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Llywodraeth Cymru
Welsh Government

Welsh Government
Consultation – summary of responses

Student support funding for students ordinarily resident in Wales

Date of issue: 11 July 2017

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

Overview Summary of responses to the Welsh Government's consultation on the proposed implementation of changes to student support funding in Wales.

Action required None. For information only.

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Related documents *Support funding for students resident in Wales (2016)* consultation document
<https://consultations.gov.wales/consultations/support-funding-for-students-resident-in-wales>

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Summary

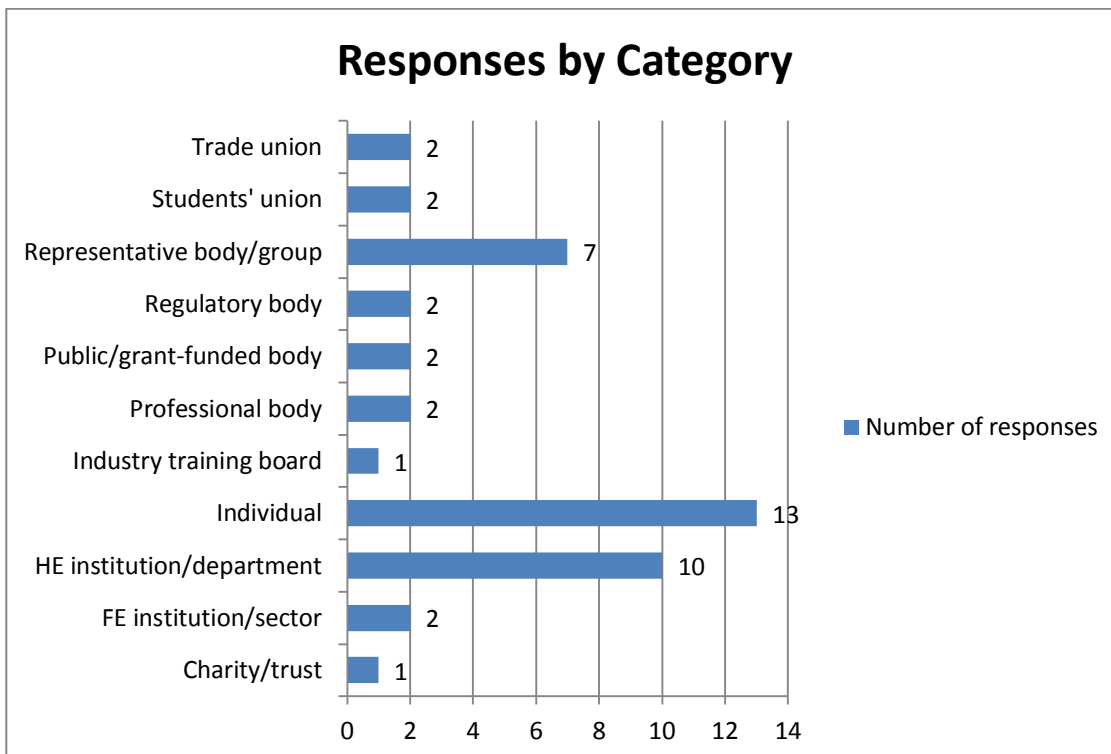
1. The Welsh Government consulted on the implementation of proposed changes to student support and higher education (HE) funding by the Welsh Ministers¹. This document summarises the responses to that consultation and outlines the Welsh Government's response. All years referred to in this document are academic years, unless stated otherwise.

2. The consultation was informed by the recommendations of the Review of Higher Education Funding and Student Finance Arrangements in Wales, chaired by Professor Sir Ian Diamond, which ran from April 2014 to September 2016. The Welsh Government commissioned the Review in recognition of the need to assess whether the existing student support and HE funding system was sustainable in the long term. The Review Panel considered in great detail the case for changing the support offered to students. The reports from the Diamond Review are available on the Welsh Government website via the following link: <http://gov.wales/topics/educationandskills/highereducation/review-of-he-funding-and-student-finance-arrangements/?lang=en>.

3. The Welsh Government has endorsed the principles contained in the report and accepted the overwhelming majority of the Diamond Review's recommendations. The consultation concentrated, therefore, on obtaining views on the development and implementation of policy that is being introduced from 2018/19 onwards.

4. The consultation received 44 responses. Figure 1 illustrates the responses received by group. The largest number of responses came from individuals, followed by HE institutions or departments.

Figure 1 Number of responses, by group



¹ *Support funding for students resident in Wales* (2016) consultation document
<https://consultations.gov.wales/consultations/support-funding-for-students-resident-in-wales>

Student support package for undergraduates

Our questions

5. We asked the following questions about the implementation of our proposed changes to the support package for full-time and part-time students.

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?
Question 2.	Are there likely to be any unintended consequences from implementing the changes to the tuition fee and maintenance support packages?
Question 3.	Do you have any suggestions for sharing risks and controlling the costs/numbers of students eligible for student support?
Question 4.	Will implementing these proposals disadvantage any particular group?
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?
Question 6.	What impacts and unintended consequences will result from the move to monthly maintenance payments?

Consultation responses

6. Many respondents welcomed the proposals overall and responses were largely positive. Respondents raised a range of issues on the detail of the proposals and on the wider implications of their implementation. These issues are outlined below.

Implementation issues arising from the introduction of the new student support system as a whole

- A comprehensive communication programme is needed so that the proposals are seen as positive. Information, advice and guidance is needed for all full-time and part-time students, including adults and distance learners with regard to the financial implications of students in different circumstances.
- Timely marketing is needed, potentially earlier in the application cycle, in order to avoid any confusion amongst potential applications about the support on offer from 2018/19 onwards. The Welsh Government has a role to play in this, alongside HE institutions' own recruitment campaigns.
- There should be no major barriers to implementing the new system if all stakeholders are committed to doing so in a timely manner.
- The SLC might not have sufficient capacity to implement the new system in 2018/19 as planned.
- Clear information will be needed for HE institutions' fee and access plans.
- Decisions regarding health-related subjects need to be taken in conjunction with discussions about student support arrangements.

- Changes elsewhere in the UK need to be monitored so that any consequential effects can be identified.
- Staged implementation of the new system is welcome.
- Sufficient funding will be needed to cover the transition period.
- Implementing the changes to student support alongside a move towards monthly payments might compromise the proposed timescales.
- The proposed timescale leaves little time for any legislation or regulation.
- A working group should be established to oversee the transition to the new system.
- 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.
- Clarity is needed on the long-term future of financial support for nurse education as soon as possible, in order to provide certainty for the sector.

Impact on students, student recruitment and study patterns

- Issues for part-time students will need careful handling.
- It is positive 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 new system represents a positive change for part-time HE and those who choose to study part-time. Making support available to part-time students studying at 25% intensity or more is welcome.
- The principle that students aged under 25 will receive the same support as those aged over 25 is welcome.
- Some students may choose to defer entry as a result of the changes. This could be mitigated by a phased introduction of the new system.
- The new support package could affect potential students' decisions about whether, and where, to study. Fewer students might choose to enter HE as a result of increased fears of debt. This could have particular relevance for widening access.
- It would be worth considering different costs for students between different years of entry and possibly phasing in the new tuition fee grant in two steps, rather than one, so as to offset any perceived unfairness.
- Clarity is needed in relation to any protection for current students, those who defer entry, and how the level of support will be set for students living at home and in London.
- The new system must be able to address increases in tuition fees in England without impacting upon the maintenance support package, or any of the other areas identified in the Diamond Review. Otherwise the entire principle of the recommendations will have been compromised.
- Matching the maintenance package to the National Living Wage is progressive, but it is essential that this is properly costed and assessed.
- It is not appropriate to subject some students to a family-income assessment when they are estranged from that family. The Welsh Government needs to consider ways in which these students can be supported.
- The new system will only make HE more accessible to those who really need the support.

Wider developments beyond Wales and the UK

- The Welsh Government and the HE sector must keep a close eye on the development of the Teaching Excellence Framework (TEF) in England and the associated Higher Education and Research Bill. A major concern with the TEF is that the Department for Education, and later the Office for Students, could have more regulatory and policy oversight of the Welsh sector than the Welsh Government and HEFCW have currently.
- If an EU student begins their course of study in Wales in 2018/19, when these recommendations are expected to be implemented, their status must be protected throughout the lifetime of their course.
- Associated with EU membership is the nature and status of the Erasmus+ scheme, and what impact a withdrawal from the scheme would have on the implementation of the Review's recommendations. Wales receives far more students than it sends abroad; if those students stay in Wales, it is unclear whether the sector would have the ability to cope without limiting student support/numbers.

Unintended consequences arising from implementing the changes to the tuition fee and maintenance support packages

- Student numbers may drop overall, which would have a disproportionate impact upon widening access and those from targeted group backgrounds.
- Students would actively seek to embrace the new system by staying in Wales.
- If Welsh institutions take part in the TEF but do not increase their tuition fees until after 2020 and some English universities are able to do so, this could lead to a debt gulf. This could in turn mean that a greater number of students, both Welsh and others, will apply to Wales in order to secure cheaper tuition fees.
- The Welsh Government must ensure that the new system does not impact negatively on the future nursing workforce by making nursing a less attractive degree course to undertake at undergraduate level. Postgraduate level specialist nursing courses must also remain attractive. Any negative impact risks destabilising the future of the healthcare system in Wales.
- There is a need for support for smaller modules and lower intensity study as the most appropriate option for many students including some of those furthest from HE.
- Students should be able to transition directly to the new support package without the requirement to take a break in study.
- Some HE institutions may decrease their bursary offer for Welsh students, which could lead to increased applications to hardship funds.
- There may be a negative impact on students' entitlement to benefits. Clear guidance is needed for assessors.
- The impact on integrated Master's students needs to be considered; effective advice and communication is needed.
- The income threshold (£59,000) is too low and will, therefore, disproportionately affect students from middle income backgrounds.
- The system will encourage students to study locally and will not promote access to the best the UK can offer.
- Delays in Welsh Government decisions and the provision of information could lead to increased demand for student hardship funds.
- Universities' living cost information suggests that some students may suffer a significant shortfall, particularly independent students and those with either a low or high household income.

