Student support funding for students ordinarily resident in Wales

Consultation response form

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Responses should be returned by 14 February 2017 to

Higher Education Division
Skills, Higher Education and Lifelong Learning Directorate
Welsh Government
Cathays Park
Cardiff
CF10 3NQ

or:

e-mail: hepolicy@wales.gsi.gov.uk
Question 1 – Are there any major implementation issues arising from the changes to the tuition fee and maintenance support packages which will impact on the timescale of the Welsh Government response?

[ ] Agree  [ ] Disagree  [ ] Neither agree nor disagree

Supporting comments

The Open University in Wales welcomes the Welsh Government’s proposals for student support and higher education (HE) funding and the intention to implement the new system for the 2018/19 academic year. We are very pleased that institutions will be supported to keep fees at a moderate level for part-time courses in order to incentivise part-time study, alongside the recommendations on support for living costs for part-time students. The financial support to institutions needs to be at a sufficient level to ensure that they are able to keep part-time fees at moderate levels and secure institutional financial sustainability. The new funding and support system represents a positive change for part-time HE and those who choose to study part-time, we are keen to seen the new system in place as soon as possible.

In terms of implementation we would wish to highlight the following:

- We have concerns about the capacity and readiness of the Student Loans Company (SLC) and Student Finance Wales (SFW) to put the new system in place in time for the 18/19 academic year. The systems would need to be in place in good time for proactive marketing and publicity and to allow institutions to develop their own internal processes alongside those of the SLC. Our experience to date suggests that this may be challenging for the SLC to achieve.
- The new support system in Wales is part of an increasingly divergent system across England, Wales and Northern Ireland; changes elsewhere, such as the introduction of part-time maintenance loans in England and loans in NI, may lead to competing priorities and capacity issues at the SLC.
- In order for the OU in Wales to communicate the new funding system proactively to potential students and to provide information, advice and guidance (IAG) to new and continuing students we will need to have confidence in SLC systems.
- Timely IAG will be essential in maximising the potential increase in part-time student numbers that could come from the new funding system, this will be particularly important for the OU in Wales as our students apply direct to us rather than via UCAS and often do not come through traditional HE access routes such as school or college.
- The OU in Wales would be keen to work with the Welsh Government and the SLC on a programme of IAG and to ensure that the SLC processes treat full and part-time students equally and offer parity of support. It is essential that both part-time and full-time modes of study are given parity of presentation in SLC messaging and their online systems to ensure that those who wish to study part-time have equal access to information. All application processes for all modes of study and types of support should be available online (and then in hard copy as required by the student).
- It is worth noting that institutions could potentially be managing students under 3 funding regimes, in the case of the OU – students who started to
study with us pre-2014, students who started study between 2014 and 2018 under the part-time loan system, and students who study from 2018 under the new system. We wish to engage with Welsh Government and SLC as early as possible to ensure that we have as much time as possible to communicate to our existing and potential students.

- We would also welcome clarity and confirmation of exact eligibility criteria so that we can properly implement the changes required to our processes and messages and communicate them effectively to students.
- By way of example, the criteria for part-time student support in England is for a student to be studying at 25% intensity or more and we assume that this same criteria will apply to the new system in Wales. However, the Welsh Government consultation document states that support will be provided in respect of students who study at “an intensity greater than 25%” and also refers to seeking alternative ways to encourage study on courses “with an intensity of less than 25%.” We would welcome confirmation that the support will be available to part-time students studying at 25% intensity or more.

**Question 2** – Are there likely to be any unintended consequences from implementing the changes to the tuition fee and maintenance support packages?

| Yes | □ | No | □ | Unsure | ☑ |

**Supporting comments**

While the development of a new student support and HE funding system is a complex endeavour we believe that the Diamond review provided a robust assessment of the issues that need to be considered. We welcome the review’s recommendations and the Welsh Government response. Below we have highlighted a few areas that we believe merit further consideration:

