cost subjects.'¹³
 - b. 'The funding should be allocated by a formula, with all Approved (fee cap) providers eligible to receive it where there is evidence of an overall increased funding requirement arising from taking additional students in high-cost subjects.'
 - c. 'Within these subjects, priority should be given to supporting medicine, dentistry, veterinary sciences, nursing and other healthcare courses, as well as laboratory-based subjects. These subjects are vital for society and the economy, and are often particularly expensive for providers to deliver.'
 - d. 'The funding allocations should be made on the basis of student volumes in high-cost subjects. Providers should not receive additional funding on the basis of students recruited in other subjects.'
 - e. 'When assessing the changed funding needs of the sector, we do not expect the OfS to make any reductions to the allocations made to providers this spring, as this would create further uncertainty for providers.'
4. For capital funding, the guidance letter states:
 - a. 'Allocations should be made following a bidding process, rather than by a formula, in support of capital projects at higher education providers. We expect that the OfS will only be able to approve a limited number of bids. My view is that it is vital for this element of the

¹² The letter, dated 14 September 2020, is available at www.officeforstudents.org.uk/advice-and-guidance/regulation/guidance-from-government/.

¹³ This refers to high-cost subjects as currently covered by the OfS's high-cost subject funding allocation and nursing, midwifery and allied health allocation.

funding to be allocated by a bidding process, in order that OfS can target this funding at specific projects that will enable providers to expand their capacity.

- b. 'This funding is intended to support providers who have taken on additional students due to the changed policy on A-level results. It is not intended to support more general growth in the sector.
 - c. 'As such, allocations should be made to providers who face new capital costs for the equipment or spaces required for additional student numbers, or to accelerate existing projects to increase capacity in the academic year 2020-21.
 - d. 'The OfS should prioritise bids that do most to support high-cost subjects (as defined in [footnote 14 of this OfS document]). The OfS should also prioritise bids that demonstrate how the investment will support positive graduate outcomes.
 - e. 'Providers will need to spend their funding in the 2020-21 financial year. If the OfS does not allocate the £10 million in full, any unspent funds should be returned to DfE.'
5. We previously announced a capital budget of £150 million for the financial year 2020-21, and a non-capital budget for the academic year 2020-21 of £1,276 million, comprising £1,255 million in recurrent grants for providers and £21 million for national facilities and regulatory initiatives.¹⁴ The funding announced in the latest guidance letter is additional to the previously announced budgets, and we expect the method for distribution to be different, subject to decisions following responses to this consultation. We also wish to allocate it in a way which minimises the burden on providers.
6. In her letter to providers of 20 August 2020, the minister announced that the cap on the number of students that providers can recruit to pre-registration courses in medicine and dentistry was lifted for 2020-21. This cap refers to the intake targets that we set as a means of ensuring that we do not provide funding to providers that over-recruit to such courses. We currently monitor over-recruitment against these medical and dental intake targets across a rolling five-year period, informed by data gathered in the Medical and Dental Students (MDS) survey. When calculating our funding allocations, we do not count students recruited above these intake targets. However, lifting the cap means that the entire 2020-21 cohort of OfS-fundable students on such programmes will be included in funding calculations, including as they continue their studies into later academic years. This consultation seeks views on how our monitoring arrangements in future years should be altered to account for the 2020-21 intakes.

¹⁴ For more information about the OfS's approach to funding and initial budgeting for 2020-21 see 'Guide to funding 2020-21' (OfS 2020.23), available at www.officeforstudents.org.uk/publications/guide-to-funding-2020-21/.

Proposed approach to distribute additional funds

Priorities for the additional recurrent and capital funding

7. The priorities for the additional funding are to support additional costs for providers that have increased student numbers in high-cost subject areas in 2020-21, in particular where these arise from the effects of the decision to revert to centre-assessed grades for A-levels and other Level 3 qualifications in summer 2020. The extra funds are to help providers increase capacity and ensure positive graduate outcomes. While these priorities apply to both the recurrent and capital funding, we propose different approaches to distribution between these two types of grant.

Recurrent funding

8. Our recurrent funding supports priority activities where costs typically exceed the amount received through course fees. This occurs, for example, when a course is costly to provide, where students may need additional support to succeed, or because the location brings about additional costs. Information about the recurrent grant allocations that we have already announced for 2020-21 is available on our website.¹⁵ In summary, our recurrent funding is mainly provided through:
 - a. Funding for high-cost courses: recognising the extra costs of teaching particular subjects and of delivering certain courses such as postgraduate provision and teaching in London.
 - b. Funding for student access and success: helping to meet additional costs that arise in ensuring successful outcomes for students who belong to groups that are underrepresented in higher education or who need additional support (such as disabled people).
 - c. Funding for specialist providers: supporting those with world-leading teaching identified through an international peer review panel exercise in 2015-16.¹⁶

Eligibility to receive additional funding

9. We propose to distribute the extra £10 million in recurrent funding by formula to eligible providers that meet both of the following criteria:
 - a. The provider is registered with the OfS in the Approved (fee cap) category. This is the category of provider that we are empowered to fund under section 39(1) of HERA.
 - b. The provider has an overall increase in 2020-21 OfS-fundable full-time or part-time undergraduates in price groups A to C1. This is determined by comparing FTEs from HESES20, separately for each mode of study, with the equivalent FTEs that informed our main recurrent grant allocations for 2020-21.