- The demands of some courses mean that students may not be able to undertake part-time work to supplement their income; doing so could be detrimental to their academic performance.
- Removal of the tuition fee grant will affect EU recruitment as Welsh HE institutions will now be competing directly with English HE institutions in the EU at the £9,000 fee level. Meanwhile, the terms of the UK leaving the EU could lead to a reduction in EU students applying to study in Wales and the UK.

Other issues raised

- There is a need for a robust, transparent process for monitoring and modelling.
- In the first few years, there will be potentially higher costs arising from running two student support systems.
- A joined-up, integrated approach is needed.
- A graduate tax would allow those who benefit from subsidised fees to make a contribution to society.
- Early clarity is needed on the amounts available for HE institutions' scholarships and bursaries.
- The identification of students who fall just outside the maintenance grant bracket will be crucial.
- Consideration should be given to adopting the Living Wage, as defined by the Living Wage Commission, rather than the National Living Wage when considering a baseline for maintenance support.
- Consideration should be given to supporting students who study at an intensity of less than 25%.
- Some form of alternative finance, consistent with the principles of Islamic finance, would be welcome.
- Clarification is needed on the following issues:
 - Whether there will be any support for placement years.
 - Whether entitlement to a special support grant will affect the level of funding available to students.
 - Agreed levels of financial disregards when an individual's benefits are being calculated.
 - Eligibility criteria and any age limit for older learners.
 - Eligibility criteria for distance learners.
 - Liability for loan or grant if student drops out of a course.
 - End-on courses, distance learners and any age limit for student support.

Suggestions for sharing risks and controlling costs/numbers of students eligible for student support

- The main controls should include careful modelling, monitoring and research, piloting aspects of the scheme, and the phased introduction of the changes, as set out in the Welsh Government's proposals.
- Financial savings could be made by setting the upper income limit for student support at a lower level than £59,000.
- This approach needs to be part of HE institutions' fee and access planning, and perhaps a review of widening access targets.
- If student support were only available to Welsh-domiciled students studying in Wales, costs could be controlled through quotas for HE institutions.

- There should be a managed number of dental places based on regular workforce reviews.
- EU applications and any fall in EU recruitment could be monitored; this may increase resources by reducing the call on the fee grant.
- Any measure for controlling costs and student number should apply to all Welsh-domiciled students, not just those who are studying in Wales, and should include alternative providers.
- Several legislative changes are in progress that may provide further options. For instance, the HE and Research Bill could potentially give the Welsh Government greater flexibility to set limits on the amount of support awarded to students and the terms under which it is awarded.

Other issues raised

- Student support/numbers could be limited by prioritising applicants based on grades, but this approach often has a pejorative impact on widening participation groups.
- It would not benefit Wales' economy or achieve social justice to cap student numbers.
- From a public stewardship perspective, it is essential that any student who is no longer participating in study is identified before each loan payment date.
- Changing the balance of loans and grants, in terms of the composition of individual student support, would be a negative move (assuming an increase in the loan portion). This would put more debt onto the student, which would run counter to the proposals and principles of the Diamond Review.
- An alternative solution, rather than limiting how many students can enter higher education, would be to incentivise students entering FE or apprenticeships. This could be implemented alongside greater support given to Welsh HE providers to ensure that they do not have to limit the number of Welsh-domiciled students.
- As long as student support is portable, student number controls applied to Welsh institutions are ineffective in controlling costs.
- Direct student number controls appear to be contrary to the aims of the Diamond report and the Welsh Government's own policy principle that the choice of institution and course for Welsh students should be driven by individual circumstances and need.
- It is questionable as to how far additional measures are needed since the latest UCAS figures relating to the main deadline for full-time undergraduate applications in the 2017 application cycle in Wales show a reduction in full-time undergraduate applications (down 8% on the 2016 cycle). In addition, the figures across the UK highlight a number of significant emerging challenges such as underlying population change (the number of 18 year olds in Wales is projected to continue to decline significantly until 2020) and the impact of the UK's exit from the EU.
- There may be a need to look closely at how the risks are managed in relation to student support for study outside Wales and at alternative providers.
- 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 those students should still have access to the loan and maintenance support package.
- Capping student numbers may create a barrier to studying in Wales by having a disproportionate impact on students who cannot afford to study elsewhere.
- The financial cost to the Welsh Government of operating the cap should be considered.

- Number controls are already in place in professional disciplines, e.g. teaching and nursing.
- This approach might lead to HE institutions recruiting greater numbers in subjects where recruitment isn't capped.
- Capping could be perceived as rationing.
- The ceiling for support could rise as non-means-tested benefits are increased.
- The previous tuition fee grant cap disadvantaged Welsh HE institutions in competing against English institutions for Welsh students.
- Increases to the cost of the system should be met by the Welsh Government if possible and shared with students if not. There is a need to avoid all increased costs being passed on to students; this would undermine the principle of 'progressive universalism' referred to by the Diamond Review.
- It would be better for the Welsh Government to prioritise longer-term objectives and strategic aims for students in Wales and Welsh HE institutions, and to develop measures to monitor their achievements, e.g. the number of Welsh-domiciled students from Welsh HE institutions who remain and work in Wales.
- Distribution of the risk between the Welsh Government, HE institutions and students seems sensible.
- Means-testing is costly and difficult to administer.
- Part-time student support should be kept on a par with that available to full-time students.
- A broader range of higher level vocational qualifications should be introduced.
- Hopefully, as a result of the implementation of the recommendations from the Hazelkorn Review, student pathways will expand and the demand for student support will be reduced.
- It is welcome that there is recognition that the undergraduate route is not the most appropriate for everyone.

Disadvantages or negative impacts on particular groups

- Middle-income students and families, who could be described as income rich but cash poor (i.e. with limited disposable income). This includes those with an income just over the threshold who wish to support more than one person in the family through university, whether children or parents.
- Single parent families where the parent is divorced or separated. This affects means testing; there is a difference between technical income and actual living arrangements.
- 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.
- Those who need to study flexibly. If the maintenance support package is not sufficiently flexible to match their study needs, it would be welcome if the system could allow for an individual's maintenance support banding to go up and down in-year.
- Students from low-income, who may be worried about committing to a loan for fees and who cannot afford to study outside Wales.
- Students who are estranged from their families partway through their courses, who may have difficulty providing evidence of their changed circumstances.
- Part-time students, who are likely to be older and have more financial commitments, or who may be on benefits.

- Students who qualify for social work through a Master's degree; they will receive less financial support than colleagues who have qualified through an undergraduate degree.
- Students whose families refuse to engage with means testing.
- Students on longer courses, e.g. dental students if additional support is removed for such courses. Confirmation would be welcome of any intention to continue this support to a value equal to that provided for those studying on a 30-week basis.
- Students from high-income backgrounds, although they will have better protection against debt than students from low-income backgrounds. High-income students will see a balancing effect, having greater choice over the use of parental contributions at the expense of greater debt.
- Those who need to study at an intensity of less than 25%, e.g. carers, in order to achieve their ambitions.
- Students at Welsh HE institutions, which have a perceived lack of resources compared with English HE institutions.

Other issues raised

- The Diamond Review's recognition that the system is inadequate for middle-income students is welcome.
- Whilst it is welcome that the proposals will address the current imbalance regarding support for part-time students, the Welsh Government proposes to provide support for a more selective group of part-time students than envisaged in the Diamond report and the advantages may not be evenly spread.
- An overly complex system might deter students.
- This approach will restrict opportunities to study in Wales and may affect social mobility.
- There will be a need for close monitoring of participation rates by low-participation groups.
- Household income should not relate to fee support. Any young person who wants to study should be able to do so.
- Using gross income to assess the level of support to be awarded is unfair as household incomes can vary depending on the split of salary between those contributing. Net income is more relevant due to varying tax and National Insurance contributions.
- If funding could be provided where a second or third child is at university at the same time as an even split, then this would be a fairer approach for families below the 45% / £150,000 earning bracket.
- A move to place maintenance support on a grants-based footing is welcome, although the associated trade-off for full tuition fee debt is disappointing. However, there will be less maintenance support overall when mapped at the current level.
- The replacement of the current tuition fee grant with additional loan is welcome. This allows available resources to be better directed to students who most need it and allows student support to cover the full cost of study including maintenance, which has been identified as the most critical issue for students at the moment. It also allows appropriate investment to be made in universities to better serve students, communities and the economy. Overall this should reduce disadvantage.
- The proposed system is far more equitable, introducing a £1,000 payment for all students irrespective of background.
- Students from a slightly wealthier background do not necessarily receive support from their household.

- The Welsh Government needs to manage the transitional impact on HE institutions. Their funding will reduce before any the new arrangements release any funding.
- There is a need to provide appropriate financial resources for student parents.
- The means testing rules could allow for the fact that some families may have several family members who are studying in HE at the same time.
- Decisions about student support and Disabled Students' Allowances need to be taken conjointly.
- The proposal that HEFCW collect information on the cost of living at each HE institution is welcome, but it may have a deterrent effect on applications.
- Analysis of the new system is needed once embedded in order to allow the identification of any adverse impacts.
- Welsh HE institutions may experience a negative impact since the system encourages study outside Wales.

Encouraging study on courses with an intensity of less than 25%

Proposals for encouraging study at less than 25% intensity without providing student support

- Individual modules should attract student support funding even if they are not linked to a qualification – as a means of increasing access and meeting individual study needs.
- New and existing courses should be accredited.
- It would be useful to strengthen credit transferability so that students can build up and transfer credit from smaller chunks of study, and across modes of study, thus adding value to lower intensity courses and making them more appealing to students.
- Employers could be incentivised to encourage and support staff to study shorter modules where they will benefit the workforce. Employers value shorter modules to enable their staff to study a manageable amount in a flexible way.
- Engagement with major employers and their representatives bodies to outline the benefits of a highly skilled workforce.
- Engagement with prospective students on opportunities for continuing professional development and flexible study.
- Government support for communication campaigns, in conjunction with umbrella organisations such as Universities Wales.
- Enhanced communication campaigns aimed at learners aged over 25.
- Promotion of part-time learning opportunities, alongside part-time student support, as part of the overall educational offer.
- There might be an opportunity for regional consortia to use existing funding streams flexibly and minimise fee and maintenance costs for students – possibly through bespoke study options.
- Adult education courses could be reinstated since many have ended.
- Increasing ease of access, e.g. through online courses.
- Opportunities for HE should be approachable and embedded in local communities.
- Careers Wales could consider how to cater for an all-age approach, including for those who are considering career changes.
- Student Finance Wales could open part-time loan applications at the same time as those for full-time study.
- Welsh Government retraining initiatives should include lifelong learning short courses, blended learning and distance learning options.