- Study intensity: While we understand the rationale for restricting support for those students studying at 25% intensity or more we believe that there is a need for support for smaller modules and lower intensity study as it is the most appropriate option for many students including some of those furthest from HE. We would be concerned if students were driven to study at higher intensities than are ideal for them (either confidence wise or time commitment wise) in order to access loans. This could reduce their chances of succeeding in HE.
- We should also be aware of the possible impact on student recruitment in 2017/18 as students may choose to defer their study to 18/19 if more support will be available to them then.
- The Open University has been advised by the SLC Policy Team that a student who commenced study prior to 2014 would be entitled to apply for a Part-Time Tuition Fee Loan if they abandon, fail or withdraw from their original qualification and commence a new qualification. In operational terms this means students must either take a break of one full academic year or begin a new course from the beginning in order to access the Tuition Fee Loan package. We anticipate that some students will not have completed their pre-2014 qualifications by the time their support package is withdrawn. These students would be expected to take a year away from study, or abandon their
achievements up to that point by starting again, in order to access student support. We wish to see students being able to transition directly to the new support package without the requirement to take a break in study.

- As noted above we would welcome clarification on some of the details of the support package to ensure that there are no unintended consequences that we cannot anticipate that this stage. We would like clarification on liability for loan or grant if student drops out of a course part way through and the consequences of student maintenance grants for learners who are claiming benefits.
- We would also like explicit confirmation that there will be no age limit on the support package and that the full package of support will be available to those studying via distance learning.
- We would welcome an early opportunity to discuss the detail of the proposals to ensure that there are no unintended negative impacts on part-time students.

Question 3 – Do you have any suggestions for sharing risks and controlling the costs/numbers of students eligible for student support?

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<th>Agree</th>
<th>Disagree</th>
<th>Neither agree nor disagree</th>
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Supporting comments

- Part-time funding is in some respects restricted by the level of learning and teaching grant that will be distributed to institutions. It will be for institutions to decide whether they wish to recruit above those numbers but we would wish to ensure that those students still had access to the loan and maintenance support package.
- Parity of esteem for part-time students is essential, should costs end up higher than anticipated part-time student support should not be rolled back to support increased full-time numbers.
- While we understand the need to be mindful of the cost to the public purse the idea of capping student numbers runs contrary to the OU's open access policy and we do not believe that it would benefit Wales' economy or achieve social justice to cap student numbers.
- From a public stewardship perspective it is essential that any student, distance learner or other, who is no longer participating in study is identified before each loan payment date. At the OU, deferrals and withdrawals are currently reported to the SLC at the earliest opportunity. We operate ‘active study engagement’ checks to help us identify the student’s participation in study. Our checks are agreed by SLC, as appropriate, to prevent students obtaining funds they are not entitled to. As maintenance products will be paid direct to the student, and potentially in termly or monthly instalments, the timing of these checks is critical. A similar process is in place for postgraduate loans in England and will be implemented for the 2017/18 postgraduate loans in Wales. For both part-time maintenance loans and postgraduate loans the process is to check before funds are released so there is much less risk than for undergraduate tuition fee payments.
- For undergraduate tuition fee loan management, the OU has the following auditable data to evidence study engagement:
- Virtual Learning Environment (VLE) course website login
- Submission of any assessment recorded onto OU systems
- Attendance at exam / end of module assessment
- Students confirming that they are continuing actively to study, in response to a formal intervention or study engagement check.

Study engagement checks will continue to use the auditable data outlined above and will increasingly take into account the student’s ‘digital footprint’ as they access University systems to progress with their studies.

- The Open University has rigorous mechanisms in place to measure and mitigate risks and control the allocation of government funds. We can provide any further information on this as required.

Question 4 – Will implementing these proposals disadvantage any particular group?

- Disabled students or possibly students in full-time work - these individuals may need to study at intensities lower than 25% and consideration should be given to how these students should be supported in their study goals.
- We would welcome clarification on the exact details of the support package to ensure that older students and distance learners are eligible for support.
- Those who need to study flexibly could be disadvantaged if the maintenance support package is not sufficiently flexible to match their study needs, for example we would welcome the ability in the system for an individual’s maintenance support banding to go up and down within year.
- Some students (in particular those from widening access backgrounds) may be worried about committing to a loan for fees, as a result there is still a need for some free or low cost introductory HE provision, and advice and guidance at a local level to support students.
- Information, advice and guidance for adults should be available with equity of support and publicity for full and part-time students.
- There may also be implications for families with an income just over the threshold who wish to support more than one person in the family through university. This could be a family with more than one child who wishes to study full-time or families with a child / children who wish to study but where a parent may also wish to study part-time themselves.