¹⁵ See www.officeforstudents.org.uk/advice-and-guidance/funding-for-providers/annual-funding/recurrent-funding/.

¹⁶ See <https://webarchive.nationalarchives.gov.uk/20170712123151/http://www.hefce.ac.uk/lt/howfund/>.

Data sources

10. Our recurrent grant allocations for 2020-21¹⁷ are largely informed by the student numbers reported by providers for 2019-20, but with some adjustments for expected increases in OfS-fundable student numbers in 2020-21, primarily relating to the government's health education reforms.¹⁸
11. Providers whose recurrent grant for 2020-21 has been informed initially by data submitted to the Higher Education Students Forecast 2020-21 (HESF20) survey¹⁹ are not eligible for this additional recurrent funding. This is because their allocations for the year will be recalculated anyway to reflect their actual student numbers in 2020-21, using their HESES20 submissions.²⁰
12. We propose to use HESES20 data submitted by providers as the source for 2020-21 student data in our calculations. We have considered other existing possible data sources – specifically from UCAS or the Student Loans Company (SLC) – as a means of assessing increased student numbers at a provider, but consider that these do not provide complete data on student numbers for the academic year²¹, nor identify which students would meet the definition of OfS-fundable.²² Providers are already submitting HESES20 data to inform their OfS funding allocations for 2021-22, so this does not add an additional regulatory burden for them.
13. It is noted that we are unable to verify from HESES20 – or indeed any other source – the reason why increases in student numbers have occurred at any given provider. We cannot distinguish, for example, between the effects of using centre-assessed grades for A-levels and other Level 3 qualifications as opposed to other wider effects of the coronavirus pandemic or of providers' approaches to recruitment (such as contextual admissions) for the 2020-21 academic year.

Further discussion of eligibility

14. The additional funding has been provided by government to support additional student numbers in high-cost subject areas following the regrading of A-levels and other Level 3 qualifications in summer 2020. We do not therefore expect this to apply to postgraduate

¹⁷ Summarised in 'Recurrent funding for 2020-21', OfS 2020.24, www.officeforstudents.org.uk/publications/recurrent-funding-for-2020-21/.

¹⁸ These health education reforms are the increases in intakes to pre-registration medical courses (see: www.officeforstudents.org.uk/advice-and-guidance/funding-for-providers/health-education-funding/medical-and-dental-target-intakes/) and the phased transfer with successive entry cohorts from 2017-18 of funding responsibility for certain pre-registration courses in nursing, midwifery and allied health professions (see: www.officeforstudents.org.uk/advice-and-guidance/funding-for-providers/health-education-funding/nursing-midwifery-and-allied-health-courses/).

¹⁹ See www.officeforstudents.org.uk/publications/hesf20/.

²⁰ See paragraph 18 of 'Terms and conditions of funding for 2020-21', OfS 2020.22 (www.officeforstudents.org.uk/publications/terms-and-conditions-of-funding-for-2020-21/).

²¹ UCAS holds information on acceptances, rather than student registrations and not all students are recruited through UCAS; the SLC holds information only on students that apply for student support.

²² Information on the students we count for our funding purposes, and how we count them, is provided in paragraphs 41 to 47 of 'Guide to funding 2020-21', OfS 2020.23 (www.officeforstudents.org.uk/publications/guide-to-funding-2020-21/).

students, nor to undergraduates on sandwich years out. The latter will have started their courses prior to 2020-21, so will not have been affected by the regrading of qualifications in summer 2020. They are also assigned to price group C2, which is not counted for high-cost subject funding.

15. We recognise that some pupils that have been awarded A-levels or other Level 3 qualifications this summer will go on to part-time study – including, for example, through apprenticeships. As for full-time, we cannot be sure to what extent overall increases in part-time may be attributable to the effects of Level 3 qualification regrading. However, we believe there are good policy reasons for including growth in part-time undergraduates in our eligibility criteria, given the importance of this mode of study to many students with protected characteristics (such as those with disabilities). Recognising the decline in part-time student numbers in recent years, we propose to assess growth in full-time and part-time undergraduate FTEs separately. This will ensure that, where part-time numbers have declined, this does not serve to reduce the growth that we recognise in full-time undergraduate FTEs at a provider, and vice versa.
16. The criteria are proposed to require an overall increase in full-time or part-time undergraduate FTEs in price groups A to C1 compared with those that inform our main recurrent grant allocations for 2020-21. This means, for example, that a provider that has a shift in the balance of its student numbers within these categories to higher-cost price groups, but without having an overall increase would not be eligible. The criterion is also dependent on there being an increase in student numbers across all years of study, rather than just new entrants. This is consistent with our approach to funding (which similarly counts students in all years of study) and reflects the data that will be available to us in HESES20.