- Consider how greater FE-HE collaboration and clearer progression pathways could support skills development agendas.
- Support study for modules that do not link immediately to a qualification; this offers flexibility on future learning plans.

Proposals for encouraging study that would require financial investment

- Support could be provided to institutions for the provision of flexible learning options and bite-size courses with clear progression routes to formal HE qualifications, including online and distance learning.
- Provide bursaries for priority subjects.
- Continue of initiatives such as the tuition fee waiver, supplemented with widening participation initiatives and support for low participation groups.
- Make additional funding available, via HEFCW, to support lower intensity study.
- Retain the widening access premium paid to HE institutions.
- Incentivise employers and employer organisations to engage in upskilling and work-based learning.
- Swift implementation of fibre optic technology to all parts of Wales to support blended and distance learning in rural communities.
- Direct funding of HE institutions to provide these courses, which could be subsidised for students.
- Low fees and fee waivers.
- Pro-rata support should be available to students working towards a high education qualification, even where the student studies at less than 25% intensity within the year.

Other issues raised

- The Welsh Government's concern regarding the complexities and costs of part-time provision is understood.
- 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.
- Lack of subsidies might reduce access and provision. 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.
- The continued funding of the OU's level 0 Access courses, which currently attract student support funding if they are linked to a qualification, is welcome. These 30 credit (25% intensity) level 0 courses are an essential route into HE for many students who have not come through traditional school or FE routes.
- It is important to consider the sustainability of the current provision on offer to meet future workforce needs.
- There is a need for greater flexible learning opportunities.
- The increased availability of degree-level provision through work-focussed HE qualifications is welcome, but minimum study intensity requirements might deter students.
- A lower intensity threshold would be helpful, otherwise providers might change modules to fit funding requirements.
- Changes to Disabled Students' Allowances should take account of the differing needs of distance learners.

- Adult learning models in other countries should be considered.
- The cost of part-time flexible learning should remain affordable and accessible for co-investment and those funding themselves to study.
- A balanced programme of Apprenticeships should be widely available to all adults, not just the under 25s.
- The Welsh Government and Universities Wales should implement the recommendations of the Online Digital Learning Working Group, *Open and Online*.
- There is a need for confidence that the Student Loans Company can manage arrangements for supporting lower intensity; a sensible eligibility threshold needs to be identified with that in mind.
- The 25% threshold could be kept under review. A slightly lower threshold might be more manageable and effective in extending support.
- Encouraging providers to increase part-time provision at a low cost to students will require additional funding.

Impacts and unintended consequences arising from a move to monthly maintenance payments

Potential positive impacts resulting from a move to monthly payments

- This will allow for more effective budgeting and help to reduce the chance of students getting into debt later in life.
- Monthly payments would be more in line with the pattern of most direct debits; this could reduce the number of students paying bank charges.
- This would help students on low incomes.
- This could assist with better targeting of bursaries within institutions.
- This would help to reduce overpayments in instances where students have left courses.

Potential negative impacts resulting from a move to monthly payments

- This will create increase the administrative burden for HE institutions as accommodation costs are currently managed on a termly basis. Institutions will also need to lend more frequent support to students who are experiencing difficulties in securing monthly payments from the Student Loans Company.
- There may be a possible negative impact on students who are receipt of benefits. Clear guidance will be needed for benefits assessors.
- It may mean students cannot afford payment for things such as university-managed accommodation at the start of the academic year.
- There is no guarantee that institutions outside Wales would adapt their processes to reflect monthly payments.
- This may lead to increased pressure on HE institutions' hardship funds and bursaries as a result of students running out of funds.
- Whilst HE institutions could consider changing to monthly payments for students for accommodation and other services, they will not be able to influence private landlords, who might see students as an increased risk and so might, therefore, reduce the amount of accommodation available to them.

Other comments on monthly payments

- The Welsh Government should consider ways in which these upfront payments could be addressed by the maintenance system.
- The Welsh Government should prioritise other SLC arrangements over the implementation of a monthly-system at this stage, allowing further time to identify and address any potential cash-flow issues.
- It would be helpful if the first monthly payment were bigger so as to allow students to meet upfront costs at the start of their courses.
- Ideally there would be one UK-wide system for making student support payments. In the meantime, the Welsh Government could raise the matter with other UK HE institutions, especially those with a larger number of Welsh students.
- More clarity would be needed on the structure of monthly payments. For example, whether these would comprise 12 equal payments or be linked to term time, when students face more costs, and whether students would be able to choose between these options.
- The first payment must be made in line with the start of a student's course and not in arrears.
- For late assessments, the first payment should include any outstanding payments.
- Monthly payments may encourage students to stay in study rather than seeking employment if monthly support payments are seen as an alternative to monthly salary payments.
- The universal £1,000 support payment could be made upfront, with the remainder of support being paid monthly.

Welsh Government response

7. On the basis of the evidence gathered and presented by the Diamond Review, the Welsh Government considers that a case for change has been demonstrated. The Welsh Government's response on 22 November outlined a revised student support system for undergraduate full and part time students. Consideration of the consultation responses has confirmed this view.

8. The consultation also confirmed that there is a significant desire from stakeholders to see the new student support and funding system introduced in time for the start of the 2018/19 academic year and for this to be communicated clearly to students. The Student Loans Company has confirmed that it is able to implement these changes for 2018/19. In view of the above considerations, we will introduce the following system of student support from 2018/19, subject to the necessary regulations being passed through the National Assembly legislative system. We will ensure that we monitor the impact of the new system on different groups of students, as highlighted in consultation responses.

Maintenance support

- A £1,000 non-means-tested universal maintenance grant will be available to all eligible students ordinarily resident in Wales – this will be pro rata for part-time students, i.e. students studying at 50% intensity will receive £500.
- An additional means-tested grant will be available to contribute to living costs. We propose to introduce a means-testing taper for maintenance grant support that is more generous than the current taper for household incomes (up to £59,200).

- The maximum maintenance grant will be set at the level recommended in the Diamond Review, in the first instance, with additional loan provided to ensure the total level of maintenance support reflects growth in the National Living Wage.
- Maintenance loans will be available for those not eligible for grant. The maintenance loan will be non-means-tested for students from higher income households receiving a grant at less than the maximum level.
- The amount of loan available will be equal to the maximum level of total maintenance support, less any means-tested grant.
- Part-time students will receive, on a pro-rata basis, a modified version of the maintenance support available for full-time undergraduate students (i.e. a proportion of the £1,000 non-means-tested maintenance grant, with an additional means-tested grant up to a maximum based on £6,000 full-time equivalent, but with the maximum grant available up to a household income of £25,000).
- The targeted grants and allowances that exist for undergraduate students, namely the Childcare Grant, Adults Dependents Grant, Parents' Learning Allowance and Disabled Students' Allowance, will remain in place.

Tuition fee support for full-time students

- We will replace the current tuition fee grant for full-time undergraduate students with an additional subsidised student loan, up to the current maximum fee level applicable in 2018/19, (currently £9,000 in Wales, and £9,250 in the rest of the UK). This will be available wherever students study in the UK.
- For those wishing to repay their loan there will continue to be an option for direct payment or early repayment.
- Loan repayments will continue at a rate of 9% of the graduate salary above £21,000 (frozen until 2021) and the discount rate applied to repayments set by HM Treasury (currently 0.7%). This is the UK-wide repayment policy.

Tuition fee support for part-time students

- Tuition fee loans will continue to be available for those eligible students ordinarily resident in Wales, studying at an intensity of greater than 25%.
- The Welsh Government will continue to provide HEFCW with grant funding to subsidise part time courses. This means that part-time students will continue to be charged moderated fees.
- A subsidised tuition fee loan will be available to part-time students to cover the full moderated fee.
- The tuition fee loan, maintenance support, and the institutional grant to the HEI will be made available in respect of part-time students who study at an intensity greater than 25%.

9. There was no consensus on sharing and controlling risks, how to encourage an increase in the number of people studying at lower intensities, or on the provision of monthly maintenance payments. The Welsh Government will, therefore, work closely with stakeholders on these three issues so that we are able to fulfil the commitments contained in the initial Government response.

10. In order to implement the Welsh Government response to the Diamond Review, the following actions will be taken forward:

- Establish a stability and sustainability working group to consider realistic options for sharing risk. Initially this group will consist of internal officials, but key stakeholders will be consulted before the finalisation of advice to the Cabinet Secretary for Education.
- Work with the National Unions of Students and other key stakeholders (including universities and landlords) to consider the advantages and disadvantages of the move to monthly maintenance payments. The group will hope to reach a consensus on next steps before providing advice to the Cabinet Secretary for Education.
- Work with HEFCW to consider next steps in incentivising study at lower intensities.

The introduction of a fully regulated part-time system

Our questions

11. We asked the following questions on our proposed introduction of a fully regulated part-time system.

Question 7.	What impact will a move to a fully regulated system have on part-time providers in Wales?
Question 8.	Do you think any particular groups would be disadvantaged by this policy?
Question 9.	Do you think that the aim of achieving a fully regulated part time system by 2021 is a realistic timescale?

Consultation responses

The impact of a move to a fully regulated system on part-time providers in Wales

Comments in support of a move to a regulated part-time system:

- If implemented correctly, this has the potential to make higher education much more accessible in Wales.
- Regulation is necessary to an extent to ensure consistency, quality, transparency and value for money.
- Full regulation will support FE institutions' planning processes in conjunction with HE partnerships.
- An integrated, holistic approach to FE institutions for their HE regulation should assist FE institutions and improve current duplication with regard to the fee and access plan approval process.
- This could lead to improved sustainability and reduce the need for cross-subsidy of subjects.
- This could enable providers to better meet the needs of individuals and employers and to meet the objectives set out in the Future Generations Wales Act 2014.
- If HEFCW's role and functions are to be absorbed into the new Teaching and Education Authority, this seems an appropriate time to begin the transition and alignment of all HE providers.
- The quality of courses could be driven up by having a fully regulated system.

