

	PAPER NO: AC.01(12)
Committee:	Audit Committee
Date:	9th February 2012
Subject:	HESA action plan
Author:	Dr Andrew Fisher, Academic Registrar
Executive sponsor:	Dr Phil Cardew, PVC (Academic)
Recommendation by the Executive:	The Committee is asked to note the paper and make recommendation for additional action as it deems appropriate.

Executive summary

Following our report to the last Audit Committee, followed by a separate report to the Board of Governors, we have:

1. Met with senior representatives from HESA and HEFCE. They were helpful and constructive in the meeting and agreed to work with the University to resolve the issues we face. This commences with a re-submission of data through the 'fixed database' which is taking place at the moment.
2. Advertised and interviewed for new staff, making 3 out of the 4 proposed appointments (we are able to work around the 4th for the time being). In particular, we have made a strong appointment for the replacement post for the Assistant Registrar (External Reporting) who has taken early retirement (largely on health grounds).
3. Submitted the HESSES11 return, which shows our contract position to be secure (currently 2.4% within the tolerance band) despite a lower full-time undergraduate recruitment in 2011 (as a result of the Student Number Control). We are not at further risk of fine in relation to the Student Number Control, as we successfully limited our 2011 recruitment to repair our 2010 position. HEFCE asked for further assurance on non-completions, which is on-going, but has not raised any concerns, to date.
4. Taken forward discussion with PWC regarding further internal audit work on data quality (subject to Audit Committee approval).

We will continue to update the Audit Committee (as well as Policy and Resources Committee and the main Board, as deemed appropriate) at each meeting.

	Board/Committee	Date
Matter previously considered by:	Audit Committee	November 2011
	Board of Governors	November 2011
Further approval required?	No, but will continue to be reported to other committees as outlined in executive summary.	

Communications – who should be made aware of the decision?	Confidential
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Introduction

1. This report was prepared for use by Audit Committee. A more detailed report has been provided for senior management and to be shared with colleagues at HEFCE. The report summarises the key weaknesses of our 2010/11 HESA Student Record and sets out the priorities and timetable for action to improve the Record. The timetable is broadly aligned with three critical returns:
 - The 2010/11 data must be returned to the Fixed Database process as early as possible in 2012. This will address the most critical weaknesses in the 10/11 data and allow HEFCE to use them for funding and monitoring purposes;
 - The 2011/12 data must be returned to HESA in September 2012, and signed off by the end of October. The 11/12 data specification is very close to the 10/11 specification, but improved data quality will be expected, particularly in relation to qualifications on entry;
 - The 2012/13 data must be returned to HESA in September 2013, and signed off by the end of October. The 12/13 specification includes a number of new and challenging items relating especially to fees and funding, cost centre recoding, equalities data and qualifications on entry. The qualifications on entry requirements in particular will be tremendously challenging for metropolitan new universities such as LSBU.

2. The context is one in which regulators (especially HEFCE) are increasingly relying on precise individual student-level data to make determinations relating to funding, (for instance through the student number control) and returns are therefore increasingly subject to audit. Simultaneously, the development of policy is placing pressure on HESA and HEFCE to deliver data to requirements that cannot be anticipated in advance, and to do so faster and more accurately than ever before. It follows that only by rapid and sustained year-on-year improvements in our data quality can we hope to catch up with and remain close to the required standard.

Part 1: Summary of areas for concern

3. Key risk areas in the HESA Student Data were reported to Audit Committee in November 2011. In summary:
 - 2010/11 funding is secure because we have achieved well over the FTE target and are comfortably within the contract range;
 - 77 additional new entrants subject to the Student Number Control were returned in HESA and a provision for £288,750 was made. At the time we

were unclear as to the reason for this discrepancy, but further investigation shows that these 'new entrants' were students returning to FT study after 2 or more years studying part time (mainly students who have repeatedly failed to progress);

- We had longer-term risks over WP-related funding and Student Number Control due to weaknesses in our entry qualification data. Since then HEFCE have published a provisional Student Number Control and our data weaknesses have not been held against us in the way which we feared;
 - HEFCE's transitional funding methodology for old regime students does not provide a contract range, so there is still a very material risk of under- or over-funding if data quality is not improved.
4. Time has now permitted a full field-by-field review of the return. The broad findings are:
- A material under-reporting of student numbers;
 - A number of significant technical weaknesses in key funding data at the individual student level (although, given the position in the contract range and under-reporting issues, this is not likely to be material to 2010/11 funding);
 - Confirmation of the weaknesses in WP and entry qualification data already identified.

A more detailed report has been provided for management and shared with HEFCE.