Calculation of additional recurrent funding

17. For providers that meet the eligibility criteria, we propose calculating, separately for full-time and part-time undergraduates, a notional funding allocation for comparison purposes. This notional funding allocation will be for the main high-cost subject funding and the nursing, midwifery and allied health supplement elements of grant, and will reflect the provider's actual student numbers in 2020-21. It will be informed by OfS-fundable undergraduate FTEs in price groups A to C1, taken from HESES20,²³ and use the same formula methods and parameters as we have already used to calculate recurrent grants for 2020-21.²⁴ An eligible provider's additional funding requirement relating to each mode of study will be determined as the notional funding allocation less the equivalent recurrent grant for 2020-21, or zero, whichever is

²³ The indicative allocation of high-cost subject funding will use the OfS-fundable undergraduate FTEs reported in price groups A to C1 in HESES20 Table 1, Column 4 (full-time) and Table 3, Column 4a (part-time). The indicative allocation for the nursing, midwifery and allied health supplement will use the OfS-fundable undergraduate FTEs reported in HESES20 Table 6a, Column 4 (full-time) and Table 6c, Column 4a (part-time).

²⁴ The OfS recurrent funding methods are described in 'Guide to funding 2020-21', OfS 2020.23 (www.officeforstudents.org.uk/publications/guide-to-funding-2020-21/). In particular, paragraphs 55 to 59 explain how we calculate high-cost subject funding and the nursing, midwifery and allied health supplement.

the higher. The equivalent recurrent grant for 2020-21 will use the same elements of grant and student categorisations, but is informed largely by HESES19 FTEs.²⁵

18. It is proposed that any funding is restricted to high-cost subject funding and the nursing, midwifery and allied health supplement, as the additional funding is intended to prioritise support where additional subject-related course costs are highest. This approach means that the following elements of recurrent grant will not be counted towards the distribution of additional funding:
- a. Elements of recurrent grant that are not calculated formulaically using HESES student numbers. Many of these recognise factors that give rise to higher course costs, but because they are not informed by HESES data, they cannot be included in our calculations. These allocations account for a little over seven per cent of recurrent grant for 2020-21 and comprise funding for:
 - i. Very high-cost science, technology, engineering and maths (STEM) subjects. This allocation is informed by individualised HESA and ILR student data: HESES20 does not allow us to identify increases in these subject areas separately. The allocation was introduced in 2007-08 as a means of protecting certain strategically important subjects that were vulnerable because of reduced student demand and therefore is not recalculated afresh each year.²⁶
 - ii. Specialist institutions. The allocations announced for 2020-21 have been informed by a review in 2015-16.
 - iii. Clinical consultants pay, senior academic GPs' pay, and NHS pensions scheme compensation. These three allocations were introduced between 2003 and 2005 and were originally informed by staff cost data.
 - b. Other elements of recurrent grant, which do use HESES FTEs as a volume measure. Together, these allocations account for a little under 33 per cent of recurrent grant for 2020-21. They comprise funding for:
 - i. Erasmus+ and overseas study programmes.
 - ii. Postgraduate taught supplement and intensive postgraduate provision. As explained in paragraph 14, postgraduate students will not have been affected by the approach to awarding Level 3 qualifications in summer 2020.
 - iii. Accelerated full-time undergraduate provision.
 - iv. Students attending courses in London.

²⁵ For nearly all providers now registered in the Approved (fee cap) category, these allocations have already been announced.

²⁶ See:

<https://webarchive.nationalarchives.gov.uk/20081203011841/http://www.hefce.ac.uk/news/HEFCE/2006/science.htm>

- v. The three student premiums for full-time undergraduates, part-time undergraduates and disabled students.

19. OfS funding provides only a contribution towards the costs of providers' activities, and we are proposing the additional funding is prioritised to those areas that have the highest subject-related cost. If other recurrent grant allocations were taken into account when calculating provider allocations, it would affect providers' share of the total, but would not increase the total funding available from the government. It would also mean the funding was prioritised to areas where higher costs are not subject-related.

Distribution of additional funding

20. We propose to distribute the additional recurrent funding available to us among providers that meet the criteria in paragraph 9. The allocation received by each provider will reflect the size of their additional funding requirement as described in paragraph 17. This approach ensures that we will not reduce the 2020-21 grant already announced for any provider as a result of the availability of this additional funding.

21. In circumstances where, following initial calculations, the total funding requirements for all providers exceed the £10 million available from government, we propose reducing allocations on a pro-rata basis to ensure the total allocations remain within budget.

