

Cylchlythyr | Circular

Outcomes of the consultation on the collection of data for the 'basket of goods'

Date: 22 December 2017
Reference: W17/39HE
To: Heads of higher education institutions in Wales;
Principals of directly-funded further education colleges in Wales
Response by: 15 January 2018 (contact details)
26 March 2018 (data return with commentary)
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This circular provides the outcomes of circular W17/21HE which consulted on the collection and monitoring of data for the 'basket of goods'.

This circular outlines the process by which HEFCW will compile the 'basket of goods' and the action to be taken by regulated institutions.

The circular also confirms HEFCW's approach to the monitoring of part-time and postgraduate fees.

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Introduction

1. This circular provides the outcomes of circular [W17/21HE](#) which consulted on the collection and monitoring of data for the 'basket of goods'.
2. This circular outlines the process by which HEFCW will compile the 'basket of goods' and the action to be taken by regulated institutions. We have agreed with Welsh Government that these data will not be published in the first instance.
3. The circular also confirms HEFCW's approach to the monitoring of part-time and postgraduate fees.

Background

4. In September 2016 the Independent review of higher education funding and student finance arrangements, the ["Diamond Review" \(the Review\)](#), published its final report and recommendations.
5. One key recommendation of the Diamond Review was that students undertaking higher education in Wales should not experience increases in costs for institutional goods or services (such as accommodation) as a negative consequence of the other proposals made by the Review. The Review recommended that HEFCW should "annually, collect the prices of a basket of goods for each university and publish them."
6. In November 2016 the Welsh Government published its response to the recommendations of the Diamond Review in which it accepted the majority of the recommendations, including the recommendation to publish the 'basket of goods'. This task was subsequently included in HEFCW's remit letter 2017-18 which was published in March 2017.
7. In March 2017 HEFCW was remitted to work with Welsh Government officials to "compile and publish on an annual basis the prices of a basket of goods, to be agreed with Government, for each institution."

Consultation outcomes

8. Eight responses to the consultation were received. A number of respondents chose to respond without specific reference to all of the questions within the consultation; their responses have therefore been included with the other general points raised. A detailed summary of responses is available at **Annex A**. Respondents are listed at **Annex B**. A brief summary of the response to each question, together with proposed actions, is provided below.

General comments

9. Respondents welcomed the opportunity to respond to the consultation.

Q1 Do you agree with the proposed principles? Please explain your response.

10. The majority of respondents to this question were in favour of the proposed principles but raised the following additional issues:
- the contents of the 'basket of goods' should be reviewed and updated annually to reflect changing consumer behaviours over time, with reference to UK consumer price inflation indices;
 - institutions should work with their respective students' unions in preparing the 'basket';
 - if published, clarity would be needed over where the information would be held.

Q2 Do you agree with the contents of the proposed 'basket of goods'? Please explain your response.

11. Respondents were broadly in agreement with the contents of the 'basket'. There was a suggestion that care should be taken to ensure that the 'goods' were relevant to the 'average' student. Officers consider that it would be difficult to define what the 'average' student could require during a typical degree course. There was agreement that the costs of programme-level purchases (such as textbooks) should not be included.

Q3 Do you think part-time and postgraduate fees should be collected and monitored separately from the 'basket of goods'? How should this information be collected? Should it be published?

12. The majority of respondents agreed that part-time and postgraduate fee information should be collected and monitored separately to the 'basket of goods'. Some respondents noted that tuition fee information should already be available and there was no need for this to be published.

Q4 Do you agree with the proposed arrangements for data capture and subsequent monitoring for the 'basket of goods'?

13. The majority of respondents agreed with the proposals. A number of additional points were raised in response to the proposed approach:
- the data captured should be kept separate to the HESES exercise as the 'basket of goods' does not relate to student statistics;
 - the proposal to minimise institutional burden was welcomed.

Q5 Are there any other issues or unintended consequences (such as technical issues of data collection), regarding the 'basket of goods' which you would like to bring to our attention? If so, please provide details.

14. Respondents did not raise any significant issues in reply to this question. There was a suggestion that the 'basket of goods' exercise should avoid indirect consequences on institutions, e.g. instances of costs being capped despite above-inflation increases in item costs.

Q6 Do the proposals have any positive or negative impacts or unintended consequences in terms of equality and diversity (including protected

characteristics), the Welsh language, sustainability or the Well-being of Future Generations (Wales) Act 2015?

15. The response to this question was mixed. There was a suggestion that publication of the 'basket of goods' would ensure students (including those with protected characteristics) would be in a position to manage their finances more effectively. One response suggested that the 'basket of goods' should provide the opportunity for an institution to provide a mix of goods that supported equality, diversity, inclusion and the Welsh language.

