



Independent Review of Higher Education Funding and Student Finance Arrangements in Wales

Call for evidence

November 2014

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Background

On 18 November 2013, the Minister for Education and Skills announced that he had asked Professor Sir Ian Diamond, current Vice Chancellor of Aberdeen University, to chair a Review of Higher Education Funding and Student Finance Arrangements in Wales. On 19 February 2014 the Minister issued a Written Statement announcing the establishment of an expert Review Panel to support Professor Diamond in this endeavour and the terms of reference for the review. The terms of reference are attached at Annex A (see page 18). Details of Review Panel members are included in Annex B (see page 20).

The Review commenced in April 2014. In autumn 2015, Professor Diamond will produce a factual summary of the evidence he and his review team have collected as part of their work. His final report, including final recommendations, will be issued to the Minister by September 2016.

The final recommendations will reflect the need to ensure a world-class Welsh higher education system which supports jobs and growth. In addition, Welsh Government priorities for the Review include:

- widening access – ensuring that any future system has widening access as its core objective, is progressive and equitable
- supporting the skill needs of Wales
- strengthening part-time and postgraduate provision in Wales
- long-term financial sustainability.

Professor Diamond and the Review Panel are required to conduct a wide-ranging review and to produce a final report that provides clear advice and costed recommendations for the future funding of the HE sector and student finance arrangements in Wales. The recommendations contained in the final report will need to be deliverable, affordable and sustainable.

This call for evidence is a crucial part of the review process and HE funding debate. The Review Panel would welcome the submission of views and evidence from individuals and organisations. Your response will form an important part of the evidence base for Professor Diamond's final report and recommendations for the future of higher education funding in Wales.

Information on current funding and support arrangements can be found at:

www.hefcw.ac.uk/publications/circulars/circulars.aspx

www.studentfinancewales.co.uk

www.studentfinancewales.co.uk/practitioners.aspx

If you would like to speak to someone regarding the call for evidence please contact:

e-mail: HEReview@wales.gsi.gov.uk

A note from Professor Sir Ian Diamond



Higher education is a force for good. Nations which invest in higher education benefit from the high skills that graduates bring to the economy and from research which can impact both on growth and the well-being of citizens. In addition, higher education transforms lives and can make major inroads into reducing inequality through being an important driver of social mobility. In Wales, higher education is a vital component of the Welsh Government's drive for jobs and growth and a society which promotes equality, health and well-being for all its citizens.

Yet in today's challenging financial climate it is important that every penny is spent wisely and I was delighted to be asked by the Welsh Government to Chair a Review of Higher Education. Our aim is to provide innovative recommendations which will meet the ambitious vision described above while at the same time being financially sustainable for the public purse and enabling a successful higher education system across Wales.

It is vital that we, as a group, are informed by the views of as many stakeholders as possible. We want to be sure that all of your views are taken into account as we form our recommendations. I would therefore urge everyone to consider and respond to the questions in this call for evidence, either individually or as part of an organisational response.

The Review Panel is very much looking forward to reading your thoughts and thank you in advance for taking part and helping to shape the future of higher education funding in Wales.

A handwritten signature in black ink, reading "Ian Diamond".

Professor Sir Ian Diamond

Call for evidence

Purpose

The purpose of this call for evidence is to capture your views and any supporting evidence that will inform the Review of Higher Education Funding and Student Finance Arrangements in Wales.

Instructions

You are invited to complete the enclosed questionnaire. Depending on your area of interest you may wish to respond to **one or more** of the questions posed.

The questionnaire can be completed by an individual or on behalf of an organisation. Please record your views against each question you wish to answer. Where possible please give reasons for your answers to help Professor Diamond and the Review Panel understand your views in full.

Please take time to complete the respondent details section. This will assist with the analysis of the call for evidence.

The questionnaire can be completed either electronically or as a hard copy. Completed questionnaires should be returned to:

Alison Bryant
Higher Education Funding Review Team
Higher Education Division
Department for Education and Skills
Welsh Government
Freepost NAT 8910
Cathays Park
Cardiff
CF10 3BR

Or e-mailed to: HEReview@wales.gsi.gov.uk

Please return your completed questionnaire no later than 27 February 2015.