22. Additional recurrent funding allocations are expected to be confirmed and paid to providers in February 2021, so that they are informed by the HES20 data that providers have signed off. We propose that the additional recurrent grant will be subject to the terms and conditions of funding for 2020-21 set out in OfS 2020.22.²⁷ This includes recalculation and amendment to reflect the findings of any audit or reconciliation that we might undertake of the student data that informs the allocation. We do not propose any further conditions for this element of grant beyond those already contained in OfS 2020.22 (which we consulted on previously).²⁸

23. The funding proposals in this document apply only to the distribution of the additional grant made available in the financial year 2020-21. We are unable to provide modelling for providers of possible allocations because we do not yet have data on 2020-21 student numbers that is needed to do so. Providers should be able to assess for themselves whether they expect to meet the proposed eligibility criteria for the funding, but will not be able to estimate any share of the available funding, because this will depend on the data for all other providers.

24. The funding implications for financial years 2021-22 and beyond are not part of this consultation, because they depend on the outcomes of the government's spending review and subsequent OfS decisions on the distribution of the grant available to us. However, we expect to count the increased student numbers recruited in 2020-21 in the usual way when determining providers' formula funding allocations for subsequent years. This includes making such adjustments as may be necessary to reflect how students on medical and dental courses

²⁷ See www.officeforstudents.org.uk/publications/terms-and-conditions-of-funding-for-2020-21/.

²⁸ The outcomes of previous consultations were reported in 'Funding for 2019-20: Outcomes of consultation on terms, conditions and methods', OfS 2019.10 (www.officeforstudents.org.uk/publications/funding-for-2019-20-outcomes-of-consultation-on-terms-conditions-and-methods/) and, for 2020-21, in Annex C of Nolan Smith's letter of 6 May, 'Implications of the coronavirus (COVID-19) pandemic for OfS funding' (www.officeforstudents.org.uk/publications/implications-of-the-coronavirus-pandemic-for-ofs-funding/).

are commonly expected to progress in subsequent years from pre-clinical (price group B) to clinical (price group A) years of study. We expect to use data that providers submit for the MDS survey to assess this. Implications for future years are also subject to any changes to the OfS funding method that (following consultation) we may subsequently introduce.

Question 1

To what extent do you agree with the proposed eligibility criteria for the additional recurrent grant (see paragraphs 9 to 16)? Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.

Question 2

To what extent do you agree with the proposed method to calculate the distribution of funding to eligible providers (see paragraphs 17 to 20)? Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.

Capital funding

25. We allocate formula teaching capital to higher education providers registered with the OfS in the Approved (fee cap) category in respect of capital expenditure incurred, or to be incurred, by the provider. Capital expenditure means money used to acquire or maintain fixed assets, such as land, buildings and equipment, and which is normally capitalised in the provider's audited annual accounts. It does not include expenditure on rent or hiring or leasing of equipment and facilities. Our capital funding is allocated to enhance the learning experience of higher education students at providers, by helping raise the quality of their learning and teaching facilities. Providers must use capital grants for this purpose and in particular to contribute towards:
- a. Investment in equipment used in learning, teaching and e-learning, including IT-related equipment.
 - b. Acquisition or replacement of premises or infrastructure for learning and teaching.
 - c. Refurbishment of existing teaching spaces, including through IT-related enhancements, such as improvements to internal IT networks or supporting infrastructure.
26. We are already allocating £140 million of capital funding to eligible providers for the financial year 2020-21 and we will seek assurance that this funding is used towards eligible expenditure within the financial year in which it is paid. For our formula-based allocations of capital funding, providers submit monitoring returns after the end of the financial year, setting out their use of funds. Funding is recovered if it has not been used for the purposes intended within the year.²⁹

²⁹ In part, such submissions are necessitated by the more limited purposes for which capital grants can be applied compared to recurrent grants. Providers are able to use recurrent grants towards capital expenditure, but are not permitted to use capital grants towards revenue costs.

27. Whether adopting formula-based or competitive bidding processes to distribute capital funding, we require some form of submission from providers about their capital expenditure, which is used to confirm any funding. We do, however, seek to keep the regulatory burden on providers in making such submissions to a minimum. These same considerations apply to the **additional** capital funding of up to £10 million that the government is now providing for financial year 2020-21. We propose to distribute this through a bidding process to ensure the funding is targeted where it will add most value in meeting the priorities set out at paragraph 7.
28. The timetable for finalising the distribution of this funding is tight. We wish to determine allocations that prioritise providers with the largest increases in student numbers to courses in high-cost subjects (for which signed-off HESES20 will not be available until early February 2021) while also ensuring that funding is distributed to providers in a timely way and fully spent by them on eligible activities by the end of the financial year (31 March 2021).
29. We propose that to be eligible for the extra £10 million in capital funding:
- a. The provider is registered with the OfS in the Approved (fee cap) category. This is the category of provider that we are empowered to fund under section 39(1) of HERA.
 - b. The provider has an overall increase in 2020-21 OfS-fundable full-time or part-time undergraduate FTEs in price groups A to C1, compared with the equivalent FTEs that have informed our formula recurrent and capital grants for 2020-21.
 - c. The provider must submit a bid for funding, which we must receive by 1700 on **30 November 2020**. Providers wishing to bid should email additionalcapitalfunding2020-21@officeforstudents.org.uk to request access to an online bidding form for completion. Such bids must relate only to capital expenditure that meets the definition in paragraph 25. We will not accept more than one bid from any individual provider, nor will we accept collaborative bids. This is because we wish to prioritise funding to individual providers that are best able to demonstrate a need for capital investment to increase their higher education teaching capacity, particularly in high-cost subjects, arising from increased student numbers in 2020-21 (reflecting the priorities in paragraph 7). We will not fund bids that we believe, through the information submitted, do not meet these requirements.
30. The fact that, in order to be eligible for funding, providers must make a submission setting out their proposed use of any additional capital funding is not subject to consultation. As explained in paragraphs 26-27, submissions of some form are a normal requirement of any capital allocation. In this case, the constraints on the timetable, which will require confirmation of allocations close to the end of the financial year, mean that submissions are necessary to ensure providers will be able to spend any allocation on eligible activities within that year. We propose that these submissions – in the form of bids – should be used to prioritise the allocation of funding among providers in a way that best reflects the purposes for which government has provided funding (having regard to our guidance letter of 14 September 2020) and addresses the priorities in paragraph 7. We have provided further guidance in the paragraphs that follow on the content of bids (which we have sought to keep as low burden as possible). We invite views in this consultation on how we should prioritise between bids from providers, and how we should determine the amount of funding we allocate.

