

# Cylchlythyr | Circular

## Covid-19: further financial support for higher education students

**Date:** 28 January 2021  
**Reference:** W21/04HE  
**To:** Heads of higher education institutions in Wales  
**Response by:** 15 February; 15 March; 16 April; 17 May; 14 June; and 12 July 2021  
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This circular provides additional funding of £40m from Welsh Government for universities. A [statement by the Minister](#) in January 2021 asked universities 'to prioritise funding towards the most vulnerable, as well as strengthening advice and support services for students.' This included 'addressing 'digital poverty' among students, to enable better access to online learning, and costs incurred due to the need to self-isolate.' We are required to undertake monthly monitoring of the use of this funding. This will enable us to formally report to the Minister for Education by the end of March 2021, with a final report in July 2021, to take account of funding spent up to the end of 2020/21.

If you require this document in an alternative accessible format, please email [info@hefcw.ac.uk](mailto:info@hefcw.ac.uk).



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## Introduction

1. This circular provides additional funding of £40m from Welsh Government for universities.
2. A [statement by the Minister](#) in January 2021 asked universities ‘to prioritise funding towards the most vulnerable, as well as strengthening advice and support services for students.’ This included ‘addressing ‘digital poverty’ among students, to enable better access to online learning, and costs incurred due to the need to self-isolate.’
3. We are required to undertake monthly monitoring of the use of this funding. This will enable us to formally report to the Minister for Education by the end of March 2021, with a final report after July 2021, to take account of funding spent up to the end of 2020/21.

## Background

4. In September 2020 HEFCW was invited to submit a proposal to the Welsh Government for further funding to assist universities in Wales with their response to the Covid-19 pandemic. The focus of our proposal was on the particular situations and challenges faced by students, with the funding to be spent by the end of the 2020-21 financial year.
5. In October 2020 Welsh Government issued HEFCW a [remit letter](#) asking HEFCW to allocate £10m for the following priorities:
  - Additional funding for student financial hardship.
  - Additional investment in mental health and wellbeing strategies, including extending its participation in the Student Space project to the end of March 2021.
  - Increasing capacity in students’ unions and universities for the provision of advice and support services for both students and staff, including online support, with a focus on mental health support and suicide-safer measures for students and staff. This includes support through the medium of Welsh.
  - Extending universities’ contracted services with providers of mental health support.
  - Extra provision for learning support for vulnerable students, those with disabilities and those with caring responsibilities, including helping to address digital poverty.
  - Support and services, including food services, for students required to self-isolate.

## Additional funding allocation

6. In January 2021 Welsh Government provided HEFCW with a [revised remit letter](#), confirming an allocation of an additional £40m specifically to mitigate

student hardship and issues relating to wellbeing. The funding was allocated as follows:

- addressing material hardship for students arising from the pandemic (at least 80% of the £40m); and
- provision of advice and support services to students (no more than 20% of the £40m).

As indicated in the remit letter, **universities must make a reasonable assessment of hardship prior to distributing funds.**

7. We have made this allocation to the following categories, as set out in circular W20/32HE:
- hardship support;
  - supporting those who are more likely to be adversely impacted by the pandemic;
  - capacity to provide advice and support.

The allocations have been divided between these categories in the same proportions as noted in circular W20/32HE.

8. This means that the allocation of the £40m is as follows:
- £23.2m hardship support. This was based on a headcount of FT students taken from the HESA student record 2018/19, regardless of domicile or level of study, to recognise that full-time students are more likely to have a different term time address and associated additional living costs.
  - £12.3m for those more likely to be adversely impacted by the pandemic, which takes into account widening access and inclusion (WA&I) students (see para 9 below) taken from the HESA student record 2018/19. This includes full-time and part-time students.
  - £4.5m for capacity to provide advice and support, based on a headcount of all students taken from the HESA student record 2018/19, regardless of domicile, mode or level of study.
9. Students returned in the HESA student record for 2018/19 are considered to be WA&I students if they:
- are from a low participation area (UK domiciled undergraduates only);
  - are from an area in the bottom two quintiles of the Welsh Index of Multiple Deprivation (WIMD 2014) (Welsh domiciled undergraduates only);
  - are a carer;
  - are a care leaver<sup>1</sup>;
  - have a disability<sup>2</sup>;
  - are from Black, Asian and minority ethnic groups (UK domiciles only)<sup>3</sup>;
  - are students with parents with no HE qualifications (UK domiciled undergraduates only).