Additional information or links to available evidence and research that informed your views can be included with your response. Please submit this along with your completed questionnaire. A space is provided at the end of this document to record any additional items.

If you have any queries about the call for evidence questionnaire please contact the review team on:

e-mail: HEReview@wales.gsi.gov.uk

Respondent details

To help with our analysis please let us know who completed this response.

Name	
------	--

Are you responding in a personal capacity or on behalf of an organisation?

I am responding in a personal capacity []

I am responding on behalf of an organisation []

Contact details (optional)

Position/job title (where relevant)	
Name of organisation (where relevant)	
Contact address	
e-mail address	

In the event that there are any queries about your response, are you willing to be contacted by a member of the review team? Yes [] No []

If responding in a personal capacity, are these the views of:

a current HE student? []

a former HE student? []

someone considering enrolling in HE in Wales? []

or elsewhere in the UK? []

a member of the HE sector teaching or support staff? []

an interested member of the community? []

Other: please specify

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If a current or former HE student:

Have you received student support funding to study in Wales []

Have you received student support funding to study elsewhere in the UK []

If responding on behalf of an organisation, which of these best describes your organisation:

Private sector [] Public sector [] Third sector []

Other: please specify

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If your organisation is a company/employer:

is it based in Wales? [] is it based elsewhere in the UK? []

does it employ graduates? [] does it sponsor HE students? []

Please provide details of type of organisation/business sector classification:

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Questionnaire

Q1. To what extent do current student finance/support arrangements (student grants and loans) meet the needs of HE students, support the delivery of high-quality HE provision and provide value for money?

The Review Panel is interested in hearing about the strengths and benefits of current arrangements as well as any weaknesses or issues.

Very well [] Well [] Not very well [] Don't know []

Please provide a reason(s) for your answer and where available, supporting evidence.

Q2. Do you think that the Welsh Government policy of supporting Welsh domiciled students to study elsewhere in the UK is sustainable and/or desirable in the long term?

Sustainable: Yes [] No [] Desirable: Yes [] No []

There has been a lot of debate in the run-up to the Review about cross-border flows of HE students in and out of Wales and about the sustainability of the Welsh Government's decision to provide financial assistance (in the form of a fee grant) to Welsh-domiciled students that study at universities elsewhere in the UK. The Review Panel is keen to hear stakeholder views regarding this particular policy position.

Please provide a reason(s) for your answer and where available, any supporting evidence.

Q3. To what extent does the current HE sector funding system support high-quality provision and deliver value for money?

The Review Panel is interested in hearing about the strengths and benefits of current arrangements as well as any weaknesses or issues.

Very well [] Well [] Not very well [] Don't know []

Please provide a reason(s) for your answer and where available, supporting evidence.

The Welsh Government has asked the Review Panel, in particular, to consider funding mechanisms that impact positively on:

- widening access – ensuring that any future system has widening access as its core objective, is progressive and equitable
- supporting the skill needs of Wales
- strengthening part-time and postgraduate provision in Wales
- long-term financial sustainability.

The following questions consider these components.

Q4. To what extent do current HE sector funding and student finance arrangements support measures to widen access and improve participation in HE? Are there any alternative arrangements that you would like to see?

Very well [] Well [] Not very well [] Don't know []

Please provide a reason(s) for your answer, and where available, supporting evidence. If the response is 'Not very well', please provide details of any alternative arrangements that you would like to see.

Q5. To what extent do current HE sector funding and student finance arrangements support measures to widen access to HE provision through the medium of Welsh? Are there any alternative arrangements that you would like to see?

Very well [] Well [] Not very well [] Don't know []

Please provide a reason(s) for your answer, and where available, supporting evidence. If the response is 'Not very well', please provide details of any alternative arrangements that you would like to see.

Q6. To what extent do current HE sector funding and student finance arrangements support measures that respond to the skills needs of Wales? Are there any alternative measures that you would like to see?