Question 5 – The Welsh Government would like to increase the number of courses provided at lower intensities. How can we encourage study on courses with an intensity of less than 25% without providing student support?

| Yes | ☒ | No | ☐ | Unsure | ☐ |

Supporting comments

The Open University in Wales is keen to work with the Welsh Government to consider and develop ways to encourage study on courses of less than 25% intensity and we welcome the Cabinet Secretary’s intention to seek alternative ways to support this provision. These lower intensity courses perform a vital function in widening access to HE and can be an ideal option for those wishing to study and
work and those who may not be able to manage more intense study. We offer some initial thoughts on this below but would be keen to discuss this in more detail:

- It will be important to ensure that provision of lower intensity courses does not shrink, if there is no student support then there could be a perception of lack of demand and therefore institutions may withdraw provision. Institutions should be encouraged to develop and support this provision.
- It would be useful to strengthen credit transferability so that students can build up and transfer credit from smaller chunks of study thus adding value to the lower intensity courses and making them more appealing to students.
- Support could be provided to institutions (via HEFCW) for provision of flexible learning options, including online and distance.
- Employers value the shorter modules to enable their staff to study a manageable amount in a flexible way that their staff can study. Employers could be incentivised to encourage and support staff to study shorter modules where they will benefit the workforce.
- We support the continued funding of the OU’s level 0 Access which currently attract student support funding if they are linked to a qualification. These 30 credit (25% intensity) level 0 courses are an essential route in to HE (at the OU and other providers) for many students who have not come through traditional school or FE routes.
- We also believe that individual modules should attract student support funding even if they are not linked to a qualification. We seek to encourage as many students to access HE as possible and providing support for standalone modules means that students do not feel overly intimidated at the start of their studies. For some students and for employers a lone module may meet their study needs.

Question 6 – What impacts and unintended consequences will result from the move to monthly maintenance payments?

- As some of our students change their study intensity during the year this could be a positive move and would mean that their current loan will more closely reflect their current study intensity. Monthly payments are also likely to enhance a student’s ability to effectively manage their finances throughout their studies.
- However, it could also mean that students may have up front expenses that they may not be able to meet.
- Monthly payments could be challenging for the SLC to implement and care should be taken to ensure that sufficiently robust mechanisms are in place to ensure that payments are managed effectively and efficiently.
- Consideration must also be given to the impact of increased maintenance payments on a part-time student’s eligibility for means-tested benefits. A student’s entitlement is likely to be affected if maintenance funding is viewed by DWP as income. Those who are ‘just about managing’ should not be penalised financially if they wish to upskill/reskill/enter the workforce. We would welcome clarification on this at the earliest opportunity.
- Any negative impact on disability related support must be avoided to ensure disabled students are not disproportionately affected. Part-time study attracts a relatively high proportion of disabled students, particularly on distance learning courses. 20.1 percent of OU students in Wales have declared a
Question 7 – What impact will a move to a fully regulated system have on part time providers in Wales?

The Open University in Wales welcomes the move towards a fully-regulated system for part-time providers in Wales. We assume that this would require us to complete a fee and access plan (as the full-time providers are currently required to do) and we would be content to do so.

Question 8 – Do you think any particular groups would be disadvantaged by this policy?

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Supporting comments

N/A.

Question 9 – Do you think that the aim of achieving a fully regulated part time system by 2021 is a realistic timescale

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Supporting comments

Four years seems a reasonable timescale assuming that the appropriate legislation is produced in a timely fashion so that changes can be effectively implemented.

