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Consultation Document

Support for foundation years

Date of issue: 3 March 2016

Action required: Responses by 26 May 2016

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

Support for foundation years

Overview This consultation seeks views on the proposed changes to support for higher education students undertaking a foundation year.

How to respond Responses to this consultation should be e-mailed/posted to the address below by **26 May 2016** at the latest.

Further information and related documents **Large print, Braille and alternative language versions of this document are available on request.**

The consultation documents can be accessed from the Welsh Government's website at www.gov.wales/consultations

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Data protection How the views and information you give us will be used

Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about. It may also be seen by other Welsh Government staff to help them plan future consultations.

The Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. This helps to show that the consultation was carried out properly. If you do not want your name or address published, please tell us this in writing when you send your response. We will then blank them out.

Names or addresses we blank out might still get published later, though we do not think this would happen very often. The Freedom of Information Act 2000 and the Environmental Information Regulations 2004 allow the public to ask to see information held by many public bodies, including the Welsh Government. This includes information which has not been published. However, the law also allows us to withhold

information in some circumstances. If anyone asks to see information we have withheld, we will have to decide whether to release it or not. If someone has asked for their name and address not to be published, that is an important fact we would take into account. However, there might sometimes be important reasons why we would have to reveal someone's name and address, even though they have asked for them not to be published. We would get in touch with the person and ask their views before we finally decided to reveal the information.

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What are the main issues?

1. This consultation is about the provision of financial support to students¹ taking undergraduate courses with a 'foundation' year.
2. There has been some debate in the further and higher education sectors about the support for so-called 'foundation' years, which, among other things, extend the duration of some undergraduate degrees by adding a year of study. Undergraduate degrees become four years instead of the usual three. The Welsh Government sees this provision as potentially problematic as it 1) burdens students with an additional year of debt and 2) increases cost to the Welsh Government. Benefits to the student are unclear. The Welsh Ministers are seeking evidence on the purpose of such provision and views on whether students should continue to be supported to take the additional year.
3. The Welsh Ministers make changes to student support on an annual basis and these are not the only changes to student support being considered for the 2017/18 academic year. Further consultation may be undertaken.
4. This document discusses these issues and seeks your views. The deadline for response is 26 May 2016.

¹ This document refers to 'students ordinarily resident in Wales' which is the term used in the regulations governing student support (The Education (Student Support) (Wales) Regulations 2015). Some statistics use the term 'Wales domiciled students', as this is the term used in the source.

Support for foundation years

Where are we now?

5. The Welsh Ministers have become aware of a debate in the further and higher education sectors over ‘foundation years’, sometimes also referred to as ‘year zero’ programmes of study. These courses extend an undergraduate degree programme by one year². The first year – year zero – appears to be used to raise the level of attainment of a student who may not otherwise meet the entry requirements for an undergraduate degree programme to that necessary to continue on to the more usual subsequent years of the programme. Students on such courses may be eligible for support in all years of the programme. Foundation years should not be confused with traditional foundation courses³ or foundation degrees.

6. Data from the Student Loans Company suggests that the total number of students on courses with a foundation year is not insignificant (table 1). As a comparison, there were 55,715 full time Wales domiciled students at UK HEIs in 2013/14⁴.

Table 1

Full time students on courses that have a foundation year, 2014/15

Domicile	Studying in		Total
	England	Wales	
EU	–	105	105
Wales	504	1,179	1,683
Total	504	1,284	1,788

Source: Student Loans Company. Students on courses which the HEI has self-reported as having a foundation year/year 0, across all years of study.

² The Welsh Ministers are aware that undergraduate degree programmes may have additional years for a variety of purposes. Data from the Student Loans Company shows 203 undergraduate full time degrees offered by Welsh HEIs with a duration of four years or more.