31. The additional £10 million funding has been provided by government to support additional student numbers in high-cost subject areas following the regrading of A-levels and other Level 3 qualifications in summer 2020. We do not therefore expect this to apply to postgraduate students, nor to undergraduates on sandwich years. The exclusion of these categories is consistent with the approach proposed for the additional recurrent funding (see paragraph 14).
32. We wish to prioritise funding to individual providers that are best able to demonstrate a need for capital investment to increase higher education teaching capacity, particularly in high-cost subjects, arising from increased student numbers in 2020-21. We therefore expect to prioritise between bids according to:
- a. The extent to which a provider is able to demonstrate increases in undergraduate full-time or part-time FTEs on courses in high-cost subjects, particularly where these are attributable to the effects of regrading of Level 3 qualifications in summer 2020. This may include:
 - i. Applying weights to the growth in each price group so that we prioritise support for increased FTEs in high-cost subjects. Such an approach would involve giving highest weight to price group A, with weights then reducing to a minimum for price group C1.
 - ii. Adopting threshold criteria relating to growth, or growth weighted by price group, below which support will not be provided. This would mean that meeting the eligibility criterion relating to growth in paragraph 29.b may be insufficient for a provider's bid to be accepted, if many other providers are able to demonstrate significantly greater increases in FTEs.
 - b. The strength of the case presented for the capital investment, particularly in supporting increased capacity and positive graduate outcomes in high-cost subjects. This could, for example, relate to the capital needs of courses that require use of expensive, specialist facilities and equipment, or to more general facilities that will be of wider benefit in the delivery of teaching to a larger group of students. This could also include expenditure to support adaptations to the delivery of teaching and assessment in response to the coronavirus pandemic.
33. To support a broad group of providers with sums that can have a material impact on the availability of facilities and equipment to support increased student numbers, we propose to cap the total that any provider can receive, and also apply a minimum threshold, below which no funding will be provided. Between these two limits, our preferred approach to determining the cash sum that an eligible provider might receive is that this should be based on the capital expenditure plans, excluding any amounts to be met from other OfS capital grants and other home and EU public sources, set out in eligible providers' bids. In the event of the funds available being over-subscribed, this will involve scaling back allocations pro rata, subject to the cap and threshold criteria, to ensure funding for the bids to be supported comes within budget.
34. There will be a balance to be struck in determining how many bids we are able to support and the maximum threshold and intermediate levels of grant we are able to provide. For example, a large number of strong bids may result in lower levels of grant or more demanding threshold criteria for funding than if the number of strong bids is less. We are though unable to model this

until we have assessed the bids received and reviewed the increases in student numbers in the year.