Comments against a move to a regulated part-time system:

- The Welsh Government should assess whether any providers offer a majority of their courses at an intensity of lower than 25%, as they may be affected by students only choosing to study at institutions where they can receive funding.
- Capping fees could lead to providers charging the maximum fee irrespective of intensity. This could be restrictive and lead to reduced part-time provision.
- A maximum fee level should be the result of a deliberate policy and not because providers of part-time provision come under the HE (Wales) Act 2015; this could make some providers uncompetitive.
- This will mean increased administrative costs for HE institutions.

- A light touch approach and self-assessment should be used where possible.
- Fee limits could affect course provision; some courses rely on higher pro-rata fee levels.
- This could lead to a drop in the availability and variety of part-time courses, may be a particular risk for specialist courses, and could affect particular groups of learners, including those from low income backgrounds and those learning for professional reasons.
- Regulating provision will not increase control of student support funding, because there will still be potential for an increase in numbers of students studying outside Wales. There would be a need for careful planning and monitoring to manage risks.

Other issues raised

- There is a lack of clarity with regards to how that system would look and what it would involve.
- Bringing part-time provision within the HE (Wales) Act 2015 would not change the regulatory arrangements in relation to quality assurance or the financial management arrangements of part-time provision at universities. Currently, all universities in Wales are regulated institutions. All courses, including part-time courses provided in Wales by regulated institutions, are subject to the quality requirements of the HE (Wales) Act 2015, and the institutions are subject to the Financial Management Code requirements. It could, however, enable part-time-only providers to become regulated institutions, which has not been the case hitherto.
- There is a need to consider how this will affect FE institutions in Wales to ensure student services provide correct information to students.
- Current fee and access plan arrangements already provide a degree of regulation to ensure value for money for students.
- Similar public accountability measures should be applied to full-time provision.
- This approach would require consistency across institutions' plans.
- There is a need to determine the main reason for regulation, i.e. to determine student support eligibility or management of the part-time sector.
- There is a potential burden on the system arising from the growth in distance learning.
- There would be a need to ensure that regulation isn't limited to regulated institutions only, given the potential for future growth in alternative providers.
- The Welsh Government should confirm that it will put in place appropriate and proportionate controls for providers that do not choose to become regulated institutions.
- There will be a need for sufficient funding to cover any resulting growth in part-time provision.
- The timescale may be unrealistic given the requirements for submitting fee and access plans for 2018/19.
- The tuition fee loan should cover part-time fees; regulated fees should support this.
- This is an appropriate public accountability issue, but equality impact assessment screening of fee and access plan guidance would be needed.
- The proposal should be mapped out and evaluated. This should minimise any potential disadvantages for part-time provision/learners in the interim.
- There are concerns at the proposal to incentivise study at below 25% intensity without formal student support.

Disadvantages or negative impacts on particular groups arising from this policy

- Students who receive benefits, e.g. single parents. The Welsh Government could address this by confirming with the SLC/Department for Work and Pensions that the loan should be treated as support for study courses and, therefore, excluded from benefit calculations.
- Students aged over 60.
- Students from lower-income backgrounds.

Whether the aim of achieving a fully regulated part-time system by 2021 is a realistic timescale

- 2021 is realistic along as:
 - there are sufficient resources and commitment to undertake regulatory reviews of HE institutions;
 - guidance for fee and access plans is provided in a timely manner;
 - the Student Loans Company gives sufficient priority to the Welsh Government's requirements.
- A collaborative approach between HEFCW and HE institutions should be encouraged.
- An administratively burdensome approach should be avoided.
- The Welsh Government should gather feedback from the institutions likely to be affected, and reevaluate the timescale as appropriate.
- The extent and scope of regulation will have a bearing on this. Clarification is needed on whether the system will be limited to degrees and other HE qualifications.
- The timelines for achieving a fully regulated part time system are tight, given the context of the wider changes taking place in the HE sector in Wales, not only in terms of implementation of the Diamond recommendations, but also the introduction of Health Education Wales.
- The Welsh Government should ensure that part-time providers are provided with adequate support to assist in the transition.

Welsh Government response

11. The Welsh Government response to the Diamond Review proposed the development of a fully regulated part-time system by 2021. This would mean that providers of part-time HE courses who wish their courses to be automatically designated for the purpose of Welsh Government student support would need to apply to HEFCW for approval of a fee and access plan. Subject to approval of their plans, providers would be required to comply with the fair access provisions of those plans, tuition fee limits, HEFCW's quality assessment requirements and HEFCW's financial management code.

12. On the basis of the consultation responses that we received, moving to a fully regulated part-time system would appear to be the right direction of travel. However, it is clear that there are a number of complexities that mean that more work is needed on communication and understanding and timescale before implementation.

13. The Welsh Government will, therefore, work with stakeholders to fully evaluate the evidence, gain a full understanding of the details and to establish a timeline for the implementation of a revised system. This will need to closely link with the work being undertaken on the Welsh Government response to the Hazelkorn report.

Postgraduate taught Master's provision

Our questions

14. We asked the following questions about the implementation of our proposed changes to the support package for taught Master's students.

- Question 10. Are there implementation issues which we should consider when taking forward our proposals for post graduate support?
- Question 11. Are there likely to be any unintended consequences from implementing these proposals?
- Question 12. Will implementing these proposals disadvantage any particular group?
- 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?
- Question 14. Is there any other way of implementing our proposals for postgraduate students that would better promote equality of access?

Consultation responses

Any implementation issues that should be considered

- It would be helpful if the Welsh Government could review the criteria to allow students to complete part-time study in a longer timeframe than twice the period of a full-time equivalent student. This relates to equality issues; disabled students are more likely to choose longer study options.
- Any course that involves an integrated postgraduate year would be charged the same fee that was promised in the first year of undergraduate study. It would be morally wrong to price a student out of a course they are already studying.
- The merits of reassessment need careful consideration. It would be more equitable to assess students' financial situation after a given number of years, given the difference in undergraduate course lengths.
- It would be a concern if implementation were delayed, given that similar support is already available in England.
- A variable interest rate should be avoided; this should be modified alongside the Bank of England rate, not RPI.
- Loans could be administered through the Bank of Wales or another high street lender.
- Capped student numbers might be needed, alongside current national priorities and workforce development needs.
- Students entering postgraduate study under the interim regime should be provided with the same cohort protection that has been offered to undergraduate students. Otherwise, this will only complicate the system and the transition for both students and stakeholders.
- Monthly payments should be extended to postgraduate students.
- The loans processing would be best completed by a specialist part-time team.

- Including parental income as part of means testing seems inappropriate, given that postgraduate students are more diverse.
- Postgraduate loans should be available to students on courses with bursaries, which may not be sufficient to cover fees and living costs.
- All prospective Welsh postgraduate students should be able to access loans.
- Students should have the option to have their tuitions fee loan paid direct to their HE institutions; this would decrease the risk of unpaid fees arising from financial mismanagement by students.
- There is a need for timely dissemination of information for undergraduates if they are planning to progress to postgraduate study.
- Consideration should be given to extending support to students with equivalent or lower qualifications who are studying subjects of social/economic importance.
- £17,000 is likely to be insufficient to cover the living and study costs of postgraduate study.
- It would be helpful if there were specialist teams to support part-time students.
- The Student Loans Company's capacity to implement these proposals will be critical.
- There is a need for Student Finance Wales staff to be clear on residency and assessment.
- Clarification is needed in relation to the following:
 - Eligibility with regard to the level of intensity of study.
 - Whether funding support will be available to students who graduate in 2017/18 and have already been accepted on integrated Master's courses.
 - Whether there is an age limit on this support.
 - How the system will deal with students who are repeating a year or who have used an additional year at undergraduate level.
 - How the new system will apply to existing postgraduate students, and whether they will be eligible to apply for any support.
 - The assessment process for student in receipt of benefits.
 - Whether financial support will be available for all types of postgraduate course, including research Master's courses.
 - Whether integrated Master's students will be eligible for undergraduate or postgraduate funding.
 - Whether targeted grants and the Special Support Grant will be available. If not, this may affect access.
 - Whether the proposals cover distance learning. If so, this should be covered by the 'living at home' rate where relevant.
 - Residency and eligibility criteria, particularly so that students understand the new system and how it differs from what is available elsewhere in the UK.
 - The position of EU students in view of the UK's departure from the EU.

Other issues raised

- Young people need security and the opportunity to pay off debt before retiring.
- It is anticipated that regulation will remain for some postgraduate qualifications; this will require additional consideration.
- The complexity of regulating the system does not outweigh the recommendations outlined in the final report.
- The Welsh Government's decision not to cap postgraduate taught fees and not to provide an expensive subject premium equivalent via HEFCW for higher cost subjects will have a negative impact on the success of implementing these recommendations.

- Social care qualifying programmes are primarily three-year undergraduate or two-year full-time postgraduate courses; restricting access to funding for one year for postgraduate study does not, therefore, relate to Welsh Government priorities in this instance.
- The long-term solution proposed by the Diamond Review is critical to sustainability of current policy given that Welsh HE institutions' capacity to deliver postgraduate programmes remains precarious. The interim policy is welcome as it brings Wales in line with the rest of the UK.
- It is a matter of social justice that everyone should have the opportunity to access advanced level study.
- This may affect eligibility for benefits. Postgraduates who are receiving benefits should not be disincentivised from studying.
- Student may not use this support to cover their fees.

Any unintended consequences from implementing these proposals

- Without some form of fee cap it is possible that HE institutions may raise their fees in line with the level of loan that is made available. This would, in effect, place many postgraduate taught students in a position where they will be expected to meet the full costs of the provision.
- It is imperative that HEFCW has oversight of postgraduate fees to ensure that students are not being driven into debt, and institutions are not able to take advantage of the new postgraduate funding regime. Whilst institutions should be allowed to set their own fee levels, this should not be done without effective checks and balances.
- Not providing the top up fees for higher courses could lead to decreased demand for these courses.
- Welsh higher education is limited in the number of specialist postgraduate taught courses and many of these have a higher cost. Removing the additional support from Welsh Government and requiring students to cover the costs will serve as a barrier to students accessing those courses.
- With lower demand for these courses, and tighter budgets, there a possibility that institutions will need to consider reducing their provision of high-cost courses or completely removing them, thereby reducing students' opportunities to study within Wales. This could affect the viability of these programmes, leading to Welsh HE institutions being unable to offer them and reducing opportunities for all students.
- This might affect how HE institutions market courses and how students enrol on them. It could, for example, have an impact on study options of less than 25% intensity.
- There could be fall in application for 2017/18 if students decide to defer for a year.
- There is a risk of replicating the flaws of the postgraduate support system that was put in place in England. For example, failing to support courses of less than two years' duration.
- This could increase the levels of debt for the next generation of students.
- There could be unintended consequences for particular groups of students/areas of provision:
 - ELQ and previous study.
 - Courses with higher fee levels, e.g. MBAs. It may become more difficult to access these if the fees aren't covered by the available support.