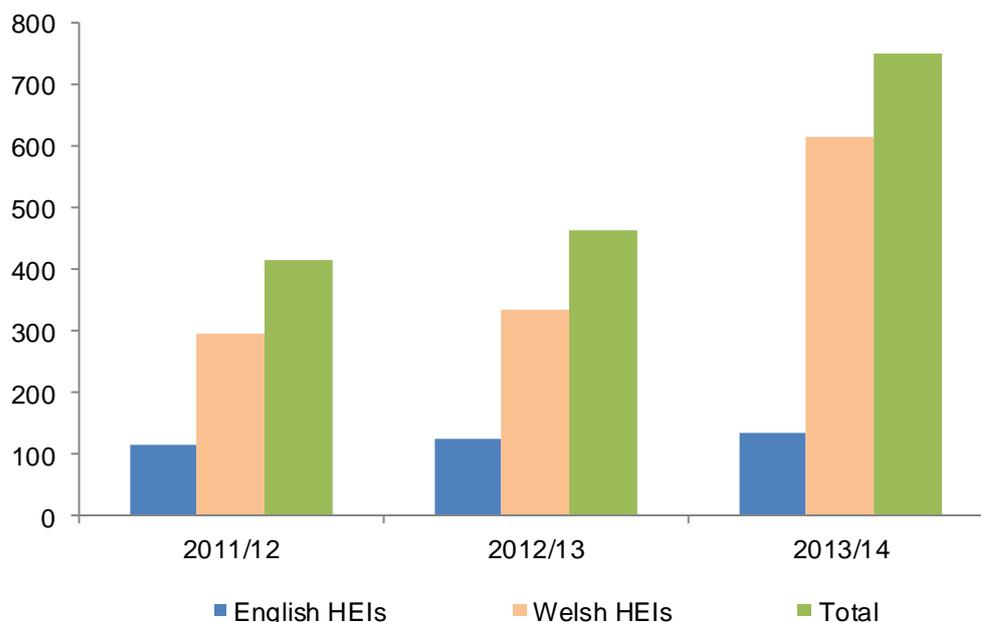
³ These courses have a long history and typically prepare students for entry onto the first year of an undergraduate art and design degree.

⁴ HE enrolments of Wales domiciled students at UK HEIs by subject, level and mode of study. Stats Wales.

7. Data from the Higher Education Statistics Authority on Wales domiciled students on a foundation year/year zero suggests that such provision is also growing (figure 1)⁵. This growth appears to be principally at Welsh HEIs.

Figure 1

Full-time Wales domiciled students studying a foundation year



Source: Higher Education Statistics Authority. NB includes those on courses leading to undergraduate and postgraduate degrees.

Student support

8. The Welsh Ministers make financial support available to undergraduate students in the form of grants and loans to enable them to i) meet the cost of fees charged by providers of higher education and ii) help meet living expenses. Students on courses with a foundation year may be eligible for support. Support for the foundation year of a first degree course is no different to that available for the subsequent years of a degree.

⁵ Table 1 records all students on courses with a foundation year. Figure 1 records only students on the foundation year. The data is not directly comparable as it is compiled from different sources.

The case for change

Purpose

9. The purpose of foundation years appear to be to raise the attainment of entrants who may not have adequate qualifications for entry on to a degree programme. As an example, Loughborough University offers foundation years in science and engineering disciplines:

*'The Science and Engineering Foundation Studies Programme helps a variety of students who want to study a science or engineering degree at Loughborough, but who have arrived at this decision from an unconventional route.'*⁶

10. As another example, Glyndŵr University offers a 'kick-start year':

*'The kick-start year is designed to give you the skills, knowledge and grounding to get the most from higher education. Through the mix of modules taken in this year you will gain confidence, develop new skills, and gain knowledge which will give you the foundations for success in your chosen degree.'*⁷

Level of study

11. This provision is unlikely to be at the same academic level as is usual in the first year of undergraduate study – were it at the same level, it is unclear how it would assist in aiding those who would otherwise be unable to access higher education⁸. It is the case that a part of the first year of an undergraduate degree is sometimes used to bring students to a common and necessary level of attainment in a particular subject, a level which may be at level 3 on the Credit and Qualifications Framework (an example may be the training of students of economics in particular areas of mathematics). Foundation years appear to offer provision which is not just partly but is primarily at this level.