Very well [] Well [] Not very well [] Don't know []

Please provide a reason(s) for your answer, and where available, supporting evidence. If the response is 'Not very well', please provide details of any alternative measures that you would like to see.

Q7. Does the current system of HE sector funding and student finance arrangements provide an appropriate balance of funding to support full-time undergraduate, part-time undergraduate and post-graduate study? If you think it does not, how might you change this balance?

Yes []

No []

Don't know []

Please provide a reason(s) for your answer, and where available, supporting evidence. If the response is 'No', the Review Panel would be interested to hear your views on what would be an appropriate and sustainable balance.

Q8. What does a top-class HE system look like and what would be the implications of not having a top-class HE system in Wales?

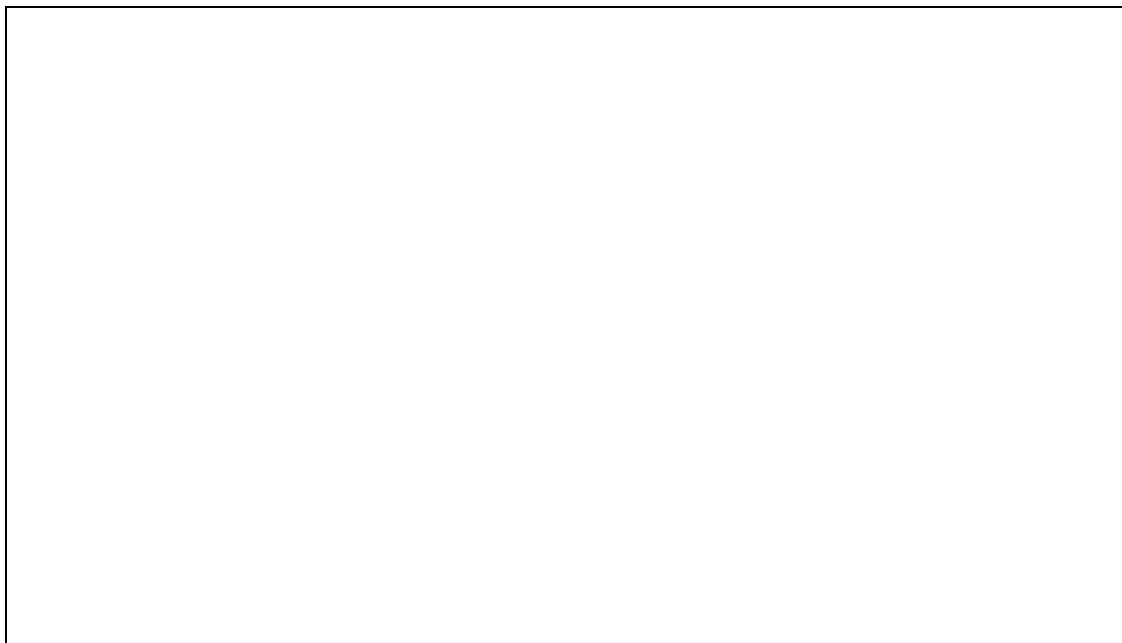
This is deliberately broad. Your response will inform the Review Panel's thinking about the type of HE system that the final recommendations are designed to support. The question may be considered from an economic development, innovation and research, community, social, cultural, quality, structural, financial, student, employer or any other perspective you think appropriate. In forming your response, examples of good practice that you wish to draw to the Review Panel's attention would be welcome.

Q9. What does a top-class HE sector funding system look like?

(It would be helpful if when forming your response consideration could be given to any related aspects identified within the terms of reference.)



Q10. What would you see as the components of a top-class HE student finance/support system? (It would be helpful if when forming your response consideration could be given to any related aspects identified within the terms of reference.)



Q11. Do you think that current HE sector funding and student finance arrangements in Wales are sustainable? If you do not think so what are the components of the current scheme that you would omit or change?

Yes []

No []

Don't know []

Please provide a reason(s) for your answer and where available, supporting evidence.