Question 10 – Are there implementation issues which we should consider when taking forward our proposals for post graduate support

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Supporting comments

The OU in Wales welcomes the proposals in respect of postgraduate support, we offer the following comments with regard to implementation:

- There were Student Loans Company (SLC) issues related to the introduction of Masters Loans in England in 16/17, where some students had been misadvised about their eligibility. This placed both students and universities in a difficult position. Based on these past experiences, we advise that for the
delivery of the product to be trouble-free and effective the loans processing would best be completed by a specialist part-time team.

- We believe that the 50% study intensity for part-time students should enable those who wish to study with us to do so and receive support but we would welcome clarification on the exact detail of this proposal and would be keen to ensure that OU students are not inadvertently excluded or disadvantaged in any way. We have a significant amount of experience of the detailed issues in this regard from our involvement with the development of the PG loans system in England and we would be keen to share our learning from this process and ensure that the new system in Wales will work for OU students.
- We understand that the new Welsh PG Loans system in Wales (for AY 17/18) will include the following age restriction “Applicants must be aged under 60 on the first day of the first academic year of their course.” We would welcome clarification that there will be no upper age limit on the new student support package and confirmation that distance learning students will be eligible for support.

**Question 11** – Are there likely to be any unintended consequences from implementing these proposals?

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**Supporting comments**

See our comment in response to question 10 relating to study intensity and our experience with the England PG Loans system.

**Question 12** – Will implementing these proposals disadvantage any particular group?

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**Supporting comments**

There is a chance that disabled students may require additional time to complete their qualification and this should be considered.

**Question 13** – We believe that it would complex and costly to fully regulate the postgraduate system – do you agree and if not how would you implement a fully regulated system in Wales?

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**Supporting comments**

The Open University does not have a view on this matter.
**Question 14** – Is there any other way of implementing our proposals for postgraduate students that would better promote equality of access?

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**Supporting comments**

As long as the system will be all age, include distance learners and take account of the unique nature of OU study when assessing study intensity then we would be content. We believe that consideration should be given to longer study periods (or less intensity) for disabled students.

**Question 15** – Are there implementation issues which will arise from providing support to students with an experience of being in a care setting?

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**Supporting comments**

- We would welcome clarification on the definition of care-setting and details of the criteria required to receive support.
- We believe this should be an all-age policy so that an older student studying part-time who had experience of the care system would be eligible for support.
- There are proposals in this section of the consultation paper to work with NUS Wales on this issue and on the support that could be provided for carers; the OU Students Association (OUSA) is not a formal part of NUS Wales but we would recommend their engagement in this important work. OUSA represents a large and diverse body of OU students and would make a helpful contribution to this consultation activity from a part-time student perspective. We would also recommend consulting with third sector organisations and representative bodies in this area.

**Question 16** – How could we provide further support to students who are carers?

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**Supporting comments**

The Open University in Wales offers support, advice, guidance and a specific course for students who are carers. We have also undertaken research on how to support carers in higher education and the report ‘Extending opportunities for carers’ sets out our recommendations in this area. Some specific suggestions for supporting carers into HE based on our work are:

- Lower the threshold for financial support for carers.
- Support flexible provision and lower intensity courses, with awareness raising and advice and guidance through trusted support agencies such as: Carers
Trust Wales, Local Authority Carers centres, social services, and the health service.

- Additional bursary funding which should be made available for carers of all ages not just young adult carers and special promotion of part-time and flexible provision for carers who may not be able study on a full time basis.
- Support should also apply to people who have been a carer within the last 2 years.
- Consider offering additional time for gaining qualifications, allowing support at lower intensities.
- Additional support specifically for IT requirements e.g. equipment and broadband connectivity.
- Specific support (i.e. training/induction etc.) to provide skills required to study at a distance.
- Consider institutional support for universities to provide tailored support for carers.

**Question 17** – Are there likely to be any unintended consequences from implementing these proposals?

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**Supporting comments**

There could be an additional cost but ensuring carers and those with experience of the care system have equal access to HE is essential to widening access, promoting social justice and enhancing the economy.

**Question 18** – Will implementing these proposals disadvantage any particular group?

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**Supporting comments**

N/A

**Question 19** – How best can we implement and administer the proposed pilot scheme on extending the student support package beyond the UK?