- Students who become estranged from their families partway through their courses. (They may face difficulties in providing evidence of their changed circumstances.)
- Students from low income backgrounds, who are less likely to want to incur debt.
- Part-time learners, who are more likely to be female and, therefore, potentially more risk averse.
- Integrated Master's students, who should not have to reapply for support.
- Students who are in receipt of benefits.
- Students on two-year postgraduate courses, e.g. dental speciality courses and the new ITE postgraduate courses.

Other issues raised

- Limiting support, either by capping numbers or by limiting support to a select few, will not create a just society. Any attempt to limit numbers affects those from widening access backgrounds far more.
- In light of the decision not to provide equivalent levels of support to postgraduate taught students, the need to access additional forms of support is essential. It is crucial that these channels of support remain intact and that institutions continue to carry out their duty to widen access to education.
- A comprehensive information, advice and guidance campaign on the merits of part-time study will be needed in order to address potential concerns amongst learners about taking on debt.
- It is possible that there will be a significant increase in the number of applications to postgraduate courses, and universities may not be able to meet this increase in demand.
- An unregulated system could lead to differential fees, since HE institutions could increase their part-time fees. This may act as a barrier for some students. A prescribed maximum fee/support level would act as a safeguard against excessive fee inflation.
- A three-year option should be included to offer greater choice and access.
- It would be unfair if different levels of support were offered according to the course being studied.
- Most postgraduate study is cross-subsidised from full-time undergraduate fees and the maximum level of these has been static since 2012/13. This needs rebalancing in order to ensure the sustainability of undergraduate and postgraduate provision.
- The system should cover three-year courses where the full-time equivalent is one year. This is a common pattern of delivery across HE institutions.
- It is positive that students will have flexibility to choose whether to use the support to cover their fee or maintenance costs.
- The proposed publication of the cost of a 'basket of goods' at universities will be important in helping to identify any early signs of harmful trends developing, with particular regard to postgraduate fees.
- The Welsh Government should monitor access for poorer students in relation to this proposal.

Disadvantages or unintended consequences for particular groups of students/areas of provision

- Welsh students generally, as HE institutions may exclude them from bursaries if they are perceived to have a financial advantage.
- Students who wish to progress to postgraduate study (feeling pressurised to do so by the economy and the need for higher level qualifications) who might instead opt for cheaper courses. This could have a negative impact on the wider skill set of the economy and on individual mental health, fuelled by career dissatisfaction.
- Students who are estranged from their families partway through their course, and who may find it difficult to provide evidence of their changed circumstances.
- Younger or older postgraduates, who might be disadvantaged by means testing criteria.
- Some Welsh students, if access is restricted to students who are ordinarily resident in Wales.
- Social care students.
- Students on postgraduate courses of three to five years' duration, e.g. dental specialty courses.
- Part-time students on three-year versions of one-year courses or those whose part-time completion takes longer than two years.
- Students in receipt of benefits or from lower income backgrounds.
- Disabled students, who may require additional time to complete their qualification.

Other issues raised

- The decision not to offer an equivalent fee top up for postgraduate taught subjects may have a negative impact on the provision of STEM courses and an associated impact on the workforce.
- It is unclear how postgraduate taught students who wish to study at an intensity of less than 50% will be affected, and whether or not they will be able to access funding. Many may have caring responsibilities and may not be in a position to study at a higher intensity.
- There is evidence that the funding framework for postgraduates is having a negative impact on social mobility as the reduction in the percentage of postgraduate students from poorer backgrounds perpetuates social exclusivity in the UK's most highly paid professions.
- Measures of deprivation at undergraduate level may not be the only determinant of deprivation in later life.
- It is unclear why the proposals for study intensity are different at undergraduate and postgraduate levels; they should be the same. The postgraduate proposals could be refined to further promote study arrangements.
- Consideration should be given to the impact of these proposals on different groups and an impact assessment should be undertaken to identify those who are disadvantaged.
- Capping postgraduate support may disadvantage students who do not have financial resources.
- Rural issues need to be considered. It would be more economical and valuable to Wales for the Welsh Government to promote parity of financial support to distance learners, who may live in rural areas, than to provide a complicated travel allowance.

- The Welsh Government must ensure that the new system does not impact negatively on the future nursing workforce by making nursing a less attractive degree course to undertake at undergraduate or postgraduate level.

Regulation of the postgraduate system in Wales

Comments in favour of regulation:

- The postgraduate funding system should be regulated in the same manner as the undergraduate system.
- Regulation should be done in conjunction with a comprehensive review of the cost of postgraduate taught provision to determine whether or not greater public funding is needed to ensure the quality of postgraduate education in Wales.
- It may not be any more costly and complex if the regulatory system for postgraduate study were built from that which exists for the undergraduate system. The proposed scheme for postgraduates should operate in the same manner as for undergraduates.

Comments against regulation:

- The proposal not to regulate at this stage is welcome.
- The costs, bureaucracy and demands on the Welsh Government and HE institutions would outweigh the benefits. There is also a need for evidence to ascertain if the complexity of a regulatory system outweighs the benefits.
- The current system works well and there is no evidence of a need for change.
- Welsh HE institutions are already committed to equal opportunities. Fee and access plans encompass equality measures that apply to postgraduates, so no further interventions are necessary.
- The current flexibility allows an agile response from HE institutions to employer needs.
- Welsh HE institutions need to operate with no greater constraints on their flexibility and autonomy than other HE institutions in the UK and internationally.
- Postgraduate qualifications and routes to study are diverse and there is significant complexity in Level 7 and 8 course provision.
- Maximum postgraduate fee limits could put the Welsh sector behind the rest of the UK and could limit growth and competitiveness.
- A key risk is fraud, although this is a low risk in the case of long-established HE providers, which are subject to extensive regulation by HEFCW. This is where the majority of postgraduates are likely to study.
- It would be better not to regulate fully at the moment – mainly to ensure a wide variety of courses, including those that attract lower student numbers. However, the Welsh Government needs to remain vigilant with regard to any rise in tuition fee levels, publish statistics and keep a flexible attitude towards regulation, especially in relation to fees, if necessary in the future.

Other issues raised

- All recommendations regarding postgraduate taught provision should be implemented as a whole to ensure consistency across the funding system and ensure cohort protection is maintained.

- A working group is needed to ensure that a fully regulated postgraduate system delivers for all students. This should include representation of the student voice, together with other key stakeholders from across the sector.
- The suggestion that it would be complex and costly to fully regulate postgraduate system seems to contradict the proposal that a fully regulated part-time system be developed by 2021.
- Greater flexibility to study at lower levels of intensity, with the opportunity to access financial support, is vital to ensure that students are able to access postgraduate study, particularly student parents, student carers and mature students.
- Individual institutions should provide direct support through bursaries and scholarships to help those from disadvantaged backgrounds achieve their potential and aspirations.
- With the introduction of statutory financial support for postgraduate taught students, it is essential to ensure institutions are held to account on how they spend postgraduate tuition fees, including widening access to postgraduate study through fee and access plans. This would allow the Welsh Government to monitor progress across the sector in widening access to postgraduate education. This will be difficult to achieve so long as postgraduate fees are not regulated, but some form of oversight and accountability in the absence of fee regulation is in the public interest.
- A variety of post-registration (i.e. post graduate) nursing courses are currently offered in Wales, e.g. District Nursing and Neonatal Nursing. The Welsh Government must be clear that these postgraduate students, who are currently funded via an NHS bursary, are not disadvantaged by the proposals.
- Consideration should be given to longer study periods (or lower intensity) for disabled students.
- Designating institutions could be a way of avoiding fee inflation and full regulation.
- Postgraduate students are currently disadvantaged when compared with students in England.
- Clarification is needed on how postgraduate taught students would be income-assessed.

Other ways of implementing our proposals for postgraduate students that would better promote equality of access

Proposed alternatives for implementing the proposals:

- Provide support for lower intensity courses.
- Include online study in the support package.
- Ensure all Welsh students can access loans, even if they have spent time living abroad.
- Provide a greater level of financial support.
- Provide a loan system similar to that available to English students in 2017 whilst working on the proposals outlined.
- Treat postgraduates as 'independent' in terms of income assessment, rather than basing their assessment on their families' income.
- Ensure support covers total living and study costs in order to better promote equality of access.
- Allow flexibility to use student support for fees or maintenance.
- Provide students progressing from undergraduate to postgraduate level with access to appropriate information, advice and guidance at an early stage.
- Adopt an all-age approach.

Other issues raised

- HE institutions need to communicate support options to students.
- Means testing is the fairest approach, but only if all priority employment areas receive the same level of support. However, it would be reasonable to require providers that don't have fee and access plans to commit to promote equality of access through an analogous system and to have charitable status.
- Access to postgraduate study should be based on aspiration and ability.

Welsh Government response

14. The Welsh Government's response to the Diamond Review on the 22 November outlined a revised student support system for postgraduate students. Consideration of the consultation responses has confirmed this view. The Welsh Government will, therefore, look to introduce the new postgraduate support system as soon as is practicable – this is likely to be for the start of academic year 2019/20.

15. However, in recognition that the postgraduate changes will be introduced later than for undergraduate students, we will introduce an enhanced system of support for 2018/19, subject to the necessary regulations being made.

- We will prepare legislation to allow an increase in the contribution to the costs of undertaking a postgraduate course. This will be made up of an enhanced loan of £13,000. This level of support will be portable and will be available to students wherever they choose to study in the UK.
- In addition, the Welsh Government plans to provide funding to Welsh institutions (through HEFCW) to provide additional support for postgraduate students who choose to study in Wales.
- The enhanced support can be used to cover students' tuition fees or maintenance costs and will be available for full-time courses (one or two year). Part-time study will also be supported where courses can be completed in no more than twice the period ordinarily required to complete the full-time equivalent, or where a part-time course has no full-time equivalent but can ordinarily be completed in up to three academic years.