35. Bids will be assessed by OfS staff, and the OfS will follow its scheme of delegation when making final decisions on the funding. The assessment criteria will be individually scored, and an overall score will be attributed to each bid. Bidders should ensure that each criterion is fully addressed in the template. The criteria are set out in paragraph 32 of this document. Bidders should be aware that in reaching final decisions, we will look to ensure we are able to offer an overall package of support across a broad group of providers that we consider best meets the priorities set out in paragraph 7.
36. For those considering bidding and solely for illustrative purposes, providers may wish to plan on the basis that the maximum allocation might be in the range £250,000 to £400,000 and the minimum threshold might be no less than the £10,000 that applies in our existing formula capital allocations for 2020-21. These are not put forward as proposals or predictions. They illustrate what might be needed if the £10 million available were to be spread across several dozen providers that were able to make good cases for support in light of their increased student numbers in 2020-21.
37. We propose that the additional capital grant will be subject to the terms and conditions that apply to capital funding for 2020-21 set out in OfS 2020.22.³⁰ In addition, the grant must be used towards the expenditure identified in a provider's submission (or such part of it as we may specify) and subject to any further conditions that we may specify when we award the grant following the review of responses to this consultation. Any capital funding for 2020-21 that remains unspent by 31 March 2021 will be recovered. We expect to monitor use of the funding after the end of the financial year, alongside any monitoring of the formula capital funding allocated for the year. This will minimise the reporting burden on providers.
38. The proposed process and timetable for the distribution of capital funding is:
 - **9 November 2020:** deadline for responses to this consultation. We will prioritise analysis during that week of responses relating to our capital funding proposals so that we can notify providers quickly of any decisions that may have a bearing on the content of any bids they wish to submit
 - **Week beginning 16 November 2020:** issue by the OfS of decisions taken following this consultation, in particular as they relate to the capital funding process
 - **30 November 2020:** deadline for submission of bids for capital funding. Providers wishing to bid should email additionalcapitalfunding2020-21@officeforstudents.org.uk to request access to an online bidding form for completion: Annex B to this document provides a draft of the information that the form will collect. Providers should not submit bids before the OfS has announced its post-consultation decisions on capital funding, so that they can take them into account before finalising their submissions

³⁰ See www.officeforstudents.org.uk/publications/terms-and-conditions-of-funding-for-2020-21/.

- **December 2020:** assessment of bids by OfS staff to determine recommendations for support
- **January 2021:** provisional decisions on the distribution of capital funding notified to providers
- **February 2021:** confirmation and payment of funding allocations subject to signed-off HESES20 data substantiating the FTE increases set out in providers' bids and confirmation by the provider that it is able to use the allocation in full towards eligible expenditure by the end of the financial year.

39. Annex B of this document provides a draft of the information we expect to collect through the online bidding form for capital funding from providers that wish to bid. This information may be subject to change depending on our decisions in the light of this consultation. In completing the form, providers should submit details of:

- a. The objectives and amounts of capital expenditure towards which they propose to use any funding allocated under this initiative. Capital expenditure means money used to acquire, adapt or maintain fixed assets, such as land, buildings and equipment, and which is normally capitalised in the provider's audited annual accounts. It does not include expenditure on rent, or hiring or leasing of equipment and facilities. Expenditure must be on assets that will support the delivery of higher education courses³¹ to students, and must not include assets relating to student or staff residences or catering services. Staff salaries or other associated revenue costs are not eligible. Submissions must include:
 - i. A description of the items of capital expenditure that any OfS funding will support.
 - ii. The total capital expenditure the provider expects to incur on these assets within the 2020-21 financial year (that is, by 31 March 2021).
 - iii. The contribution towards this expenditure that will be met from existing OfS capital grants (including as announced in 'Formula capital funding for 2020-21', OfS 2020.17³²) and grants from any other UK or EU public source. We will not allocate funding that duplicates grants from such sources. We will, however, provide funding towards expenditure on larger capital projects that is not being met by other public sources and which addresses the priorities of this additional OfS funding.
- b. The change in OfS-fundable undergraduate FTEs for each price group A to D, separately for full-time and part-time students, compared with the numbers that have informed the distribution of OfS formula capital grants for 2020-21 (as announced in OfS 2020.17³³).

³¹ We recognise that it may be neither feasible nor desirable to create ring-fenced boundaries between higher and further education, or teaching and research facilities. For example, equipment purchased using OfS capital funds may be used by both higher and further education students or for both teaching and research purposes. However, for this initiative, the primary purpose of the capital expenditure must be on assets that will provide increased capacity for students on taught higher education courses.

³² See www.officeforstudents.org.uk/publications/formula-capital-funding-for-2020-21/.

³³ The student numbers that have informed the 2020-21 formula capital grants announced in OfS 2020.17 are the same as those that have informed the 2020-21 recurrent grant allocations. The comparison should

Students on a sandwich year out should be excluded from this comparison. Providers should also include a description of how the numbers in their 2020-21 entry cohort have been affected by the arrangements for grading Level 3 exams in summer 2020, including the approach to recruitment they have adopted in response. We will check the information on student numbers against providers' submissions to the HESES20 survey, including once the latter is formally signed off by early February 2021.³⁴ We may refuse to support bids if we subsequently find that discrepancies compared with HESES20 data materially weaken the strength of a provider's case for additional capital funding under this initiative.

- c. A description of how the capital expenditure will support positive graduate outcomes.

Question 3

To what extent do you agree with the proposed approach to prioritising bids for additional capital funding (see paragraphs 32 to 35)? Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.

Question 4

To what extent do you agree with the overall proposed approach to determining levels of funding for providers that bid successfully for capital funding (see paragraphs 33 and 34)? Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.

Question 5

To what extent do you agree with the proposed terms and conditions that should apply to the recurrent grant (set out in paragraph 22) and capital grant (set out in paragraph 37)? Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.

therefore be against the full-time (not sandwich year out) and part-time undergraduates in each price group shown on the 2020-21 recurrent grant Table E, under the column headed 'Total FTEs for 2020-21 other high-cost targeted allocations' (column K in the worksheet). Providers should use the OfS-fundable undergraduates that they expect to confirm in HESES20 Table 1, Column 4 (for full-time) or Table 3, Column 4a (for part-time) for the other comparison figures.