Conversion courses

12. Foundation years may be marketed as a 'conversion' year, allowing students to transfer disciplines. The Welsh Government recognises that there

⁶ <http://www.lboro.ac.uk/departments/sefs/>

⁷ <http://www.glyndwr.ac.uk/en/undergraduatecourses/kick-startyear/>

⁸ In the examples used, Loughborough notes 'the foundation year is primarily for candidates who for some reason have not had the opportunity to study or achieve in the pre-requisite subjects needed for first year entry to their chosen degree programme'. Glyndwr notes 'the "kick-start year" is designed for students who may not have all the required grades/entry requirements for the 'traditional' degree course'.

may be some merit in enabling this transfer, but are unconvinced that the foundation year is an effective way of achieving it. Leaving aside the fact that there may be ample provision in further education for those who wish to change tack, and the issues of cost and student debt (see below), the challenge of achieving the usual standard of attainment for entry on to a degree course in a subject to which the student has no prior exposure in a single academic year seems great, particularly so for those students whose prior attainment is likely too weak for entry to undergraduate study. If there is evidence to demonstrate that students' with adequate attainment to enter undergraduate study are instead using these courses to change disciplines, the Welsh Government is unaware of it.

Widening access

13. Widening access is a key Government policy priority⁹. The current policy approach has its roots in the *Reaching Wider* initiative of 2002 which resulted in the establishment of a series of regional partnerships.

14. Widening access may take a number of forms. The Wales Institute of Social and Economic Research, Data and Methods (WISERD) recently noted four sets of inequalities that widening access policies may address¹⁰ including 'educational prior attainment – inequalities in educational achievement prior to entry to higher education'. This may be one key facet of inequality which foundation years are designed to address.

15. The research from WISERD suggests that there remains scope to increase higher education participation by those whose prior attainment is inadequate for them to progress to higher education. However, it is not clear that there is a particular shortage of initiatives designed to raise attainment to a level necessary for entry to higher education or that there are significant problems with those initiatives. WISERD note that this aspect of widening access has been a 'major element' in many universities' approach¹¹. The various approaches to widening access by both higher and further education sectors will be well-known to those working in or familiar with the post-16 education landscape.

16. WISERD make a further observation which the Welsh Government believes is relevant, noting 'a profound tension in widening access policy, since what the higher education sector wishes to achieve through its widening access practices is not entirely commensurate with what national policy

⁹ *Policy statement on higher education*. Welsh Government, 2013.

¹⁰ *Access to higher education in Wales. A report to the Higher Education Funding Council for Wales*, p.33. Wales Institute of Social and Economic Research, Data and Methods 2014

¹¹ WISERD, p.33.

makers and the public would like widening access policies to achieve¹². They further note ‘in an increasingly competitive higher education landscape, widening access is really just a particular form of recruitment’¹³.

Further education provision

17. Schools and further education institutions are the principal providers of education at level 3. The further education sector delivers a wide range of provision designed to enable access to higher education for those who either do not achieve the necessary results in school or choose to leave school and begin their post-16 study at college.

18. Foundation years appear to target the same students who may otherwise have undertaken study in a further education college. If this is the case:

- the additional competition may destabilise existing *Reaching Wider* collaboration and partnership arrangements; and
- it would appear to substantially increase the cost of provision to Government and the student.

Cost of provision, student debt and value for money

19. With rare exceptions, further education provision for full time learners, at level three and below, is funded by the Welsh Government as part of an annual grant to colleges and the cost to government is significantly less than the tuition fees charged by the university sector.

20. In contrast, foundation years require an upfront fee from the student, which will typically be met, in part, by that student taking a loan. The cost to the Government includes grants to meet a proportion of the tuition fee and maintenance, as well as the effective subsidy paid with respect to loans¹⁴. This raises significant value for money concerns about this provision.

¹² WISERD, p.45

¹³ WISERD, p.45.

¹⁴ RAB (Resource Accounting and Budgeting) charges predict the ‘subsidy that the Government implicitly pays to students through favourable terms connected to student loans’ (*Student Loans. Third report of session 2014-15*, p.9. House of Commons Business, Innovation and Skills Committee, July 2014). This includes those loans that are never repaid as well as the fact that the rate of interest charged is lower than the Government’s cost of capital.