16. In addition, and in line with the announcement contained in the UK Government's budget, Wales is planning to introduce a postgraduate Doctoral loans scheme from 2018/19. Eligible students, who are ordinarily resident in Wales, will be able to borrow up to £25,000 as a non-means-tested loan. As with the Master's loan, this funding will be provided directly to the student as a contribution to costs, but is intended for those studying Level 8 Doctoral qualifications. Repayments are expected to be income contingent in line with undergraduate and Master's loans, currently set at £21,000. Under the expected arrangements, repayments for postgraduate loans will be made as one payment, covering both Master's and Doctoral products.

17. The consultation contained a number of queries about whether the Welsh Government was able to extend the range of targeted grants offered to undergraduates to postgraduate students. At this stage we do not have the resources available to extend the level of support beyond that outlined in the Welsh Government response. Our revised package will be

significantly more generous than that on offer in any other UK administration, but we will carefully consider whether it is feasible and sustainable to offer additional grants as part of the work undertaken by the Student Stability and Sustainability Group in future years.

Students with experience of being in a care setting

Our questions

18. We asked the following questions about support for students who have experience of being in a care setting.

Question 16. Are there implementation issues which will arise from providing support to students with an experience of being in a care setting?

Question 17. How could we provide further support to students who are carers?

Question 18. Are there likely to be any unintended consequences from implementing these proposals?

Question 19. Will implementing these proposals disadvantage any particular group?

Consultation responses

Implementation issues arising from providing support to students with experience of being in a care setting

- Clarity would be welcome about when this proposal would be introduced.
- This should be an all-age policy so that older care leavers who are studying part time would be eligible for support.
- There is a need to work with student representative bodies, third sector organisations and representative bodies in the development of these proposals.
- There is a need for clear, targeted support if a learner is restarting a programme in order to end the cycle of dropping out and restarting courses.
- Information on the support available needs to be clear and to take into account fear of debt as a factor in participation. The third sector could help with the dissemination of clear information, advice and guidance.
- Students from a care background should only need to provide evidence of their circumstances in their first year, rather than annually.
- There is a risk that the proposals will focus on students who progress direct from school or college, i.e. full-time undergraduates. There is a need for robust procedures to ensure that older learners also receive the maximum level of support if they are entitled to it.
- The Welsh Government and HE institutions should work together to identify care leavers and address the barriers they face; national level data would assist in this.
- All HE institutions should have a named team of staff to support these learners.
- HE institutions should have a support plan to prioritise care leavers in order to raise their educational attainment and allow them to make their full contribution to society.
- Practical support, alongside funding, is particularly beneficial to this group of learners.
- Data issues and variability may make the identification of these students difficult. Data protection legislation may inhibit data sharing between local authorities and the Student Loans Company. The Student Loans Company should devise an alternative verification procedure in circumstances where there are difficulties in accessing information from local authorities.

- Student Finance Wales should consider providing specialist support advisors to identify and support care leavers.
- Transparency is needed with regard to funding in order to avoid duplication between the Welsh Government, HEFCW and HE institutions.
- Consideration should be given to the issue of accommodation outside term time.
- A system that enables transfer of credits would be welcome; this should apply to all students.
- More data may need to be collected through HESA to support this proposal.
- There is a need for flexibility with HE bursaries and staff resources to deal with a potential increase in care leavers.
- Clarification would be helpful on the following points:
 - The definition of 'experience of a care setting'.
 - Whether the proposals extend to postgraduates. (If so, this would be welcome.)
 - How those aged over 25 will be treated. Evidence of being in care might be hard for these students to demonstrate.
 - The meaning of 'multiple starts' and 'targeted support', as referenced in the Diamond Review recommendation.
 - The flexibility of the system and the financial support for students and providers.
 - Whether a young person leaving care at the age of 18 would be in the same category as a learner who had been adopted in early childhood.
 - How, and with what degree of flexibility, a learners' status will be evidenced.

Suggestions for offering further support to students who are carers

- Extend the Carers' Allowance to students or explore the feasibility of providing a dedicated grant for carers who receive a Carers Allowance as they will lose this if studying full time.
- Extend existing support for targeted students, including schemes such as the Adult Dependents' Grant and the Childcare Grant.
- Create a new scheme that would exceed the level of support provided by the Carers' Allowance, to be delivered by Student Finance Wales and accessible for both FE and HE.
- Increase the funding available for respite care.
- Provide advice on, and opportunities for, flexible and blended learning options, part-time and lower intensity courses and local access to HE.
- Work with trusted support agencies such as Carers Trust Wales, Local Authority Carers centres, social services, and the health service in awareness raising and the provision of advice and guidance.
- Provide additional bursary funding for carers of all ages, not just young adult carers.
- Provide support for students who have been carers within the last two years.
- Provide additional support specifically for IT requirements, e.g. equipment and broadband connectivity.
- Provide specific support (i.e. training/induction, etc) to provide skills required to study at a distance.
- Provide institutional support for universities to provide tailored support for carers.
- Create a dedicated Student Finance Wales team for vulnerable students.
- Provide additional Welsh Government bursaries, linked in some way to respite care.

- Enable access to higher levels of support. Young adult carers may be more debt averse; knowing they could access a full package of support, if available, could help to allay these fears (as would be the case for all carers).
- Work with educational providers, the early years sector and carer support organisations to provide information (including details of available student support) and practical help to access learning.
- Provide support for childcare, e.g. childcare vouchers, or HE institutions could offer routinely quality, accessible childcare.
- Broaden the definition of 'carers' and define clearly 'young carers'.
- Extend support to young carers in the first instance.
- Provide a clear list of acceptable evidence required to prove carer status, which should be identified at the point of their Student Loans Company application.
- Produce robust statistics in relation to carers.
- Provide the maximum maintenance grant for carers, irrespective of income.
- Treat young adult carers who are living with their parents as 'independent' in the assessment of support for living costs. It is often young adult carers who are responsible for household finances and the assumption that they would be receiving support from their parents, financial or otherwise, is, therefore, incorrect.
- Make any dedicated support available for the duration of the course, with confirmation of no changes of circumstances from the student each year.
- Allow the Student Loans Company discretion to consider the impact of caring sympathetically when considering student carers' applications for further funding on the basis of compelling personal reasons. Sensitive and timely assessments are needed.
- Introduce lower financial thresholds for accessing support.
- Provide financial support for study that is below 25% intensity.
- Allow students to complete qualifications over a longer timescale.

Any unintended consequences from implementing these proposals

- Care leavers' eligibility for the full student support package should not affect their family income or eligibility for other support, e.g. HE institution bursaries.
- Some disadvantaged groups may slip through the criteria, e.g. refugees or students who are estranged from their families. The former may find it difficult, or may be unwilling, to provide evidence of their status.
- Students may not want to be identified as carers; this needs to be respected. Such learners should positively opt to access their entitlement to the full maintenance support grant.
- Increasing number of care leavers entering HE could mean that HE institutions need to increase the financial and staff resources they make available to support these students.

Particular groups who might be disadvantaged by these proposals

- Students who are estranged from their families or who become carers partway through their courses.
- Lower income groups.
- Carers.

Other issues raised

- Student carers should not be disadvantaged by the student finance system when compared with students who do not have caring responsibilities. 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.
- Carers face additional barriers, including financial ones. They need tailored support in order to be able to access HE.
- It is disappointing that no timetable has been given for discussion with the NUS. This is likely to impact on adequate, timely provision of support for part-time students.
- Nursing students are on average older than other students and are far more likely to have caring responsibilities.
- Students who are estranged from their parents are also a vulnerable group and support should be made available to them. There is a current lack of understanding of their needs.
- Multiple start dates are not desirable.
- Other groups of learners would benefit from multiple starts, e.g. disabled learners and those who are estranged from their families.
- Monthly payments may benefit care leavers and help them with their budgeting.
- Carers are a vulnerable group who have other commitments outside study and potentially higher costs and lost income as a result of these.
- Carers' allowances should not be counted as income for the purpose of calculating repayment thresholds.
- It would be helpful to clarify that independent students contributing to household expenses can qualify for the living away from home rate of support.
- Whilst the Welsh Government's recognition of the challenges facing carers is welcome, any proposals must be developed via engagement with carers and carers groups.
- The means of identifying carers are increasingly prevalent and reliable.
- Not all carers are aged 18 to 21.
- Young adult carers can face significant travel costs compared to students without caring responsibilities.
- Families of young adult carers might find it more onerous to complete an income assessment and to provide supporting evidence of their status.
- It is essential to consider a Welsh-medium bursary system to incentivise Welsh-medium study.
- It is important not to divide care leavers into sub-categories. This would fail to appreciate the impact of a care order on individuals.
- Issues relating to part-time students and benefits entitlement are particularly relevant to carers.
- No-one will be disadvantaged by these proposals as long as support is made available for particular groups and support mechanisms are in place in institutions.
- Impact assessment and evaluation of the new system should identify if any groups are disadvantaged by these proposals.

Welsh Government response

18. Overall, consultation responses supported the proposal that care leavers receive the maximum level of maintenance support. Subject to the making of the relevant regulations, our intention is that this will be reflected in the wider changes to student support that will come into effect from 2018/19.

19. Several responses expressed support for the extension of the full level of maintenance support to other groups, in particular students with caring responsibilities. We recognise that carers face a range of barriers, both financial and non-financial, in accessing and staying in higher education. In principle, we support the proposal to provide additional maintenance support to carers. However, there are a number of practical issues that will need to be considered before this can be put into practice. We will, therefore, aim to address these, with a view to introducing an enhanced package of support for student carers from 2019/20. We will also work with key stakeholders, including carer organisations, the NUS and HE institutions in Wales, in the development of strategies to provide further assistance to these students.

Cross-border study

Our questions

20. We asked the following questions about our proposed pilot scheme on extending the student support package beyond the UK.

- Question 19. How best can we implement and administer the proposed pilot scheme on extending the student support package beyond the UK?
- Question 20. Are there any particular issues that the pilot scheme should take into account?
- Question 21. How would you control costs and demand for any future scheme that extends support beyond any pilot scheme?