³⁴ We expect consistency between the increased student numbers that providers report in their bids, with those evident from their HESES20 submissions. Collecting this summary data as part of providers' bids will enable us to make quicker progress in assessing providers' eligibility for funding and prioritising between bids, given that many providers will not submit HESES20 until 10 December 2020. We may ask providers about any material differences in the student number growth they report as part of the HESES20 data verification process. This data collection process is intended to facilitate making provisional capital allocation decisions early in the new year, albeit that these will be subject to confirmation once HESES20 is signed off in early February 2021. Publication of HESES20 data is subject to the protocols that apply to official statistics.

Proposed approach to funding and monitoring medical and dental intakes

40. Courses that lead, on successful completion, to a first qualification that enables students to register to practise as a medical doctor or dentist are subject to intake targets.³⁵ These targets exist to support workforce planning in the NHS, to recognise the very high cost to government (including the OfS) of training for doctors and dentists, and to ensure that there is no mismatch between the numbers graduating and the number of foundation programme training places available.
41. We do not ordinarily count recruitment above the intake target towards any funding allocations. This helps manage our budgets and ensures that support for other areas of provision is not reduced by over-recruitment to these very high-cost programmes. However, in a letter to providers on 20 August 2020 the Minister of State for Universities confirmed that the cap on domestic medical and dental intakes had been lifted. This allowed providers to offer places, where clinical placements were available, to all home and EU students who met their original offers because of reversion to the use of centre assessment grades for A-level results this summer. The minister also confirmed that extra funding would be made available to support the delivery of increased student numbers on these courses. This is part of the additional recurrent funding of up to £10 million, as discussed in paragraphs 7 to 24.
42. We monitor a provider's recruitment against its medical and dental intake targets over a rolling five-year period,³⁶ rather than immediately taking action for over-recruitment in a single year. If there has been over-recruitment across this five-year period as a whole, then we reduce the student numbers we count for funding in the following year to reflect that over-recruitment. This approach gives some flexibility to providers in managing their recruitment from year to year.
43. As the intake cap has been lifted for 2020-21, we are proposing:
- a. Not to make any reductions to the student numbers we count for funding purposes in 2021-22 as a result of over-recruitment against the medical and dental intakes in the previous five years. This is because providers had no opportunity to offset any over-recruitment that occurred up to 2019-20 by recruiting below their intake targets for 2020-21.
 - b. To reinstate for subsequent years our monitoring of recruitment against intake targets over the rolling five-year period (that is, to inform adjustments to the student numbers we count in determining funding from 2022-23 onwards), but to disregard 2020-21 intake data when doing this. This means that, where 2020-21 falls within the relevant five-year period, adjustments to student numbers will be based on net over-recruitment in the other four years. For new medical schools that do not have three or more years of intake data, we will need to delay the funding adjustments process until we have three years of data that does not include 2020-21. This proposal is on the basis that we expect the cap on intakes to

³⁵ Further information about medical and dental intake targets is available at www.officeforstudents.org.uk/advice-and-guidance/funding-for-providers/health-education-funding/medical-and-dental-target-intakes/.

³⁶ For providers with new medical schools, we modify this to recognise where they do not yet have five years of intakes to report.

apply again from 2021-22, but how, and at what level, that is done is not within scope of this consultation.

Question 6

To what extent do you agree with the proposed changes to how we monitor medical and dental intakes to reflect the (one-off) lifting of the cap for 2020-21 (see paragraph 43)? Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.

44. Funding for the academic year 2021-22 and beyond is subject to the outcome of the government's spending review, as well as any decisions by the OfS (following consultation) on the development of our funding method. However, we will count the increased recruitment of OfS-fundable students in 2020-21 in calculating grants for later years, as those students continue into later years of study. For pre-registration courses in medicine and dentistry this includes making such adjustments as may be necessary to reflect how students on medical and dental courses are commonly expected (on the assumption of a typical five-year undergraduate course) to progress in subsequent years from pre-clinical (price group B) to clinical (price group A) years of study.
45. We are already making such adjustments in calculating funding for providers to reflect increases to medical intake targets since 2017-18 following the award of additional places.³⁷ To reflect the increased entry cohort in 2020-21, we will treat the actual intakes in that year in the same way as if a provider's intake target had been set at that level. This means that (subject to any changes to how activity is categorised for funding purposes as a result of a review of our funding method) we expect to:
- a. Adjust for the increased 2020-21 intakes to dentistry in our allocations for 2021-22 on the assumption that those students will be progressing from pre-clinical to clinical years of study in their second year.
 - b. Adjust for the increased 2020-21 intakes to medicine in our allocations for 2022-23 on the assumption that those students will be progressing from pre-clinical to clinical years of study in their third year.
 - c. Adjust for the increased 2020-21 intakes to both medicine and dentistry in our allocations for 2025-26 on the assumption that the extra students in that entry cohort will have completed their studies and thus should no longer be counted.
46. We propose to use the initial 2020-21 intake from MDS20 in making the adjustments for dentistry for 2021-22. Adjustments for subsequent years for both medicine and dentistry will be based on the confirmed 2020-21 intake from MDS21. This may include revisions for dentistry to reflect any differences between the initial intake from MDS20 and the confirmed intake from MDS21.