Next Steps

16. HEFCW officers will begin the collation of the 'basket of goods' data in January 2018, using data for the 2017/18 academic year.
17. Data will be gathered from publicly available sources, with supplementary data to be collected from institutions in instances where data is not available, in order to minimise the burden on individual institutions.
18. The 'basket of goods' will be collated in line with the following principles:
 - costs should generally be at the institutional level and under the institution's control, and institutions should have the opportunity to identify where costs are outside of their control (e.g. car parking);
 - these costs should be monitored over time on an individual institutional basis and not used as a comparator between institutions;
 - costs should be monitored on an annual basis;
 - costs should, as far as possible, be identified from publicly available information which is robust and accurate, including information which is published in line with CMA requirements;
 - each institution should identify who would be contacted to confirm the accuracy of the data.
19. The 'basket of goods' will include:
 - accommodation costs in relation to estate owned and managed by the institution;
 - the additional cost resulting from a student taking a fully catered option for accommodation;
 - membership of Students' Unions (and, where relevant, clubs and societies);
 - fees for the use of gyms or sports centres;
 - library service costs (including fines);
 - printing and photocopying costs, including the costs of binding theses or dissertations;
 - car parking fees;
 - ticket costs for Graduation ceremony tickets (guests) and reception events (guests and students);
 - crèche or day-care costs for facilities owned and operated by the institution.

20. The 'basket of goods' will not include subject or discipline-level costs.
21. Regulated institutions will have the opportunity to verify the data for the 'basket of goods' and to provide contextual information where costs are not under their control. Institutions are requested to send contact details (name, position, telephone number, email address) of an institutional representative who can confirm that the collated data are correct and can provide additional information where appropriate to hestats@hefcw.ac.uk by **Monday 15 January 2018**. A formal sign-off of the data is, however, not required. In future years, the name of the nominated institutional contact will be collected annually via the request for names of authorised signatories and data contacts sent to the Vice-Chancellor or Principal each year.
22. We will send a table of the collated information to each institution's nominee on 5 March 2018. Where we have been unable to locate the information the table will contain a blank cell for completion by the institution. We will request commentary to accompany this to explain why this information is not available publically, or, if not available at all, why it is not relevant to the particular institution.

Institutions will have the opportunity to provide commentary on information contained in the table, for example to provide an updated link to data, as well as to provide contextual information as mentioned in paragraph 20. Further information about the process will be supplied when the tables are sent to institutions in February.

23. The table with any additional information and commentary should be returned to hestats@hefcw.ac.uk by **26 March 2018**.
24. HEFCW will provide an annual report to Welsh Government on the outcomes of the exercise. We have agreed with Welsh Government that these data will not be published in the first instance. However, we reserve the right to publish the data on our website should we find sufficient evidence to demonstrate that costs have disproportionately increased as a result of the Diamond Review recommendations.

Provision of information

25. Institutions are reminded of the requirement to comply with the [CMA guidance](#) to HE institutions on students' rights in consumer law, which states that:
 - students should be given clear, accurate and timely information that they need in order to make an informed decision about what and where to study;
 - students should be provided with the right information at the right time.

26. We consider that it would be good practice for institutions to include a calculator, or similar mechanism, on their websites to enable students to identify and calculate the full range of other costs of study, as well as signposting links to support and advice on budgeting and basic financial planning.

Part-time and postgraduate fees

27. The Welsh Government and NUSW are interested in the monitoring of information on part-time and postgraduate fee levels, which are not currently regulated.
28. The responses to this question in our consultation indicated that this information should be collected and monitored separately to the 'basket of goods' as these should be considered as separate issues.
29. Welsh Government officials have agreed that this information should be presented in terms of an institutional average fee for part-time and for postgraduate provision.
30. We plan to collect this information from publicly available sources and will calculate an average institutional fee for part-time and postgraduate provision. Institutions will have the opportunity to provide contextual information to reflect any institutional factors which may impact on the fee amount, such as the provision of scholarships and bursaries. We will contact institutions with more information about this process in due course.
31. HEFCW will provide an annual report to Welsh Government on the outcomes of the exercise and will publish a summary of the data on our website.

Further information

32. For further information contact Nicola Hunt (tel 029 2085 9735; email nicola.hunt@hefcw.ac.uk; or hestats@hefcw.ac.uk).

Assessing the impact of our policies

33. We have carried out an impact assessment screening to help safeguard against discrimination and promote equality. We have also considered the impact of policies on the Welsh language, and Welsh language provision within the HE sector in Wales and potential impacts towards the goals set out in the Well-Being of Future Generations (Wales) Act 2015 including our Well-Being Objectives. Contact equality@hefcw.ac.uk for more information about impact assessments.