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<sup>1</sup> Using the UCAS definition for all students (self-declared as in care for 3 months or more).

<sup>2</sup> Self-assessed

<sup>3</sup> Includes Black, Asian, Mixed and Other non-white ethnicity categories. We recognise this is a contested term. We are using it only as reflects the data collection parameters used.

Some categories include specific populations of students, indicated by the restrictions in brackets. For other categories, all domiciles, modes and levels of study are included. A student may meet the criteria to be counted in one or more of the categories outlined as WA&I, however they will only be counted once.

10. These categories are used for allocation purposes only. We recognise that universities' assessment of hardship may take into account other factors and/or individuals, including but not limited to students: with protected characteristics; with any experience of care more generally; experiencing digital poverty; unable to remain safely in their homes. In considering those most likely to be impacted by Covid-19, see HEFCW circular [W20/24HE](#). Institutions' considerations should take account of ongoing impact assessment findings.
11. Information on the allocations for each university is provided at **Annex A**. Our intention is to enable universities to use their total allocations flexibly in relation to local priorities arising in 2020/21, within the parameters for the funding set out in paras 7-9 above and in accordance with the expectations set out in paragraph 17 below. In doing so, **universities must ensure that at least 80% of this allocation is used to address student hardship arising from the pandemic**. They may use some of the remaining 20% to provide support for students' unions to support them in providing advice and support, should this be required.
12. The distribution of this additional support has been discussed with the Open University in Wales, who on this occasion have removed themselves from the allocation process. Allocations are provided to NUS Wales and students' unions via the £10m funding detailed in circular W20/32HE.
13. We consulted with universities via Universities Wales on the broad parameters and allocation of this funding, as noted in circular W20/32HE, and have used the same parameters to allocate this funding. Further discussion has been held with Vice Chancellors and NUS Wales prior to publication of this circular.
14. We expect funding to be allocated to students in this academic year, and without undue delay, to alleviate hardship, including digital poverty.
15. Universities must inform HEFCW immediately should they not need their full allocation, and must inform us at any point during distribution should demand not be equal to the funding available, to enable it to be redistributed as rapidly as possible.
16. We intend to make the additional payments in early February 2021, as soon as the funding is made available to us by Welsh Government. We expect funding to be allocated to students as soon as possible. We will recover any funding not used by the end of July 2021.

## Expectations

17. Universities should take account of HEFCW's expectations, set out below, in allocating the £40m:
  - Universities will work collectively to achieve a broadly pan-Wales approach that aims to achieve broadly equitable approaches, which are fair and transparent, within and between universities;
  - Across Wales, university students benefit from comparable approaches to the management of these funds, while recognising that there will need to be some local flexibility to address institution-specific circumstances;
  - The system for applying to and allocating the funds will be as simple/straightforward as practicable;
  - Universities will take account of the needs of students with protected characteristics, including acting within the spirit of the socio-economic duty of the Equality Act;
  - Universities will actively promote the availability of the funding and ensure that the means of applying can be readily accessed;
  - As funding has been allocated to address hardship as a result of the pandemic, including digital poverty, universities need to undertake reasonable assessment of hardship prior to distributing funds, and to be able to evidence this with an appropriate audit trail to show the use of the funds,
  - Universities will ensure that there is minimal delay in providing financial support to students;
  - In accepting the allocation, universities must confirm that they have appropriate resource in place to assess hardship and allocate the funding, monitor funding and provide monthly reporting to HEFCW without undue delay, as well as appropriate senior management and governance oversight;
  - Universities must be able to demonstrate that this funding should not result in any double-funding, including funding from Fee and Access Plans, as set out in Fee and Access Plans for 2020/21;
  - Universities must engage with their students' unions in respect of their approach for the allocation of the funding;
  - Universities must inform HEFCW immediately, and at any point in distributing this funding, if they do not need their full allocation of funding, to enable it to be redistributed.
  