Consultation responses

Proposed approaches to the implementation and administration of the proposed pilot scheme

- Existing schemes for supporting overseas study should be reviewed, including bursary arrangements available at overseas HE institutions.
- In-country validating bodies should be recognised, where possible.
- Regional bodies, such as the European University Association, may be useful in supporting the administration of the scheme.
- The pilot could focus on one university, region or group of countries in the first instance.
- The pilot could explore how HE institutions could be encouraged to develop exchange schemes.
- Mock scenarios could be created, using current students, via focus groups.
- A range of study types should be considered, e.g. undergraduate, postgraduate, full-time and part-time.
- The pilot should consider delivery by UK HE institutions outside the UK and wholly overseas HE institutions.
- The pilot could adopt an approach that is similar to the portability pilot being run in Scotland.
- Concentrating on supporting students to study or work abroad as part of a UK-based course might help to control the costs.
- This scheme will need to sit outside the standard student support processing arrangements.
- An initial evaluation of student demand for this support is needed, together with an analysis of the costs and benefits for the Welsh Government.
- The quality requirements for overseas institutions should be the same as for UK institutions.
- Consideration could be given to additional support for schemes that support a study year abroad, especially in view of the possible loss of Erasmus funding when the UK withdraws from the EU.
- Information, advice and guidance for students via Student Finance Wales will be crucial.

- Payments to overseas HE institutions might difficult, so the funding may need to be paid to the students via a British bank account.
- The pilot should aim to protect existing professional practices that contribute to the development of graduate skills, e.g. through study abroad.
- The pilot's scope could be framed to complement UK industrial policy and the UK Government's trade deals with governments outside the EU.

Any particular issues that the pilot scheme should take into account

- Distance and part-time learners as well as traditional students studying full-time.
- How best to recover loans from students who study and then stay abroad. The likelihood of recovering these funds needs to be modelled.
- How to avoid excessive administration and complexity.
- Accessibility for students from lower socio-economic backgrounds.
- Variations in living costs.
- The language of interaction/tuition.
- How to confirm a student's attendance at an overseas HE institution.
- How to decide if an overseas institution is 'legitimate'.

Controlling costs and demand for any future scheme that extends support beyond any pilot scheme

- Support could be offered to partial study abroad or a year in industry instead.
- If the scheme is based on years abroad/joint degrees/year in a industry, demand could be controlled through quotas to HE institutions.
- Until the details of the scheme and the level of demand are clear, it is difficult to consider how costs could be controlled.

Other issues raised

- The aspiration of supporting overseas study is welcome.
- A scholarship system cannot be based on academic achievement alone. Social mobility in Wales, and across the UK, is very low; socioeconomic background should be a vital factor in any potential scholarship program.
- Lessons might be learned from the American loans model.
- It is questionable if it is administratively desirable to run the pilot given the overheads involved in the application process.
- The priority must be portability within the UK and the EU. The Welsh Government should concentrate on supporting students to study in the UK for now. Consideration could be given to supporting study outside the UK once the future of the EU has been decided.
- The pilot should be deferred until 2019/20, otherwise it might deflect time and resources from other more important aspects of the student support arrangements.
- Internationalising Welsh students' experiences can be better achieved by other means, e.g. by facilitating a year studying abroad through relationships between HE institutions and overseas institutions.
- Paying for students to study their entire course abroad will bring little benefit to Wales and Welsh taxpayers.
- Strategies should be developed for different scenarios to allow swift implementation once future relationships between Wales, the UK, the EU and countries further afield are clearer.

- Some students already take up opportunities to study abroad, e.g. through the Erasmus scheme or through self-funded work placements.
- There may be a possible loss of expertise arising from Welsh students not returning to Wales or the UK.
- UK courses that include periods of study and work placements abroad need funding.
- A balance needs to be met whereby as many students as possible are offered this opportunity, but the funding for each student should be sufficient to cover all costs associated with studying.
- The scheme should be administered in Wales, with institutions beyond the UK subscribing to it.
- Eligibility for course designation as part of the scheme needs to satisfy the same accessibility measures as those required of Welsh HE institutions.
- Portability of student support is important, but is secondary to the principle of the Welsh HE sector remaining sustainable.
- It is envisaged that the extension of the pilot would be limited in order to allow evaluation and monitoring.
- A factor in this process is the need for Welsh universities to be able to attract the brightest and best students from across the UK and internationally. Wales also needs high quality research facilities in order to attract the best talent, and this is particularly important for the healthcare sector.

Welsh Government response

21. The consultation responses have confirmed that careful consideration needs to be given to the level of complexity involved in extending support to students who choose to study in the EU (particularly in the light of the result of the EU referendum) and the potential future funding and administrative implications of operating such a scheme. This includes gauging the potential level of demand from learners for such support.

22. The Welsh Government will investigate if it is possible to operate a pilot scheme in time for the start of the 2018/19 academic year. This will need to explore the practicalities of extending the student support package beyond the UK and EU. In order to take this forward, we will form a short-term working group to devise a small scheme and will expand this if the findings from the pilot are positive.

Equivalent or lower qualifications

Our questions

23. We asked the following questions about equivalent or lower qualifications (ELQ).

Our questions

Question 22. Are the subject areas listed the ones that are of key importance in the context of equivalent or lower qualifications?

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

Consultation responses

Proposed additions to the list of exempt courses

- Dental courses.
- Combined degrees, e.g. where 50% is a STEM subject.
- Leadership and management training.
- Courses relating to additional learning needs (reflecting the Welsh Government commitment to developing practitioners).
- Languages and modern foreign languages (needed to expand trade following the UK's departure from the EU).
- Social care/work (in response to a shortage of social workers).
- Subjects in digital media, data science and design technologies (to support the growth of high-value jobs in the digital technology economy).
- Sport, exercise, and leisure and tourism (to support tourism, and health and well-being as key Welsh Government objectives).
- Professional and vocational qualifications in areas of low uptake.
- Welsh for Adults qualifications.

Proposed exemptions from ELQ requirements for particular groups of learners

- Vulnerable groups, such as carers, care-leavers and students who are estranged from their families.
- Students who are retraining as a result of redundancy or facing other mitigating circumstances.
- Those who are studying full-time higher level and contributing to strategically important higher level skills.

Other issues raised

- No group of students should be provided with preferential terms and conditions in accessing education. All students should have equal access to education and, where necessary, reasonable adjustments should be made to support students who have traditionally faced barriers to participating.
- The skills needs of those in the public sector in Wales should be mapped and then considered for ELQ exemption.

- The latest data shows that part-time enrolments across the UK have continued to fall. Previous studies have demonstrated that the removal of the restriction on ELQ could have a positive impact on this.
- The list of exempt subjects restricts students' development of skills and knowledge. It appears to devalue the contributions of arts and social sciences students in the growing creative sector.
- Equality and diversity should be taken into account in order to diversify industries.
- The increase in lifelong learning needs to be reflected.
- Workforce planning information is imprecise, so cannot be relied upon to determine the list of subjects accurately.
- Second degree students make a substantial contribution to the total number of dental students and the dental workforce; they should be entitled to the same level of student support as first degree students.
- HEFCW's teaching funding methodology does not take account of whether a student is studying an ELQ in determining fundability status.
- The list should be kept under review and added to when necessary.
- Consideration should be given to growing sectors, e.g. the creative industries and languages.
- The list should take account of regional priority economic sectors.
- Timeliness of decision-making is needed for 2018/19 entry.
- It would be helpful for students if the application deadlines for undergraduates and postgraduates were aligned.
- Additional support should be given to meet the needs of particular groups.
- Institutions' fee and access plans should reflect any changes.
- Clarification is needed as to whether only single honours degrees are supported.
- The list should be considered in the light of priority skills and sectors within the Regional Learning and Skills Partnerships' Employment and Skills Plans.
- The list should include subjects highlighted as priorities in *Taking Wales Forward*.
- The Welsh Government should work towards lifting ELQ restrictions universally, although the cost and feasibility of this needs testing.
- Assurance is needed that postgraduates training as healthcare professionals would be entitled to postgraduate support.

Welsh Government response

24. Generally, students who hold a UK Honours degree, or equivalent, are not eligible for student support. There are some courses which have been made exceptions to this rule. These include certain postgraduate courses such as a Postgraduate Certificate of Education (PGCE) and some more specific undergraduate courses for which an Honours degree is a requirement of entry, for example graduate entry medical and dental courses. Limited support has been available for these courses in certain circumstances for some time.

25. Following consideration of the responses received to our previous consultation on the possibility of extending support for students on a range of courses², we have made available from 2017/18 a package of support for eligible students pursuing part-time Honours degree level courses in:

² Support for postgraduate study and part-time engineering, technology or computer science degrees (2016) (<https://consultations.gov.wales/consultations/support-postgraduate-study-and-part-time-engineering-technology-or-computer-science>)

- Engineering, Technologies and Computer Science;
- Subjects Allied to Medicine;
- Biological Sciences;
- Veterinary Sciences, Agriculture and related subjects;
- Physical Sciences;
- Mathematical Sciences; and
- Welsh.

26. On the basis of responses to our most recent consultation, we believe that it would be most appropriate to keep the current list of exemptions under review. In particular, we will want to consider how these exemptions can be applied to, or extended for, the development of the higher Apprenticeship framework.

Other comments

27. We asked the following questions.

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

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.

Consultation responses

28. A range of themes emerged in response. These are highlighted below.

Details of the student support package

- It is welcome that part-time fees will be kept to a moderate level and that the proposals incentivise part-time study.
- Clarification is needed on the way in which the taper for household incomes (up to £59,200) may be applied.
- The 'floor' for the taper should be set at £20,000.
- There should be no fewer than six steps between the floor and the 'ceiling' of £59,200.
- There should be a linear relationship in the level of support available in the taper steps.
- Student eligibility should be assessed prior to commencement of study and re-assessed in each subsequent year of study to accommodate any changes to household income.
- Greater parity of support for part-time study would have been welcome. For example, the full maintenance grant will only be available to students from households with an income of up to £25,000 p.a. It will be difficult to encourage part-time study at less than 25% intensity without funding and a clear definition of what is included.
- No detailed information on the modelling and cost assumptions underpinning the proposals has been published, but the Welsh Government's proposals seem significantly more cautious than the Diamond Review's estimates.
- There is a need for clarity with regard to how particular students will be treated:
 - Students who accept a place for 2017/18 but choose to defer entry for a year.
 - Students who transfer to a HE institution, who may be recorded as 'withdrawn' and then classed as new students for support purposes.