Q12. Does the current system of funding HE provide for an appropriate mix of funding allocations to the HE sector (e.g. via HEFCW or Welsh Government funding allocations to higher education institutions (HEIs)) and subsidised loans and grants to students to ensure long-term sustainability? If you do not think the current system does this what would be the implications of maintaining the status quo? And are there any changes you would like to see?

Yes []

No []

Don't know []

Please provide a reason(s) for your answer, and where available, supporting evidence. If the response is 'No', the review panel would be interested to hear your views on what alternative arrangements are required to deliver an appropriate and sustainable mix.

Q13. What challenges are institutions in Wales facing or likely to face that might affect their long-term sustainability or future direction and what measure can be taken by a) the HE sector itself; and b) the Welsh Government to address this?

Please provide supporting evidence, where available.

Q14. A decade of financial austerity has been forecast with regard to public sector funding in Wales. A finite budget will be available to the Welsh Government and the Department for Education and Skills. The Review Panel will need to take this into account when making its final recommendations if they are to be deliverable, affordable and sustainable. The Review Panel will need to ensure that its recommendations for HE funding are set within the wider education context, and it will need to provide a very strong evidence base to support any recommendation that is likely to result in a redirection or increase of funding to HE. Given this position, and considering the education system as a whole:

Where should the highest priority be for any future redirection or investment of additional education sector funding?

Schools Further education Higher education

Other Please specify:.....

Please provide a reason(s) for your answer, and where available, supporting evidence.

Q15. What changes could be made to existing HE arrangements (financial, structural or otherwise) that would enable a more efficient and effective targeting of HE funding to where it is most needed and would have the greatest impact?

Please provide a reason(s) for your answer, and where available, supporting evidence.

Q16. It is estimated that the RAB charge for new students in 2014/15 is 34.6 per cent. Do you think this is appropriate?

(The resource accounting and budgeting (RAB) charge comprises the interest rate subsidy and the cost of loans to students that are not recovered.)

Yes []

No []

Don't know []

Please provide a reason(s) for your answer, and where available, supporting evidence. If the response is 'No', the review panel would be interested to hear your views on what is appropriate and what actions are necessary.

Proposals for reform and alternative higher education sector and student finance funding models

Professor Diamond and the Review Panel will identify and evaluate potential funding options after all evidence-gathering and stakeholder-engagement stages of the review process have been concluded. In the meantime, unless already specified, if you have any other proposals that you wish to share with the Review Panel at this time please provide details below.

Proposals for the reform of current HE sector funding arrangements or for the introduction of alternative funding models.

Please provide details of the objectives and outcomes that your proposals are seeking to achieve.

Do you envisage that your proposals will:

- i) deliver cost savings
- ii) be cost neutral
- iii) require additional financial investment

Additional information

Please use the space below to record any other views or comments you would like to make in relation to the review.

Please provide the titles of additional information, evidence or research papers that you are submitting with your response. (Where appropriate, please include web links.)

Acknowledgements

On behalf of Professor Diamond and the Review Panel, thank you for taking the time to contribute to the Review of Higher Education Funding and Student Finance Arrangements in Wales.

Next steps

Responses to the call for evidence will be analysed and evaluated. The responses will help inform the next stage of the review and will form an important part of the evidence base for Professor Diamond's recommendations for the future of higher education funding and student finance arrangements in Wales.

How the views and information you give us will be used

Any response you send us will be seen in full by Professor Diamond and the Review Panel, together with Welsh Government staff who are supporting the review.

Professor Diamond may choose to publish a summary of the responses to this document and/or selected quotes. The responses may also be published 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 call for evidence 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.

Please tick here if you would prefer not to have your name and address published with the response:

Annex A: Review Panel terms of reference

The Review Panel will consist of a Chair and panel members that are expert and experienced in their field and have a deep understanding of matters relating to higher education (HE) sector funding and student finance arrangements.

Role

The panel is required to conduct a wide-ranging review of HE sector funding and student finance arrangements. It will begin its work in the Spring of 2014 and produce by September 2016 a report for the Minister for Education and Skills that provides clear advice and costed recommendations for the future funding of the HE sector and student finance arrangements in Wales.