Part 2: Summary improvement plan

Management and Resources

5. The submission of HESA Returns is an annual process to a fixed timetable and fixed quality standard. It therefore clearly lends itself to a project-based management approach. The resources required are primarily (a) the standard functionality of our own student record systems, and the HESA data systems and (b) time of permanent LSBU staff in Registry and elsewhere. In principle these costs could be disaggregated and allocated to the project: in practice this approach is not widely used for projects at LSBU and a separate project budget is therefore not presented here. This section considers the timeline and key tasks for the project, the following section considers project risks.

Action taken since November 2011

Additional resources for reporting.

6. The External Reporting team at LSBU consists of two staff, the more senior of whom has a chronic health condition which has led to sustained periods of absence, alternating with flexible working arrangements. This is not only insufficient resource, but also an inadequate basis for sharing knowledge and managing risk. Significant errors have been made in the coding of HESA Course entities and filtering our FE-funded activity in part because these arrangements inhibited staff development and were too reliant on the knowledge and skills of a very small team.
7. The VC has approved an additional two posts, and the External Reporting team has been reorganised so that it will form part of the larger Student Records team. The Student Records team will have eleven staff, all of whom are expected to be expert in all areas of the student record system, and at least four of whom will be primarily dedicated to the external reporting function during the peak period of activity (August/December). We have also accelerated replacement of the Senior Assistant Registrar (External Reporting), who is due to retire shortly. Advertisements for these posts were placed in December 2012 and we have been able to fill three of the four posts advertised.
8. In a few cases it may be cost-effective to collect additional 2011/12 data by telephone survey of students. We will put resources into place to meet that need as required.

Integration of internal audit within the returns cycle

9. We have agreed that Internal Audit will undertake regular audits of HESES and HESA data. The ideal time for this audit would be about May 2012, between submission to the Fixed Database and the 2011/12 HESA Return. This should in future be an annual process.

Planned Action

Establishment of a HESA Working Group

10. In addition to the need to broaden the base of HESA expertise within Registry, there is also a need for better integration of other teams – especially in Faculties

– in the HESA project. The high risk fields include areas directly relating to NHS- and TDA-funded activity in HSC and AHS. We will establish a HESA Project Group consisting of relevant staff from

- Registry;
- ICT;
- Finance;
- Faculties; and
- Disability & Dyslexia support.

11. This will be a task-and-finish group, which will be reformed annually for each HESA submission round. The chair will be Jenny Laws, Deputy Registrar. The target date for the first meeting is 1 February 2012.

Fixed Database

12. The Fixed Database process allows for amendments to the 2010/11 data to be made after the annual collection window has closed. HEFCE require us to submit to the Fixed Database. The objective is to complete this process as soon as possible, but here is no fixed timetable for submission, rather the process is an iterative one, with HEFCE considering each submission made, and determining whether it meets the necessary standard, or further improvements must be demanded. Submissions to the Fixed Database affect the data used for funding, but the original data submitted in November 2011 continue to be used for publications and other purposes (such as League Tables). The areas to resolve for the Fixed Database are:

- Amending the coverage so that all in-scope student data are returned;
- Correcting start dates to reinstate the date first submitted for each student;
- Fixing year types to match this start date and the relevant level for funding purposes;
- Reviewing FUNDCOMP(funding completion) to ensure that it matches to the year type set;
- Correcting mode;
- Reviewing student loads.

13. This work can be completed largely by Registry staff because it relates to the correct processing of student data we already hold, rather than requiring the collection of additional student data. This will allow the changes to be made comparatively quickly and easily, however there will be issues associated with getting clean data for the students incorrectly excluded from coverage, which may require a certain level of support from Faculties. More importantly, the final

list of required improvements of 10/11 data via the Fixed Database is a matter for decision by HEFCE, not by us, and it is possible that they will require additional work which will delay completion of this phase of the project.

14. These amendments should give HEFCE a file which is minimally acceptable for funding purposes. The target date for completion is 29 February 2012.

2011/12 Student Record

15. The 2011/12 Student Record must be submitted on 15 September 2012. The data quality checking period closes on 31 October 2012. As the vast majority of the 2011/12 students have already completed enrolment, the scope to mitigate issues of missing data is limited. For the 2011/12 file we will concentrate primarily on making a better return of the data we have. The areas to resolve in the 2011/12 file are:
 - Recoding of HESA Course entities to ensure a 1:1 match with LSBU Course entities. This will include a complete review of COURSEAIM, SPLNGTH and FUNDLEV coding;
 - Submission of a complete set of HESA Module entities, rather than dummy modules as presently;
 - Ensuring that the term time postcode returned was that taken at the same time as the term time accommodation code, rather than reflecting an address updated after enrolment;
 - Correcting NHS funding data (DHFUND, DHREGREF, NHSEMP);
 - Reviewing FUNDCODE coding to ensure that all HEFCE-fundable students are claimed as such;
 - Reviewing QTS coding;
 - Completing NOTACT where appropriate;
 - Eliminating spurious ENDDATEs and qualifications;
 - Ensure that drop-off awards are reported to HESA in a timely fashion;
 - We will need to make as much progress as possible on reporting disability allowance (DSA) and qualifications-on-entry.
16. This work will have significant implications for staff in Faculties (especially HSC and AHS, although the modular requirement will affect all Faculties) as well as Registry, and will be resourced accordingly. Work is already in hand via the Student Records Group to put processes in place for the timely award of drop-off qualifications so that they can be included in the return.

