

Exclusive: University could face £500k fine after accepting too many students

The University is facing a fine of up to £536,000 from HEFCE after accepting too many students

By Neil Johnston, News Editor (2012/13)

Thursday 19 September 2013



Credit: Petroc Taylor

The University could be facing a fine of over half a million pounds from the funding authority, *Nouse* can reveal today.

For this academic year, York have accepted 67 too many students, and this will cost the University up to £536,000.

YUSU President Kallum Taylor has said new students will be “paying for this fine” and the union were now “expecting a much more open and frank discussion” on how money is spent.

The student number control limit is set annually by the Higher Education Funding Council for England (HEFCE) and while universities are allowed to recruit an unlimited number of AAB students, they are limited to the number of ‘core’ students they can take.

The University say they are currently “only a little” over the designated limit but have conceded they may have to deal with a financial penalty and provided *Nouse* with the figure of 67.

Student number limits have been put in place to protect teaching standards and the estimated penalty could equate to nearly a fifth of the £2,758,278 funding given to the University to teach ‘new regime’ students starting in 2013/14.

The total grant for teaching for all students is £16,641,552, after being cut earlier this year.

The fine will come in the form of a ‘grant reduction’ from HEFCE, which will be published in March.

The figures will be submitted to HEFCE when they carry out a survey of student numbers later this year, and the University will have the chance to appeal, though this is unlikely to be successful as the rules are clear.

Unless there is a huge surge in drop-out rates in the first weeks of term, the University will face a grant reduction. The University will still make money from fees but once the fine is taken into account the net

gain will only be £1,000 per head.

The University have said they expect many students to withdraw before term starts, however questions have already been raised over their handling of student numbers this year after the University ran out of campus accommodation.

YUSU President Kallum Taylor previously described the situation as “a mess” as [the University struggled to find accommodation for new students](#). All have now been provided with accommodation.

Fines are relatively rare for top universities and in 2012 nine institutions were fined for over-recruiting. They totalled just £802,735, down from £21 million the previous year while only one university in the Russell Group, Sheffield, was fined.

A University of York spokesperson said: “Universities face financial penalties for under recruiting (in the form of lower fees income and a lower grant from HEFCE) as well as for over-recruiting (in the form of a potential fine from HEFCE). Recruiting exactly the right number of students to avoid either of these outcomes is very challenging, as it depends on the relative attractiveness of the University compared to its competitors and the number of students who accept conditional offers.

“At present, York expects to be a little above its target recruitment numbers at the census point half way through the autumn term. It is too early to say whether this will result in a financial penalty, but if it does, this will be more than outweighed by the additional fee income and teaching grant which the University will receive.”

The exact rules on penalties have not been decided yet but HEFCE confirmed to *Nouse* they would remain similar to 2012/13, and institutions were advised of this.

A spokesperson said: “The grant reduction depends on forthcoming advice from the Department of Business, Innovation and Skills (BIS). The grant reductions for over-recruitment in 2012-13 were:

“a. For institutions that charge average fees after fee waivers of up to £6,000, a rate of £5,000.

“b. For institutions that charge average fees after fee waivers (according to an Access Agreement with the Office for Fair Access) of more than £6,000, a rate of £1,000 less than that average fee.

“We don’t expect to receive confirmation from BIS about the rates for 2013-14 until we receive our grant letter from them in December/January, but in the meantime we’ve advised institutions to plan on the basis that they will be similar to 2012-13.”

YUSU President, Kallum Taylor, said: “Looking at net income from fees in its totality, the University’s overall income has increased, and more than off sets the fine – due to the extra students recruited. There is no getting away however from the fact that the income from the extra students will be, one way or another, paying for this fine.”

He added: “Yes, we have more money, but we also have more students, and departments need to be able to cope with the increased demand... The University should feel more obliged than ever to ensure that tuition fees are used to deliver higher quality teaching and learning, and a better student experience, therefore we’ll be expecting a much more open and frank discussion with them now on how this money will be spent.”



7 comments

A

19 Sep '13 at 2:29 pm

So income to the uni for these 67 students will be about £1.5k each. Let's hope they are all history students, because I'm not paying for them.

[▲ Report](#)

An Issue?

19 Sep '13 at 2:38 pm

So once all the figures have been reconciled the Uni are at least £2million better off for having over recruited?

[▲ Report](#)

lol

19 Sep '13 at 2:47 pm

Not wonder York keeps falling in the University rankings. Quantity over quality as usual.

[▲ Report](#)

T

19 Sep '13 at 2:50 pm

@an issue - Rhey have to pay to educate these students... They're only actually getting £1,000 per student after the fine. And worse, the quotas are in place for a reason - it is means of quality control.

[▲ Report](#)

An Issue

19 Sep '13 at 3:01 pm

Of course.

There is a very good reason for the quotas.

However, by over recruiting the Uni appear (as Mr. Taylor states) to have ended up with more money in total. Thereby making the "fine" a sustainable hit and arguably a price worth paying from an institutional perspective.

The issue of what happens to the individual student is of course overlooked in the way the system within which the university operates is set up.

[▲ Report](#)

T

20 Sep '13 at 6:49 pm

A fine will really help the situation...

[▲ Report](#)

bob

26 Sep '13 at 11:30 pm

I blame Bantor

[▲ Report](#)

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