18. The funding allocated by HEFCW is made available subject to the general conditions for payment of funds by HEFCW to the Governing Body of an institution. These are set out in the Memorandum of Assurance and Accountability (W15/32HE) and the accompanying Financial Memorandum Part 2: Annual schedule for the financial period 1 August 2020 to 31 July 2021 Teaching and Research Funding for the academic year 2020/21. The funding is provided on the basis that the Governing Body will comply with the requirements set out in the Financial Management Code (W17/16HE).

## Monitoring

19. The £40m was allocated by Welsh Government with requirement that HEFCW report to Welsh Government officials on a monthly basis, including to review demand for, and uptake of, this funding. We will provide summary reports to Welsh Government at the end of March and after July 2021.
20. We will provide each university with a single template, to account for the £10m from circular [W20/32HE](#), and this £40m. Monitoring must be updated and submitted to us monthly. The dates of submission are expected to be as follows:
  - 15 February 2021
  - 15 March 2021
  - 16 April 2021
  - 17 May 2021
  - 14 June 2021
  - 12 July 2021
21. The completed template for the March and post July 2021 monitoring will need to be signed by the Vice Chancellor to confirm that the university has used the funding for the purpose for which it was intended and will comply with our expectations and monitoring requirements. We will also require the form to be signed by the President of the Students' Union, confirming adequate engagement with the Students' Union in the allocation of the funding.
22. In addition, we will ask each university to provide us with three case studies by **14 June 2021**<sup>4</sup>. One of these case studies should be on the use of the university's share of the £10m, and the other should cover the use of the funding provided via this circular. The third submission should be a case study from the Students' Union on use of the funding allocated to them from the £10m funding provided via circular W20/32HE. NUS Wales will also be asked to provide a case study in relation to the funding provided direct to them via circular W20/32HE. Case studies may be submitted in either English or Welsh. Our intention is to publish the case study document in summer 2021 when we make the final report to Welsh Government on the use of this funding, to demonstrate the impact of the funding on universities and their students.

## Consumer protection and student expectations

23. We remind institutions of their responsibilities under consumer law, as set out by the Competition and Markets Authority, and detailed in circular [W20/19HE, COVID-19 impact on higher education providers: information on consumer protection, student expectations and quality](#). We remind you

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<sup>4</sup> In previous communications with Vice Chancellors we had indicated an April return date for the case studies on the £10m, but given the additional funding, we will delay this to June.

to consider whether you have met your obligations to students under consumer law and to take appropriate action if this has not been achieved. You must notify HEFCW of any breaches of consumer law ([regulationadvice@hefcw.ac.uk](mailto:regulationadvice@hefcw.ac.uk)).

24. As noted in circular W20/19HE, you need to keep students informed of any changes during this challenging time. We have been in contact with all regulated institutions to enable us to evaluate the impact of Covid-19 on the quality of the student experience. We welcome your support and continued engagement with this.
25. We also remind you that the needs of students are likely to change as the pandemic evolves. You will need to be mindful of this, and ensure that you are aware of the expectations of your students, and manage these expectations as they evolve. You will also need to keep your contingency regulations under review, to ensure that students are not disadvantaged as a result of the pandemic.
26. We will arrange discussions jointly with NUSW, WG and Universities Wales to maintain oversight of student experience and quality, to supplement our discussions with all parties on these matters.

#### **Further information / responses to**

27. For further information, contact Dr Cliona O'Neill (tel 029 2085 9731; email [cliona.oneill@hefcw.ac.uk](mailto:cliona.oneill@hefcw.ac.uk)). Monitoring reports should be sent to [funding@hefcw.ac.uk](mailto:funding@hefcw.ac.uk).

#### **Assessing the impact of our policies**

28. We have carried out an impact assessment screening to help safeguard against discrimination and promote equality. We 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](mailto:equality@hefcw.ac.uk) for more information about impact assessments.
29. Universities must ensure that their use of the allocated funding:
  - a. has been equality impact assessed;
  - b. complies with the Welsh language standards (No. 6) Regulations 2017; and
  - c. takes account of the Well-being of Future Generations (Wales) Act seven well-being goals and five ways of working.