17. There may be scope to improve qualifications on entry data by a short, focussed telephone campaign. This can be resourced from the existing Registry budget and no additional

2012/13 Student Record

18. The 2012/13 Student Record must be submitted on 15 September 2013. The data quality checking period closes on 31 October 2013. Although most of these students have already applied, they have yet to enrol and there is scope to ensure better data capture at enrolment. Accordingly we can reasonably expect that the 2012/13 data will be at or close to the desirable (rather than the minimum) standard. The areas to resolve in the 2012/13 file are:

- Full return of qualifications on entry for all Home FTUG students, and as many Home PTUG and PG students as possible;
- Elimination of unknown DISALL status;
- Introduce routine validation of the data with Faculties prior to HESES and HESA submissions (subject to a review of SLC practice as this is clarified);
- Collection at enrolment and return of equalities data as required by the new specification;
- Recoding of JACs codes and Cost Centres to reflect the new coding frames;
- Return of fees and funding data as required by the new specification.

A summary timetable is at Appendix 1.

Risk

19. The key risks in the project relate to the acceptable quality standards operated by HESA and HEFCE. These are increasingly demanding and it is possible that they will become be more challenging than we currently anticipate. New policy or legislation may give rise to wholly unanticipated data requirements. In the nature of things, these risks can only be mitigated once they arise.

20. The other significant risk area relates to staff skills. This is highly specialised work requiring strong knowledge of both internal LSBU data and processes, and HESA/HEFCE requirements. We are actively mitigating this risk by ensuring a team-based approach to returns, with specific responsibilities rotated across the whole student records team to ensure broadly-based staff expertise.

21. The Academic Registrar is the risk owner for the risks in the HESA project. Risks are monitored:

- Through reports from the HESA working group;

- By analysis of the HESA data verification and quality checking tools during the submission process;
- By analysis of the HEFCE recreation tools once a return has been submitted;
- By horizon-scanning to determine policy trends in onward use of data which may create new risks (or, exceptionally, mitigate existing risks).

A summary risk register is at Appendix 2

Appendix 1: Project Timeline

2012	
January	Appointment of new External Reporting and Planning posts
February	Establishment of HESA Working Group Submission of 10/11 data to Fixed Database
March	Recoding of HESA Course entities Establish drop-off awarding processes with Faculties
April	Generate and evaluate HESA module data. Review with Faculties.
May	Internal Audit of HESA/HESES data
June	Resolve Schema errors on 2011/12 data
July	Resolve Business Rules on 2011/12 data
August	Clearing – ensure adequate capture of 2012/13 data
September	Enrolment – ensure adequate capture of 2012/13 data Return 11/12 data to HESA
October	Data quality checking period for 11/12 data
November	Validate 12/13 data with Faculties
December	Return 12/13 data to HESES
2013	
January	
February	
March	Validate 12/13 data with Faculties (Semester 2)
April	Establishment of HESA Working Group
May	Resolve Schema errors on 2012/13 data
June	Resolve Business Rules on 2012/13 data
July	
August	Clearing – ensure adequate capture of 2013/14 data
September	Enrolment – ensure adequate capture of 2013/14 data Return 12/13 data to HESA
October	Data quality checking period for 12/13 data
November	Validate 13/14 data with Faculties
December	Return 13/14 data to HESES

Appendix 2: Risk

Risk	Impact	Likelihood	Value	Mitigation
We cannot make necessary improvements in our qualifications on entry data (e.g. due to prevalence of mature, Clearing or non-UK educated entrants)	High	Medium	High	Continue current practice of accepting Clearing entrants only if already in UCAS (although this may carry risks of its own) Invest in additional data collection if required.
We do not meet HEFCE's requirements for the Fixed Database submission (or do not meet them in a timely way)	Medium	High	Medium	Delay to the project. Continued discussion and clear communication with HEFCE.
Due to staff illness or turnover we lack the specialist skills needed to return HESA or HESES data	Medium	Medium	Medium	Rotation of duties with Student Records team
Our key funding data are not robust enough to withstand audit	Medium	Medium	Medium	Prior review by internal audit
New HEFCE requirements arise resulting from legislation in 2012/13	Medium	Medium	Medium	Review resources committed to external reporting
Our module data are not robust enough to be returned to HESA	Low/Medium	Medium	Medium	Continue return of dummy modules for another year
Our published data do not reflect the best possible performance in League Tables	Low	Medium	Low	It is as likely that our League Table performance is overstated due to data errors.