Implementation

- The Diamond Review's recommendations should be accepted as a whole. They offer a sustainable foundation for HE institutions in the medium term.
- There is a need for a clear map of who does what.
- It is important that the Student Loans Company can meet Wales' needs.
- The Welsh Government's acceptance that the costs of provision are variable is welcome.

- It is appreciated that the exact timing of implementation is dependent on cohort flows that determine the release of funding available for allocation and the cash requirements.
- The Welsh Government needs to keep fee levels under review. More student support is being required to fund increased fees in England.
- A robust and transparent process for working together will be needed in taking the implementation of these proposals forward.
- Given that it will take many years to implement the Diamond recommendations fully, it is important to ensure that implementation remains on track and that all stakeholders can be confident that the good intentions evident in the Welsh Government's response are not eroded over time, and that the available resources can be seen to be used for the purposes intended.
- The proposals seek only to save costs without taking account of students' future importance to Wales.
- A family with three children could not afford for all of them to study outside Wales.
- There is a need for careful monitoring, modelling and mitigation of the consequence of the UK's departure from the EU for the relevant Diamond Review recommendations and for research and innovation more widely in Wales.
- The evidence that a portable student support package is better for Wales than a non-portable one is questionable. All the Welsh Government's budget should be spent in Wales.
- The proposed collection of data on the cost of a 'basket of goods' at HE institutions and the publication of hidden courses costs across all subject areas is a positive development.
- The Student Awards Agency for Scotland model would have been a better model to copy than Student Finance England.

Impact on students

- The proposed timing of the changes will mean only a short period of notice for students who began their A levels in 2016.
- Students who have decided in 2016/17 to enter HE might be disadvantaged and might otherwise have chosen different career paths, e.g. apprenticeships.
- Implementation should be delayed till 2019 in order to allow students applying this year to study in 2018 the security of knowing what their financial situation will be.
- There is a need for clear and concise resources and communication with students on the changes. It would be helpful if student money advisors in HE institutions could assist with this communication process.
- Students from low income backgrounds might be disadvantaged by upfront costs.
- Postgraduates are more likely to be older and better able to manage their finances, so the proposals would not help them.
- Students should provide evidence that they have lived in Wales for around three years before starting their courses.
- Making support available only for students who are 'ordinarily resident in Wales' excludes Welsh students who have lived outside Wales for a time before applying for such support.
- Young adults, who tend to have lower levels of financial capability, face the challenge of bearing more of the costs of their education, while being able to borrow large sums of money, and needing to do more to plan for the future.

- Widespread, structured communication of basic messages about money will enable young adults to navigate the demanding environment they face.
- Changes to student finance in Wales from 2018 provide an opportunity to explore ways of offering targeted and structured support to affected young adults and embedding frameworks of effective practice for student services practitioners who can support them on day-to-day money management, sensible access to credit beyond overdrafts, and adequate savings and protection insurance.
- There is an opportunity to work with the banking sector to explore how it can target communications and support at students across Wales who may experience financial difficulty, both during their studies and once they graduate and enter the labour market. Print, broadcast and social media can also play an important role in targeting co-ordinated and engaging support in Welsh and English.
- Wherever possible, young adults should be involved in the initiation and design of interventions, such as through peer-to-peer or near-to-peer support and the use of digital technology.
- Reforms to HE in Wales should not prevent people accessing education for their desired career. Worries about debt may deter people from starting degrees, especially longer degrees (e.g. architecture is five years in duration). The Welsh Government should monitor take up of individual courses and review the loans policy as appropriate.
- Clarity is needed on when students transfer from the Educational Maintenance Allowance to HE funding.
- The information, advice and guidance offered by Student Finance Wales needs to improve.
- Partial loan cancellation could encourage dental graduates to remain in Wales.

Impact on HE institutions

- The current proposals perpetuate the underfunding and sustainability of Welsh HE institutions, while supporting Welsh students to study outside Wales. This could be mitigated by only providing a loan to these students.
- There is a need to be clear about what level of funding will be available to HE institutions in practice. The Welsh Government needs to keep fees under review and more student support funding is needed to cover increased fees in England.
- Refocussing financial assistance on maintenance is welcome. However, the requirement to provide the cost of a 'basket of goods' on an annual basis, may have the unintended consequence of HE providers focusing their resources on marketing an 'attractive basket' rather than focussing on the quality of their HE provision.
- Welsh HE institutions should be able to raise their fees in line with English institutions so as to avoid a funding gap.

Particular areas of provision and types of provider

- The Welsh Government's acceptance of the Diamond Review's proposals on the funding of higher vocational and technical education is welcome.
- With regard to higher vocational and technical education, there will be cross border implications if the degree awarding thresholds are changed. The proposed £1m investment is welcome. Confirmation of HEFCW's role in relation to these recommendations would be welcome.

- Higher Level Apprenticeships should be similarly supported. There is a need for parity of funding if the Welsh Government is to meet its target of 100,000 all-age apprenticeships.
- The diversity of HE learners, e.g. HE-in-FE learners, needs to be recognised. Such learners should not be disadvantaged in favour of those undertaking more traditional full-time undergraduate study.
- The Welsh Government should reinvest a proportion of any savings arising from changes to student support in FE, particularly the development of higher level skills.
- Consideration should be given to offering specific support to students who are studying high priority subjects in Wales, addressing public policy priorities for the labour market.
- There is support for widening access to medical education for those from disadvantaged background. Targeted funding would support this.
- The Welsh Government should consider how more consistent funding can be provided to medical students across the full duration of their courses. Students need clarity on the support available and confidence that it will be available throughout their period of study.
- Parity of funding between FE institutions delivering HE and HE institutions would allow students to access the appropriate courses for them close to home.
- Extra investment in initial teacher education is needed if the Welsh Government is to meet its target of 50 million Welsh speakers by 2050.
- There should be continued funding for the Coleg Cymraeg Cenedlaethol. There could be scope for economies of scale in funding it via the Teaching and Education Authority.
- HE institutions should be expected to safeguard and promote Wales studies.
- The Welsh Government is urged to issue a clear statement on the long-term future of financial support for nurse education as soon as possible, in order to provide certainty for the sector.
- Maintenance costs are more of an issue for medical students, because their undergraduate courses are longer and they have to study for a greater proportion of the year. Their intensity of study also leaves them with less opportunity to undertake part-time employment to supplement their income. The proposals will not, therefore, deliver the equivalent of the National Living Wage for medical students.

Other comments

- Whilst the proposed Teaching Education Authority is welcome in principle, difficult decisions are needed to ensure students can access the best courses close to home.
- With regard to the Additional Learning Needs (ALN) Bill and Disabled Students Allowances, even if the system remains separate, portability of individual development plans and information-sharing arrangements may be necessary to ensure continuity of ALN provision for disabled students up to the age of 25.
- The legislative framework has weakened HEFCW's leverage in promoting and delivering Welsh Government priorities. Hypothecated funding is needed, therefore, for strategic developments and to drive change in Welsh Government priority areas.
- Early clarification would be welcome with regard to how the Welsh Government expects HEFCW to contribute to the ongoing evaluation of the implementation of the Diamond recommendations.
- Greater transparency would be welcome with regard to the annual and forecast costs to HEFCW of HE funding budgets, including student support, clearly identifiable with Welsh Government budgets.

- Clarity would be welcome on the implications for HEFCW in relation to Further Apprenticeships.
- The Welsh Government should keep HEFCW updated on plans for maximum fee levels in order to establish costs and the impact on providers' income.
- HEFCW will need to consider how to manage the provision of payments to reflect the costs of teaching more expensive subjects.
- The Welsh Government's acceptance of the principle that quality research (QR) funding should be maintained is welcome. However, sufficient funding is required to support this.
- With regard to the Diamond Panel's recommendations on knowledge transfer, sustainability depends on HE institutions receiving sufficient funding to maintain current activities.
- Recognition of the dual support system for research is welcome, but there is currently no funding provided to HEFCW to support that activity.
- There is a need for sufficient funding to support postgraduate research (PGR) scholarships. Consideration should also be given to the consequential effect on the number of PGR students and, therefore, allocations of QR or PGR training funding.
- The proposed postgraduate research scholarships will not address the shortfall of researchers. Fixed-term contracts mean financial hardship and job insecurity for researchers; this needs addressing if the critical mass of researchers and the quality of research in Wales is to increase.
- Support for research will help to meet the shortfall in the number of researchers in Wales. A research capacity roadmap is also needed.
- As part of this package of support, the Welsh Government should seek to remove letting agency fees.
- It would be preferable for HEFCW to provide grant funding to WISERD in order to maintain its independence.
- It is disappointing that the Welsh Government did not formally accept the Review Panel's recommendation on funding for the Learned Society for Wales.

Welsh Government response

29. Where comments have been raised about the student support system in particular, these will be taken into account as we work with stakeholders to implement our proposals. We will consider the other issues raised in consultation responses as part of our wider policy making process.

Annex A

List of respondents

Aberystwyth University
Anonymous (two responses)
ATL Cymru
Blackburn, Lucy
British Dental Association
British Medical Association Cymru Wales
Bush, David
Cardiff Metropolitan University
Cardiff University
Care Council for Wales
Carers Trust Wales
Children in Wales
Coleg Cymraeg Cenedlaethol
Colegau Cymru/College Wales
Construction Industry Training Board (CITB)
Davies, Tim
Elias, Miss K
Estyn
Fellows, Rita
Fletcher, Charlotte
Grŵp Llandrillo Menai
Higher Education Funding Council for Wales (HEFCW)
Learned Society of Wales
Meehan, David
Money Advice Service
National Association of Student Money Advisors (NASMA)
National Union of Students Wales
Open University
Open University Students Association
Royal College of Nursing Wales
School of Education and Lifelong Learning, Aberystwyth University
Smith, Sophia
Swansea University
UK Council for Graduate Education
Universities Wales
University and College Union
University of South Wales
University of Wales Trinity St David
Welsh Hardship Fund Administrators Group
Williams, Catrin
Williams, Gareth
Williams, Kathryn
Wyn Owen, Ian