The Well-being of Future Generations Act 2015

21. The Well-being of Future Generations (Wales) Act 2015 is designed to improve the social, economic, environmental and cultural well-being of Wales. It becomes law in April 2016 and places certain obligations on the Welsh Government (and other public bodies). Foundation years may contribute to the well-being goal of 'a more equal Wales'.

22. The goal of a more equal Wales envisages 'a society that enables people to fulfil their potential no matter what their background or circumstances'. Providing support for foundation year study may assist in achieving this goal, enabling those who may otherwise be unable to access higher education, or a particular discipline, to pursue study. This, however, is not to say that the same goal may be readily achieved in other ways.

Summary: the case for change

23. There is some concern that courses with a foundation year may be being used as a tool to increase recruitment to HEIs in a way which is:

- inconsistent with a basic principle of public policy, that of securing value for money;
- leading to unwelcome competition in achieving widening access goals; and
- increasing the burden of debt on students.

24. The additional year of fee income generated by foundation years may be giving rise to an unintended and unwelcome incentive to expand such recruitment without sufficient accounting for the wider costs – those not borne by the recruiting institution – of this provision. There is no obvious evidence or characteristic of these courses which suggests that they will be a more effective or efficient way to widen access than the myriad approaches already in operation.

Our proposal

25. The Welsh Ministers are considering several policy options which may address the concerns outlined above. Each, together with its principal costs and benefits, is outlined below.

- a. Do nothing – continue to provide fee and maintenance support at the full undergraduate rate.

The Welsh Ministers are unconvinced that the additional expenditure and debt is justified on widening access policy grounds. The costs and benefits of the current situation have been discussed above.

- b. Provide a reduced level of fee and/or maintenance support for the foundation year.

This would go some way to control the debt that students incur and the cost to the Welsh Government. Given the level of study which is involved in these courses, a lower level of fee support may more accurately reflect the cost of this provision and would therefore not deter such provision. However, it would almost certainly be necessary to leave maintenance support unchanged (given that living costs to the student cannot be controlled), limiting the benefit of this option.

- c. Provide full or reduced support for particular subjects and not for others.

This would limit support to particular courses which may be particular policy priorities. The Welsh Government only incentivises the study of particular subjects in very limited circumstances and this would represent a departure from usual policy. It may have some effect in controlling costs but there is little obvious policy justification for such a partial approach.

- d. Cease support for the foundation year.

This would remove support for the foundation year of undergraduate degree courses in the higher education sector but would maintain support for similar courses to be delivered in the further education sector, generally without cost to the learner. Widening access activity would operate as usual.

Impact

26. Assuming that the do-nothing option is not selected, the impact of these options will be to reduce demand for such courses, probably significantly. This will result in a loss of income to those higher education providers which are the main deliverers of such courses. It will reduce cost to the Welsh Government and the amount of debt carried by students.

27. The effect on widening access is less clear, but the long history and effective collaborative approaches to widening access in Wales suggest that the impact would be minimal. It may have a positive impact on the take up of level 3 courses and encourage further collaboration between FE and HE providers

Implementation

28. Following consultation and any changes we make to this proposal, we intend to implement new arrangements for the 2017/18 academic year. Subordinate legislation is likely to be required and we would anticipate laying draft regulations before the National Assembly for Wales early in 2017.

29. The Welsh Government recognises that defining these courses carefully will be important to ensure that institutions understand clearly what will no longer be supported, and can continue to plan provision with certainty.

30. The issue is clear – the cost to the individual and Welsh Government, when compared to the available alternatives, of a period of study used to raise the attainment of an individual to that required to begin a degree programme. A definition is likely to consider the interaction between:

- the attainment of the student;
- the level of the provision; and
- the additional period of study.

Our questions

- 1 We have outlined a series of concerns regarding foundation year provision principally that it represents poor value for money and does not obviously provide any benefit to the student when compared to the available alternative routes to higher education. Do you agree with this analysis? Why?
- 2 Which of the four proposals do you think should be implemented? Why?
- 3 Do you think our definition of foundation years at paragraph 30 will capture the type of provision we have discussed?
- 4 What do you think the impact on widening access will be if the Welsh Ministers were to cease support for these courses? Do you think any particular groups would be disadvantaged by this policy? What are the characteristics of the people taking these courses?