³⁷ See: www.officeforstudents.org.uk/advice-and-guidance/funding-for-providers/health-education-funding/medical-and-dental-target-intakes/.

Further questions applying to all proposals

Question 7

Do you have any comments about the potential impact of these proposals on individuals on the basis of their protected characteristics?

Question 8

Do you have any comments about any unintended consequences of these proposals, for example, for particular types of provider or for particular types of student?

Question 9

Are there aspects of the proposals you found unclear? If so, please specify which, and tell us why.

Question 10

In your view, are there ways in which the funding and monitoring proposals set out in this consultation could be delivered more efficiently or effectively than proposed here?

Annex A: List of questions in the consultation

Proposed method for the allocation of additional recurrent funding

Question 1: To what extent do you agree with the proposed provider eligibility criteria for the additional recurrent grant? (see paragraphs 9 to 16)				
Strongly agree	Tend to agree	Tend to disagree	Strongly disagree	Don't know / prefer not to say
Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.				

Question 2: To what extent do you agree with the proposed method to calculate the distribution of funding to eligible providers? (see paragraphs 17 to 20)				
Strongly agree	Tend to agree	Tend to disagree	Strongly disagree	Don't know / prefer not to say
Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.				

Proposed method for allocation of additional capital funding

Question 3: To what extent do you agree with the proposed approach to prioritising bids for additional capital funding? (see paragraphs 32 to 35)				
Strongly agree	Tend to agree	Tend to disagree	Strongly disagree	Don't know / prefer not to say
Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.				

Question 4: To what extent do you agree with the overall proposed approach to determining levels of funding for providers that bid successfully for capital funding (see paragraphs 33 and 34)?				
Strongly agree	Tend to agree	Tend to disagree	Strongly disagree	Don't know / prefer not to say
Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.				

Question 5: To what extent do you agree with the proposed terms and conditions that should apply to the recurrent grant (set out in paragraph 22) and capital grant (set out in paragraph 37)?				
Strongly agree	Tend to agree	Tend to disagree	Strongly disagree	Don't know / prefer not to say
Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.				

Funding and monitoring medical and dental intakes

Question 6: To what extent do you agree with the proposed changes to how we monitor medical and dental intakes to reflect the (one-off) lifting of the cap for 2020-21? (see paragraph 43)

Strongly agree	Tend to agree	Tend to disagree	Strongly disagree	Don't know / prefer not to say
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Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.

General questions

Question 7: Do you have any comments about the potential impact of these proposals on individuals on the basis of their protected characteristics?

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Question 8: Do you have any comments about any unintended consequences of these proposals, for example, for particular types of provider or for particular types of student?

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Question 9: Are there aspects of the proposals you found unclear? If so, please specify which, and tell us why.

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Question 10: In your view, are there ways in which the funding and monitoring proposals set out in this consultation could be delivered more efficiently or effectively than proposed here?

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Annex B: Draft bidding template for additional capital funding for 2020-21

Providers wishing to bid should email additionalcapitalfunding2020-21@officeforstudents.org.uk to request access to an online bidding form for completion.

Provider name	
UK Provider Reference Number (UKPRN)	
Contact person for bid	
Email	
Telephone number	
Additional information requirements	<p>Payments to successful bidders will be made in February 2021.</p> <p>Expenditure will be monitored after the end of the financial year. Any funds not spent by the deadline of 31 March 2021 will be reclaimed.</p>

Expected growth in OfS-fundable undergraduate FTEs (see paragraph 39b)

Price group	Full-time	Part-time
A		
B		
C1		
C2		
D		

Capital requirements

Set out your capital expenditure plans under this initiative for FY2020-21, including:

- description of the items of capital expenditure that any OfS funding awarded will support
- how the expenditure will increase capacity for additional student numbers in 2020-21, particularly in high-cost subjects, and support positive graduate outcomes for students
- description of how the numbers in your 2020-21 entry cohort have been affected by the arrangements for grading Level 3 exams in summer 2020, and the approach to recruitment adopted in response.

Maximum 2,000 words. You should refer to the guidance for all information on criteria for relevant expenditure and deadlines for spend. We reserve the right not to review information that exceeds the 2,000 word limit.

A. What is the total cost of these expenditure plans in FY 2020-21?	£
B. How much of the total cost will be met through other OfS capital grants (including formula capital funding) or grants from other UK or EU public sources?	£
C. Implied maximum funding sought (A minus B) Note that we will likely have to cap or reduce funds for the successful bidders, due to the limited amount of funding available.	£



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