

Office for
Students



Additional one-off funding for 2021-22

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Summary

1. This document reports on the decisions taken by the Office for Students (OfS) on the distribution of additional non-capital funding for the academic year 2021-22. This follows the statutory guidance letter in August 2021 from the Minister of State for Universities, which announced £10 million in additional funding for the Strategic Priorities Grant to support increased places on undergraduate courses.¹
2. This document summarises the method used to distribute this additional funding and to confirm the allocations for each provider. These allocations reflect the increases in student numbers that some providers have reported in their Higher Education Students Early Statistics survey 2021-22 (HESES21).
3. Providers' individual allocations are given in Annex A to this document, which is available to download as an Excel file at www.officeforstudents.org.uk/publications/additional-one-off-funding-for-2021-22/.
4. Providers will receive these allocations of additional funding in February 2022.

Action required

5. This publication is for information: no action is required.

¹ See www.officeforstudents.org.uk/advice-and-guidance/regulation/guidance-from-government/.

Background

6. In September 2020, The Minister of State for Universities asked the OfS to distribute up to £10 million in additional recurrent funding for the 2020-21 academic year to support increased student numbers at registered higher education providers. The Minister also temporarily lifted the intake controls for medical and dental students for 2020-21. We consulted on the method we would use to distribute this funding in November 2020, with final allocations of funding announced in February 2021.²
7. In May 2021, the Minister wrote to the OfS confirming that 2021-22 intake targets for medical and dental students should be managed by the OfS in the usual way. Subsequently, in August 2021, the Minister issued a guidance letter which announced up to £10 million in additional funding for the Strategic Priorities Grant to support increased student numbers in 2021-22 at higher education providers registered with the OfS in the Approved (fee cap) category. This letter asked the OfS to address the following government priorities when allocating funding to providers:
 - a. Allocations from this additional sum should only be made to support providers who have taken on additional undergraduate students studying high-cost subjects.
 - 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.³
 - 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. This additional funding will also cover pressures as a result of any student appeals, and so should not be allocated until after the appeals process has concluded.
 - f. When assessing the changed funding needs of the sector, we do not expect the OfS to make any reductions to the allocations already made to providers recently, as this would create further uncertainty for providers.

² See www.officeforstudents.org.uk/publications/additional-funding-for-2020-21-and-monitoring-of-medical-and-dental-intake-targets-outcomes-of-consultation/.

³ This refers to the subjects currently covered by the OfS's high-cost subject funding and the nursing, midwifery and allied health supplement.

Allocation of additional funding

8. As announced in August 2021, we are allocating this additional one-off, non-capital funding for 2021-22 by formula on a similar basis to the additional £10 million provided last year.⁴ We have adjusted the method to reflect:
 - the changes to price groups implemented for 2021-22⁵
 - the reimposition of medical and dental intake targets for 2021-22.
9. The additional funding will be distributed amongst eligible Approved (fee cap) providers that have an overall increase in OfS-fundable, full-time or part-time undergraduates in at least one of the price groups A, B, C1.1 and C1.2 for 2021-22, compared with the full-time equivalent student numbers (FTEs) that informed their recurrent grant for the 2021-22 academic year.
10. To determine this distribution we have calculated, for comparison purposes and separately for each mode of study, a notional allocation of 2021-22 recurrent grant for each eligible provider, using the existing formula methods and parameters, but informed by the FTEs reported in the Higher Education Students Early Statistics survey 2021-22 (HESES21). 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 2021-22 recurrent grant.⁶
11. In calculating the notional allocation, we have not counted students recruited to pre-registration medical or dental courses above the final intake targets for 2021-22. This is to avoid rewarding providers for recruitment above the permitted level. Where such over-recruitment exists, we have deducted these students from the number in price group B that would count towards the distribution of the additional £10 million. We confirmed to providers on 7 February 2022 any such deductions we are making for over-recruitment against medical or dental intake targets.
12. We will not reduce the 2021-22 recurrent grant already announced for any provider in distributing this additional funding. Having regard to the government guidance letter of 9 August 2021, these calculations are limited only to:
 - a. 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, C1.1 and C1.2, as these courses cost more to deliver.
 - b. 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 resulting from the increased demand from applicants affecting entry to undergraduate courses.

⁴ See www.officeforstudents.org.uk/news-blog-and-events/press-and-media/additional-ofs-funding-for-high-cost-subjects/.

⁵ See www.officeforstudents.org.uk/publications/recurrent-funding-for-2021-22-outcomes-of-consultation/.

⁶ The main allocation of recurrent grant for 2021-22 has already been allocated and is largely informed by student numbers in the 2020-21 academic year. Those allocations are summarised in 'Recurrent funding for 2021-22' (OfS 2021.29). See www.officeforstudents.org.uk/publications/recurrent-funding-for-2021-22/.

13. We have distributed the £10 million pro rata to a notional additional total cost of approximately £22 million for high-cost subject funding and the nursing, midwifery and allied health supplement, relating to increases in undergraduate FTEs at eligible providers. Of the total, approximately 19 per cent is distributed based on increases in part-time FTEs.
14. We will pay this funding in February 2022.
15. Annex A summarises the allocations of additional grant that we are making for each provider. The additional funding is subject to the terms and conditions that apply to OfS funding for 2021-22.⁷

⁷ See www.officeforstudents.org.uk/publications/terms-and-conditions-of-funding-for-2021-22/.



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