The panel's recommendations will need to be deliverable, affordable and sustainable.

Focus

The review will focus on issues relating to:

- the promotion of social mobility and widening access to higher education
- the promotion of postgraduate learning opportunities in Wales and for Welsh-domiciled students
- the funding of higher education in the light of continuing constraints on public expenditure
- full-time and part-time tuition fees policy
- cross-border HE funding policy and arrangements
- student finance arrangements (including maintenance support for HE and FE students, with an emphasis on supporting learners from the lowest income backgrounds and most deprived communities in Wales)
- funding routes (annually managed expenditure (AME), near cash and non-cash)
- the Higher Education Funding Council for Wales' (HEFCW) role in the delivery of student finance
- student debt.

Key considerations

The review will need to consider medium- and longer-term policy options and funding, including any potential for savings incentive schemes to provide a more sustainable future model of HE funding and to help reduce levels of student debt.

The review will also need to consider:

- current legislation and options for reform
- the financial implications of any proposed models for Welsh Government, HM Treasury, students, HEFCW and the HE sector in Wales
- operational delivery systems involving HEFCW, the Student Loans Company, Quality Assurance Agency for Higher Education (QAA) and other UK bodies
- alternative policy approaches being adopted by other UK governments and internationally
- the cross-border implications of any policy changes proposed for Wales (including possible legislative competence issues)
- identified skills needs for Wales
- postgraduate provision and industry sector concerns and/or requirements
- the extent to which current policy and funding arrangements support widening access, and what more can be done
- related FE sector developments, for example HE in FE activity.

Approach

The panel will gather and evaluate available data, research and other evidence. The panel may need to commission research to address gaps in the available evidence base. Close engagement with stakeholders will be a necessity.

The panel will have due regard to the Welsh Government's broad priorities for HE in Wales as set out in the Welsh Government's *Policy statement on higher education* (June, 2013).

<http://wales.gov.uk/topics/educationandskills/highereducation/policy-statement/?lang=en>.

Governance and working style

- Panel members will observe the seven principles of public life (selflessness, integrity, objectivity, accountability, openness, honesty, and leadership).
- Conclusions and recommendations should be evidence-based, impartial, well considered and robust.
- Records of Review Panel meetings and activities will be kept. Discussions will, however, be conducted with a protocol of confidentiality in order to promote genuine debate.

Annex B: Review Panel members

- **Professor Sir Ian Diamond (Chair):** Vice-Chancellor of the University of Aberdeen.
- **Professor Colin Riordan:** President and Vice-Chancellor at Cardiff University and Chair of Universities Wales (UW).
- **Rob Humphreys:** Director for Wales, Open University, and Vice Chair of Universities Wales (UW).
- **Beth Button:** President, National Union of Students (NUS) Wales.
- **Professor Sheila Riddell:** Director of the Centre for Research in Education Inclusion and Diversity, University of Edinburgh.
- **Dr Gavan Conlon:** Partner at London Economics and expert in the economics of education.
- **Glyn Jones OBE:** Chief Executive of Grŵp Llandrillo Menai and ColegauCymru board member.
- **Ed Lester:** Former Chief Executive of the Student Loans Company. Currently Chief Land Registrar and Chief Executive Land Registry.
- **Gary Griffiths:** Airbus UK, Head of Early Careers Programmes.
- **Professor Michael Woods:** Professor of Human Geography and Director of the Institute of Geography and Earth Sciences at Aberystwyth University.
- **Professor David Warner:** Former Vice Chancellor of Swansea Metropolitan University. Currently Senior Research Fellow at Harris Manchester College, Oxford.
- **Gareth Jones OBE:** Former headmaster of Ysgol John Bright and Plaid Cymru Assembly Member for Conwy and Aberconwy. Former Chair of the National Assembly for Wales' Enterprise and Learning Committee.
- **Dr David Blaney:** Chief Executive and Council Member of Higher Education Funding Council for Wales (official observer).