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**Supporting comments**

Whatever activity is put in place to develop this pilot it should include part-time students and consider how they may wish to take advantage of the pilot.
**Question 20** – Are there any particular issues that the pilot scheme should take into account?

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Supporting comments

The needs to consider distance and part-time learners as well as traditional students studying full-time.

**Question 21** – How would you control costs and demand for any future scheme that extends support beyond any pilot scheme?

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Supporting comments

The Open University does not have a view on this matter.

**Question 22** – Are the subject areas listed above the ones that are of key importance in the context of equivalent or lower qualifications (ELQ)?

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Supporting comments

The Open University in Wales supports the recommendation of the Diamond review panel that there should be no ELQ restrictions on access to student support. We believe that this will help upskill and reskill the Welsh workforce and develop the economy. In the absence of the option to implement no ELQ restrictions we support the list of subjects in the consultation document and ask for consideration of the following at the earliest possible date:

- Broaden the policy of exempting degrees in STEM subjects by extending exemption to ‘half-STEM’ degrees where 50% or more of the course is in a STEM subject. These degrees would include for example a BSc in Computing and Business.
- Extend ELQ exemption to degrees in Accountancy, Business, Finance and Management in order to grow successful SMEs and support those wishing to be self-employed or pursue successful careers in larger national and international companies as well as the public and third sectors.
- Link any future course exemptions to the Welsh Government priority sectors and employability plan (which should in itself reflect the need for life-long learning and upskilling / reskilling).
- Consider inclusion of social care courses to help with workforce issues.
The existing list does not sufficiently account for the large public sector workforce in Wales, the skills needs of those in the public sector in Wales should be mapped and then considered for ELQ exemption.

Modern Foreign Languages and courses with a link to creative industries should also be considered for inclusion at the earliest opportunity.

Question 23 – Are there any other courses or subject areas that the Welsh Government should consider including? If so, why?

Yes ☒ No ☐ Unsure ☐

Supporting comments

See answer to question 22.

Question 24 – Do you have any comments on any other aspect of the proposals included in this document?

Yes ☐ No ☒ Unsure ☐

Supporting comments

N/A.

Question 25 – We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them.

The Open University in Wales strongly supports the Welsh Government’s proposals for higher education funding and student support. We believe that the proposals offer a fair and sustainable funding system for part-time higher education in Wales which is something we have been calling for in recent years. We are very pleased that institutions will be supported to keep fees at a moderate level for part-time courses in order to incentivise part-time study alongside the recommendations on support for living costs for part-time students. The financial support to institutions needs to be at a sufficient level to ensure that they are able to keep part-time fees at moderate levels and secure institutional financial sustainability.

While not within the scope of this specific consultation we would also like to note that we believe that Higher Level Apprenticeships (HLAs) should be similarly supported and would welcome the chance to talk to the Welsh Government about what we could offer in respect of HLA provision.

About The Open University in Wales

The Open University (OU) was established in 1969, with its first students enrolling in 1971. It is a world-leader in providing innovative and flexible distance learning opportunities at higher education (HE) level. It is open to people, places, methods and ideas. It promotes
educational opportunity and social justice by providing high-quality university education to all who wish to realise their ambitions and fulfil their potential.

Over 7,000 students across Wales are currently studying with The Open University, enrolled on around 10,000 modules. There are OU students in every National Assembly for Wales constituency and we are the nation’s leading provider of undergraduate part-time higher education. Almost three out of four Open University students are in employment while they study and with an open admissions policy, no qualifications are necessary to study at degree level. Over a third of our undergraduate students in Wales join us without standard university entry level qualifications.

As a world leader in educational technology, our vast ‘open content’ portfolio includes free study units on the free online learning platform OpenLearn (including many Wales-related materials and our Welsh Language platform OpenLearn Cymru) and substantial content on YouTube and on iTunes U where we have recorded over 70 million downloads.

We would welcome the opportunity to provide any further information as required and to work with the Welsh Government as the new student support and funding system is implemented and communicated to students and potential students.

Responses to consultations are likely to be made public, on the internet or in a report. If you would prefer your response to remain anonymous, please tick here: