

Dadansoddi ar gyfer Polisi



Analysis for Policy



Llywodraeth Cymru
Welsh Government

Social Research Number:

78/2024

Publication date: 12 December 2024

Diamond Reforms to student finance: evaluation plan 2024

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

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Diamond Reforms to student finance: evaluation plan 2024

Full Research Report: *Diamond reforms evaluation plan 2024*. Cardiff: Post-16 Education and Skills Research Branch, Welsh Government, GSR report number 78/2024.

Available at: <https://www.gov.wales/diamond-reforms-student-finance-evaluation-plan-2024>

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Glossary

HEFCW – Higher Education Funding Council Wales

Medr – The Commission for Tertiary Education and Research in Wales formally known as CTER

HEPs – Higher Education Providers

HE – Higher Education

Section 1: Purpose of this document

1. The purpose of this document is to set out the intended approach to evaluating the Diamond Reforms. The plan provides a framework for how we will gather and synthesise evidence to help us understand the impact of the changes implemented as a result of the Diamond Review in 2016.

Section 2: Background

2. In 2016, the Welsh Government published an independent review of higher education funding in Wales led by Sir Ian Diamond¹. In response to the recommendations of the review the Welsh Government implemented a series of changes to student finance called the Diamond reforms.
3. The reforms to student finance which were implemented for the Academic year 2018/19 onwards are set out below:
 - a. Tuition fee grants were replaced with loans up to the maximum fee level applicable. This was £9,000 per year until it was changed to £9,250 per year in February 2024².
 - b. A £1,000 per annum non-means-tested universal maintenance grant for all Welsh students and further means-tested maintenance grants tapered up to household incomes of £59,200 was introduced.
 - c. A 25% supplement was made available for those studying away from home in London and a 15% deduction applied to students living at home.
 - d. Introduction of non-means tested maintenance loans to make up the difference between the maximum level of total maintenance support and the amount of maintenance grant a student is entitled to.
 - e. Part-time students became eligible, on a pro-rata basis, for a modified version of the maintenance support available for full-time undergraduate students. The amount received depends on household income and intensity of study. Part-time students must be studying at least 25% FTE (Full Time Equivalent) to be eligible.
 - f. Postgraduate students studying for a Masters course were made eligible for maintenance support of up to £17,000. This support comprised grants and loans. The grant element was removed in February 2024³.
 - g. The targeted grants and allowances that exist for undergraduate students, namely the Childcare Grant, Adult Dependents' Grant, Parents' Learning Allowance and Disabled Students' Allowance, remains in place.

¹ [\[ARCHIVED CONTENT\] Welsh Government | Independent review of higher education funding and student finance arrangements](#)

² [Written Statement: Tuition fee limits and financial support for higher education students in the 2024/25 academic year \(6 February 2024\) | GOV.WALES](#)

³ [Written Statement: Tuition fee limits and financial support for higher education students in the 2024/25 academic year \(6 February 2024\) | GOV.WALES](#)

- h. The 2018 Regulations made provision for care leavers to receive the maximum maintenance grant, regardless of income, and any other financial support to which they are entitled.
4. The Diamond review recommended that Welsh Government monitor and evaluate the implementation of the reforms. An evaluation proposal was produced as part of a peer review in 2019⁴, hereafter referred to as the '2019 evaluation proposal'. Due to a number of factors, including the impact and disruption caused to the education system by the COVID-19 pandemic, the timeline for the evaluation activity has changed. The plan set out in this document seeks to evaluate the reforms whilst meeting evidence needs for Welsh Government objectives now and into the future.
5. The 2019 evaluation proposal suggested synthesising evidence from a number of sources including a recommendation to undertake longitudinal analysis of linked education data and proposed qualitative research looking at awareness, aspirations, barriers and motivations. It also recommended research with those who do not participate in Higher Education (hereafter, HE) to understand non-participation. The proposals set out in the 2019 evaluation proposal have been assessed by Welsh Government analysts and key elements have been adapted into this current work-plan.
6. The COVID-19 pandemic, Brexit, high inflation and the cost-of-living crisis have introduced new challenges. In response to inflationary pressures, in February 2024 the Minister for Education and Welsh Language announced that postgraduate maintenance grants were to be wholly replaced by repayable student loans and the maximum tuition fees that Welsh HEPs can charge was raised from £9000 to £9250 a year. Inflationary pressures, which began in 2021, have also impacted students, HEPs and Welsh Government costs. In addition, changes to international movement of students during this period has also had a financial impact on HEPs in Wales as it represents a substantial funding stream for many providers.
7. Many factors related to the COVID-19 pandemic affected student behaviour and outcomes which influenced take up of HE in the short, medium and longer terms. For example, A Level and HE grading was altered (under teacher assessed grades at A-Level and university 'no detriment' policies), borders were closed, the labour market was disrupted, and there was a rapid digitisation of learning in response to lockdowns, with many HEPs shifting their modes of delivery to online and distance learning. Evidence suggests COVID-19 widened both the Key Stage 4 and 16-19 disadvantage gap in England⁵. Estyn have reported similar trends in Wales where disadvantage gaps were exacerbated by the pandemic⁶. It is likely that the pandemic had an impact on some students' decisions about postgraduate study and part time study. Participation in undergraduate and postgraduate study by Welsh students peaked in 2020/21.

⁴ [Peer review of proposals for evaluation of the Diamond Student Support Reforms | GOV.WALES](#)

⁵ [Covid-19 and disadvantage gaps in England 2021 - Education Policy Institute](#)

⁶ [Estyn Sector Summary 2022-2023](#)

8. Since 2019/2020 the numbers of international students enrolling in undergraduate programmes at Welsh HEPs has fallen, although enrolments for all programmes have risen. The largest decrease in international undergraduates has come from a reduction in European Union-domiciled undergraduate students coming to Wales likely as a result of Brexit⁷.
9. The evaluation of the Diamond Reforms will look at the outcomes and impacts of the intervention itself whilst also setting any recommendations in the current context so that the student finance system can respond to contemporary policy problems in Wales. There are a myriad of factors which influence participation in HE and wide-reaching complex impacts of events since 2018/19, which will limit efforts to establish causality. The Diamond reforms were focussed on providing financial support to a range of students to reduce financial barriers and widen access to HE. There are many more external factors on both the supply and demand side of HE which impact on learner's decisions. It is not possible to design an evaluation which produces definitive evidence of causal impacts of the reforms due to confounding externalities and the lack of a control group.
10. The research activities proposed in this plan will result in an assessment of progress made towards the reform objectives set in the context of externalities and major events during the intervention period.

Medr and the TERA Act

11. A prominent change in the tertiary education landscape in Wales is the introduction of the Tertiary Education and Research (Wales) Act (TERA) in 2022 which focuses on the structure and regulation of tertiary education. The TERA Act established the Commission for Tertiary Education and Research (now Medr), an arms-length body responsible for overseeing the funding, regulation and quality assurance of tertiary education and research in Wales.
12. A number of recommendations of the Diamond Reforms related to sector organisation and oversight as well as institutional funding. HEFCW, the HE regulator in Wales until 2024, was asked by Welsh Government to consider or explore recommendations of the Diamond Review. HEFCW's responsibilities transferred to Medr in August 2024.
13. It will be important that stakeholders are engaged throughout the evaluation process. Appropriate governance arrangements will be scoped by Welsh Government Officials to facilitate this.

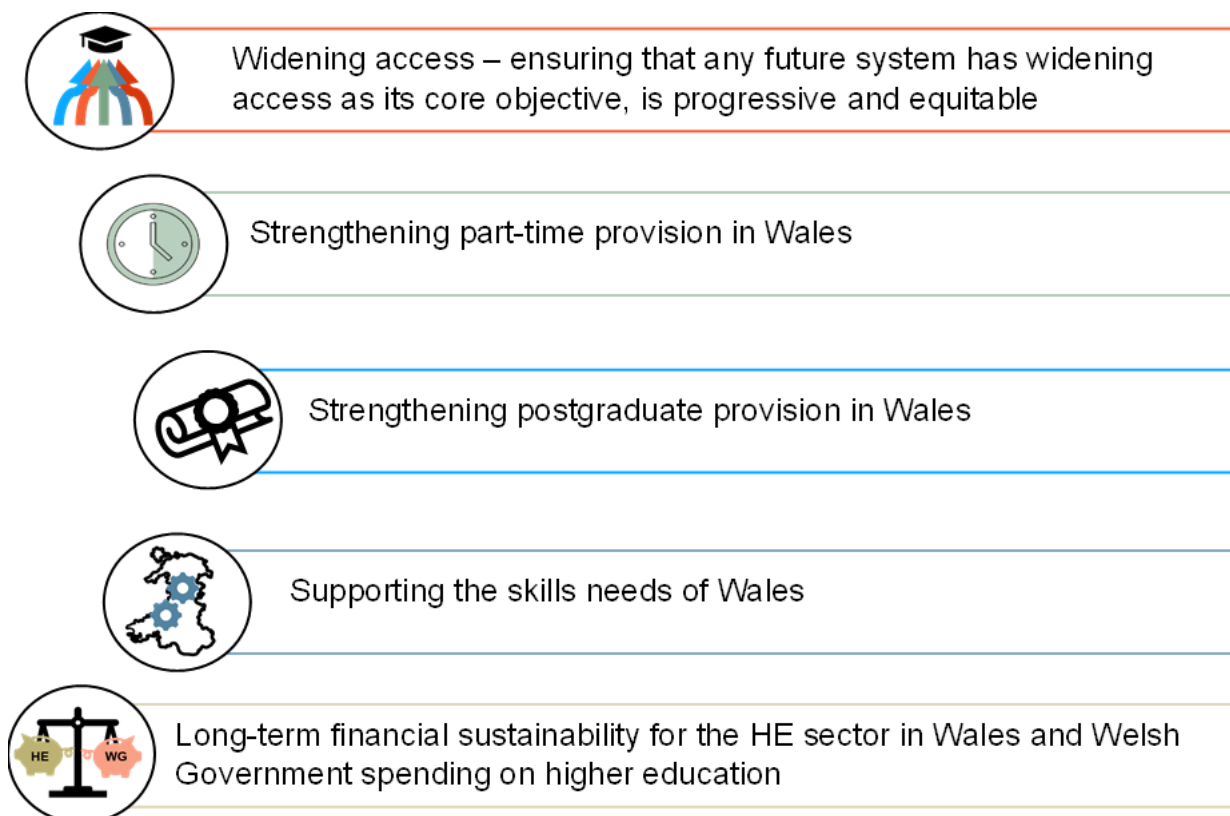
⁷ [Where do HE students come from? | HESA](#)

Section 3: Scope and Structure

14. The evaluation plan is structured around the five main objectives of the Diamond Reforms. The scope of the evaluation will focus on the objectives of the reforms. There are many other factors which influence HE participation and areas of interest which are out of scope for this evaluation but are the subject of analyses elsewhere, for example, the impact of pre-16 factors on participation in HE.

Objectives of the Diamond Reforms

Figure 1



15. An important contextual factor is the pattern of change in participation in HE by Welsh domiciled students. The evaluation will investigate these trends further and conduct analysis by learner characteristics. This will include an analysis of how many students study HE courses through the medium of Welsh⁸.
16. The evaluation of the Diamond Reforms will not consider HE in a silo and will contribute to wider evidence plans for quantitative and qualitative analysis of drivers and barriers to participation across Tertiary Education. This wider evidence work, being conducted by the Welsh Government with support from Medr, aims to understand more about learner's pathways through the education system and factors which impact their choices and outcomes.

⁸ The number of enrolments in HE learning through the medium of Welsh is monitored by Welsh Government using HESA data.

Section 4: Theory of Change

17. A theory of change workshop was conducted in 2024 with Welsh Government Officials. The purpose of the workshop was to revisit the theory of change and logic model that had been developed as part of the 2019 evaluation proposal. The 2019 evaluation proposal set out a logic model which identified the key policy drivers, needs and objectives, inputs and activities, outcomes and impacts of the reforms. The primary purpose of revisiting this logic model was to re-assess the objectives, and to articulate the intervention logic for the reforms, considering and explicitly mapping the links between outputs, outcomes and impacts.
18. Logic models were produced for each objective and can be found in the annex of this document. These models built on the work conducted in the 2019 evaluation proposal. The aim of producing detailed models for each objective was to articulate assumptions and inform the planning of evaluation work oriented to the objectives of the reforms.
19. The reforms to student finance were implemented for the cohort starting university in 2018/2019. The first stage of the theory of change work mapped the interventions to the five objectives.

Mapping activities to objectives

Objective: widening participation of Higher Education for Welsh students

Diamond reform interventions (activities):

- Increase total maintenance support to National Living Wage level, with means-test based tapered grant, supplemented by loan
- Provide universal pro-rata £1,000 pa maintenance grant to full time and part time undergraduates
- Offer up to £17,000 support (mix of loan and means tested grant) for taught masters students for fees and maintenance
- Care experienced students receive maximum grant

Objective: Strengthening part-time provision in Wales

Diamond reform interventions (activities):

- Provide universal pro-rata £1,000 pa maintenance grant to part time undergraduates

Objective: Strengthening postgraduate provision in Wales

Diamond reform interventions (activities):

- Offer up to £17,000 support (mix of loan and means tested grant⁹) for taught masters students for fees and maintenance

⁹ Until February 2024

Objective: More affordable funding system for Welsh Government

Diamond reform interventions (activities):

- Remove tuition fee grants and provide support for full time students in the form of loans to cover up front costs of tuition

Objective: Supporting the skills needs of Wales

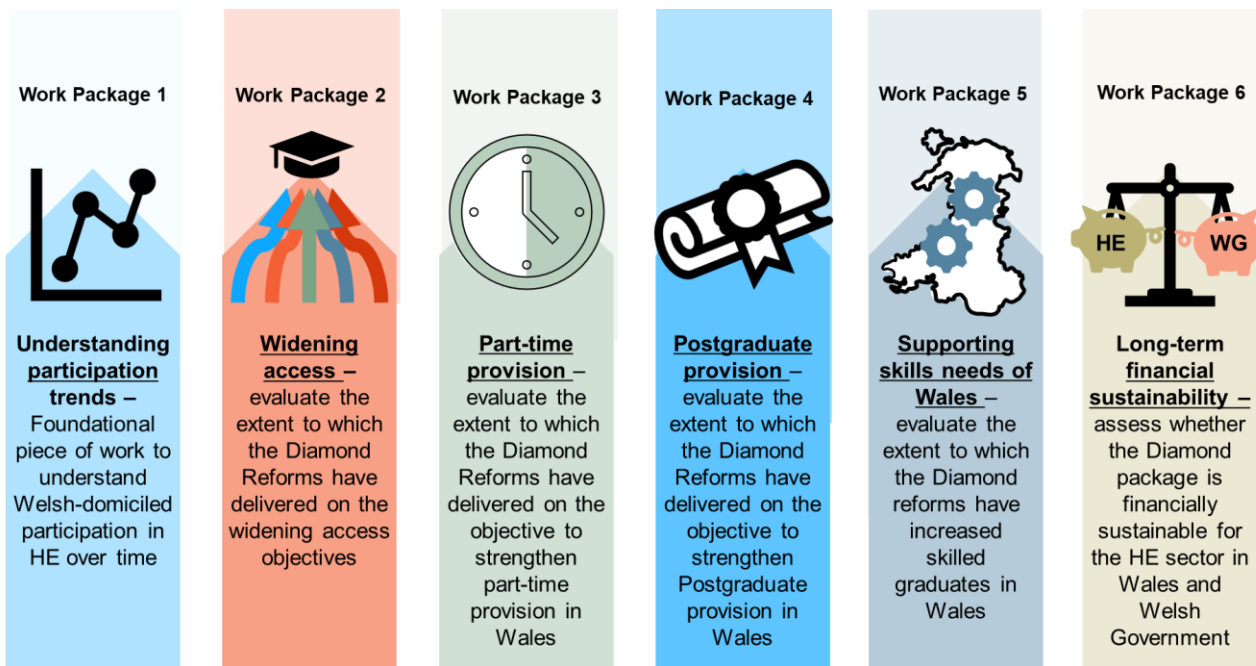
Diamond reform interventions (activities):

- The theory of change suggests activities will contribute to more Welsh graduates and postgraduates who contribute to the skills needs of Wales

Section 5 - Evaluation workplan

20. The theory of change work informed the focus of this evaluation plan around the objectives of the reforms in line with the resources available. Analysts will take an iterative approach to the evaluation work packages to ensure that emerging insights inform ongoing data collection and analysis. The next sections sets out the key research questions and proposed research activities for each objective of the Diamond reforms.

Figure 2



Work package 1 – understanding participation trends

21. Work package 1 is foundational to the wider evaluation and intends to provide an understanding of the trends in participation rates in higher education covering the period of time when the Diamond reforms were implemented.

22. This will involve a data linking project which will allow for the assessment of participation rates by learner characteristics, to inform on the progress of widening access objectives.
23. We will work with Administrative Data Research (ADR) Wales to explore linking education datasets with other administrative data created when individuals interact with public services (e.g. income tax data). This will provide insights into learner's journeys through HE and beyond. It will also allow for analysis of those who are not participating in HE.
24. Datasets we anticipate will help inform the evaluation of the Diamond reforms include:
 - i. Lifelong Learner Wales Record (LLWR)
 - ii. Pupil Level Annual School Census (PLASC)
 - iii. Higher Education Statistics Agency Student Data (HESA)
 - iv. Longitudinal Education Outcomes (LEO)
 - v. Census 2021 for England and Wales

Learner characteristics of interest

25. Learners may face additional structural barriers to accessing HE as a result of a range of personal or family characteristics and locality. The learner groups of interest have been identified in line with Welsh Government priorities and the availability of data. Due to complexities in collecting data about certain learner groups, the foundational quantitative work may not capture the experiences of all learner groups of interest and further research may be needed.

Sex	Rural/Urban residence
Ethnicity	Proximity to provider
Disability	Education Otherwise than at School
ALN/SEN	Mode of study: part-time
Neurodivergence	Mode of study: distance learner
Socioeconomic Status	Welsh Language Ability
Care experience	Studying through the medium of Welsh
Carers	Refugees and forced migrants
Learners with dependents	Prior Attainment
Local Authority	English language ability

Work package 1: Key research questions

Key high-level research questions (RQ) which will be addressed in work package 1.

1. How has participation by under-represented groups changed since the Diamond Reforms?
2. How has part-time participation changed since the Diamond Reforms?
3. How has postgraduate participation changed since the Diamond Reforms?

Work package 2: Widening participation

Key research questions (RQ):

1. What are the barriers to accessing HE in Wales?
2. What are the most effective policy interventions for widening access to HE?
3. What are Welsh-domiciled potential HE students' views of HE and awareness of the financial support package?
4. Does the financial package influence decision making?
5. Does the financial support meet the needs of students, how has this changed in the context of the cost of living crisis?
6. Is student loan debt perceived differently by different groups, does it act as a barrier for accessing HE?
7. Have under-represented groups in HE changed since the introduction of the reforms?

Work package 2 Planned research activities

- RQ1: Evidence Review of the barriers to accessing HE in Wales
- RQ2: Evidence Review of effective interventions to widen access to HE
- RQ 3, 4, 6: Qualitative study of perceptions of student loan debt/cost of HE and value of HE
- RQ 4, 5: Student Income and Expenditure Survey (2021/22)
- RQ7: Quantitative work package 1

Work package 3: Part-time provision

Key Research Questions:

1. What are the barriers to Welsh-domiciled students who want to study part-time?
2. How could part-time provision be strengthened in Wales?
3. How does part-time provision impact HEPs financially in Wales?
4. Does improved part-time provision support widening access to HE?

Work package 3 Planned research activities

- RQ1: Evidence Review: Barriers to part-time study
- RQ 2: Evidence Review: Effective interventions to strengthen part-time provision
- RQ 2: Qualitative study: Learner's experience of part-time study in Wales
- RQ 3: Qualitative study: Engagement with HEI stakeholders, challenges of providing high quality part-time courses
- RQ 4: Quantitative work package 1

Work package 4: Postgraduate provision

Key Research Questions

1. What are the barriers to postgraduate study in Wales?
2. Do Welsh-funded postgraduate students stay in Wales?
3. What is the added value to the Welsh economy and the individual of funding post-graduate students?
4. Has access to postgraduate study widened since the introduction of the Diamond reforms?

Work package 4 Planned research activities

- RQ 1: Evidence Review: Barriers to postgraduate study in Wales
- RQ 1: Engagement with HEI stakeholders: challenges of providing high quality postgraduate courses.
- RQ 2,3: Quantitative study: Linked data project (using the Longitudinal Education Outcomes dataset) to understand whether Welsh funded post-graduates stay in/return to Wales to work.
- RQ 4: Quantitative study work package 1

Work package 5: Supporting the skills needs of Wales

The Welsh Government recognises the major impact skills have on the wider economic and social well-being of Wales. Any assessment of the impact of the Diamond reforms on supporting skills needs will consider the current skills landscape and wider policy landscape around skills¹⁰, working closely with officials in Medr.

Key research questions

1. What are the migration patterns for Welsh funded graduates?
2. Who is most likely to study and stay in Wales?
3. What are the skills needs in Wales, how does HE participation map onto these needs?

Work package 5 planned research activities

- RQ 1, 2: Quantitative project: Linked data project utilising LEO dataset to understand whether Welsh funded graduates stay in/return to Wales to work. Or, whether there

¹⁰ [Review of vocational qualifications in Wales: report | GOV.WALES](#)

are patterns of return later in life aligned with social factors e.g. community or housing affordability.

- RQ 3: Evidence Review: Mapping skills needs projections to post-16 qualifications data and HE participation

Work package 6: Impact of the Diamond Reforms on financial sustainability for Welsh Government and HEPs

The Welsh Government recognises the challenges currently facing the HE sector and is committed to working with all parts of the sector to secure financial sustainability for both the Government and HEPs.

The Diamond reforms represent part of the overall finance system of the HE sector in Wales. As such, when considering financial sustainability, the overall system needs to be assessed in its entirety, including but not limited to the research questions specific to the Diamond reforms. This work is currently in the scoping stage and will be carried out as part of a dedicated project which will take place alongside the Diamond reform evaluation.

Key research questions for the Diamond reform evaluation

1. Is the Diamond system more affordable than the previous system?
2. Have the reforms delivered on the objective to release funding for other Welsh Government Higher Education objectives?
3. Have the Diamond Reforms supported HEPs to become more financially sustainable?

Work package 6 Planned research activities

- RQ 1,2,3: Economic assessment of the costs of student finance models to both Welsh Government and HEPs.
- RQ 3: Work package 3: Qualitative study: Engagement with HEI stakeholders, challenges of providing high quality courses across part-time and full-time study at undergraduate and postgraduate levels

Section 6: Other evidence sources which will inform the evaluation

26. In addition to proposed primary research, relevant evidence produced by Welsh Government, academics and third sector organisations will be synthesised to provide insight into areas of relevance. The following section sets out examples of projects which may provide information for the evaluation, this list is not exhaustive and the timelines of work currently in progress may be managed by organisations independent of Welsh Government.

Other evidence sources and their relevance to the evaluation

UCAS regional analysis

Research modelling regional differences in HE participation in Wales. Evidence from this research could contribute to the analysis of barriers to HE.

Student income and expenditure survey 2021 to 2022

Provides a snapshot of Welsh student's financial position in 2021/22 compared with 2014/2015.

National Survey for Wales

2018/2019 National Survey data provides baseline data. Questions repeated in the National Survey 2021/22 provide an interim assessment of any changes in attitudes and choices since the introduction of the reforms whilst any future survey repeats will provide evidence for longer-term outcomes.

WISERD Multi-Cohort Study (WMCS) Sweep 13

Includes questions for children at Welsh state funded schools on educational aspirations.

HESA Graduate Outcomes Survey

Survey of graduates from UK higher education institutions on what they are doing 15 months after completing their studies. Provides insight into employment or further study outcomes for Welsh students and is broken down by learner characteristics.

WCPP Understanding inequity in tertiary education in Wales Analysis of linked data (published October 2024)¹¹

The analysis examines participation, progression, and non-progression in tertiary education in Wales between 2011/12 and 2018/19. The analysis is broken down by characteristics of learners and their households, including deprivation measures and socio-economic background. It also considers the educational attainment of learners. It provides relevant baseline analysis as the Diamond Reforms were implemented in 2018/19.

¹¹ [Understanding inequity in tertiary education in Wales | WCPP](#)

WCPP Widening participation in tertiary education: Evidence review and reflections for Wales¹²

The evidence review covers widening participation interventions in the UK nations and Republic of Ireland.

Employer Skills Survey¹³

The Employer Skills Survey is a series of UK-wide large-scale employer surveys which provide a comprehensive source of labour market information on the skills challenges faced by employers and the levels and nature of investment in training and development. The survey provides evidence on the skills needs of Wales.

Universities Wales report: Economic impact of Welsh universities' teaching, research, and innovation¹⁴

Analysis of the economic impact of Welsh universities' teaching, research and innovation activities in 2021-22, with a benefit-to-public-cost ratio calculated. Relevant to work package 6.

NUS Wales cost of living survey

Online survey of 572 learners in 2023 provides evidence on the experiences of students during the cost-of-living crisis.

Section 7: Challenges and limitations

27. The 2019 evaluation proposal noted challenges which will be revisited in this work and mitigated for where possible in the planned analyses.
28. Additional challenges and possible limiting factors for the work:
 - Availability of data necessary for data linking
 - Data governance (including access to the necessary data)
 - Lack of a counterfactual analysis

Section 8: Governance

The work packages laid out in this plan will be delivered through ongoing consultation and engagement with sector stakeholders and close working with officials in Medr. A steering group has been convened to support the data linking elements in Work Package 1 which support wider evidence needs additional to the Diamond Reforms evaluation.

Section 9: Timelines

Timelines and outputs are subject to availability of resources and data, data governance arrangements and legal compliance requirements. The detail of these elements are as yet

¹² *ibid*

¹³ [Employer Skills Survey: 2022 \(Wales report\) | GOV.WALES](#)

¹⁴ [LE - Universities Wales - Impact of Welsh universities - Final report.pdf](#)

not fully known. Outputs will be in the form of a series of reports which will be published on the Welsh Government research and statistics webpage.

The expectation is that high level findings from work package 1 will be available in the first half of 2025. The insights from this piece of work will inform detailed research questions which will flesh out the high-level research questions set out in this plan.

Findings from work packages 2, 3 and 4 are broadly scheduled for financial year 2025/26.

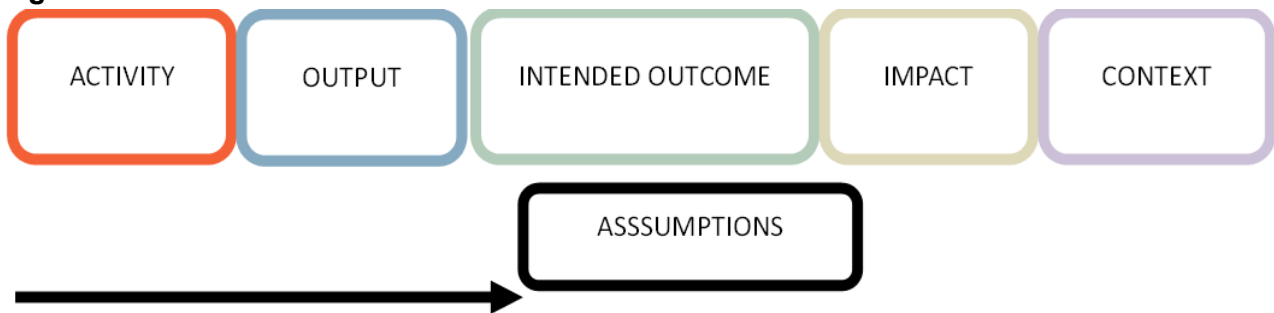
Interim findings related to the research questions laid out in work packages 5 and 6 are anticipated in financial year 2025/26 with further final outputs scheduled to be delivered in 2026/2027.

Annex 1

Logic models

Logic models were produced for each objective to show the links between the interventions and intended outcomes. The structure of the logic models follows the diagram shown in figure 3.

Figure 3



Black arrows indicate relationships articulated in the TOC workshops

Figure 4: Logic Model: Widening Access

OBJECTIVE: Widening access – ensuring access to higher education, and its associated benefits, is equitable

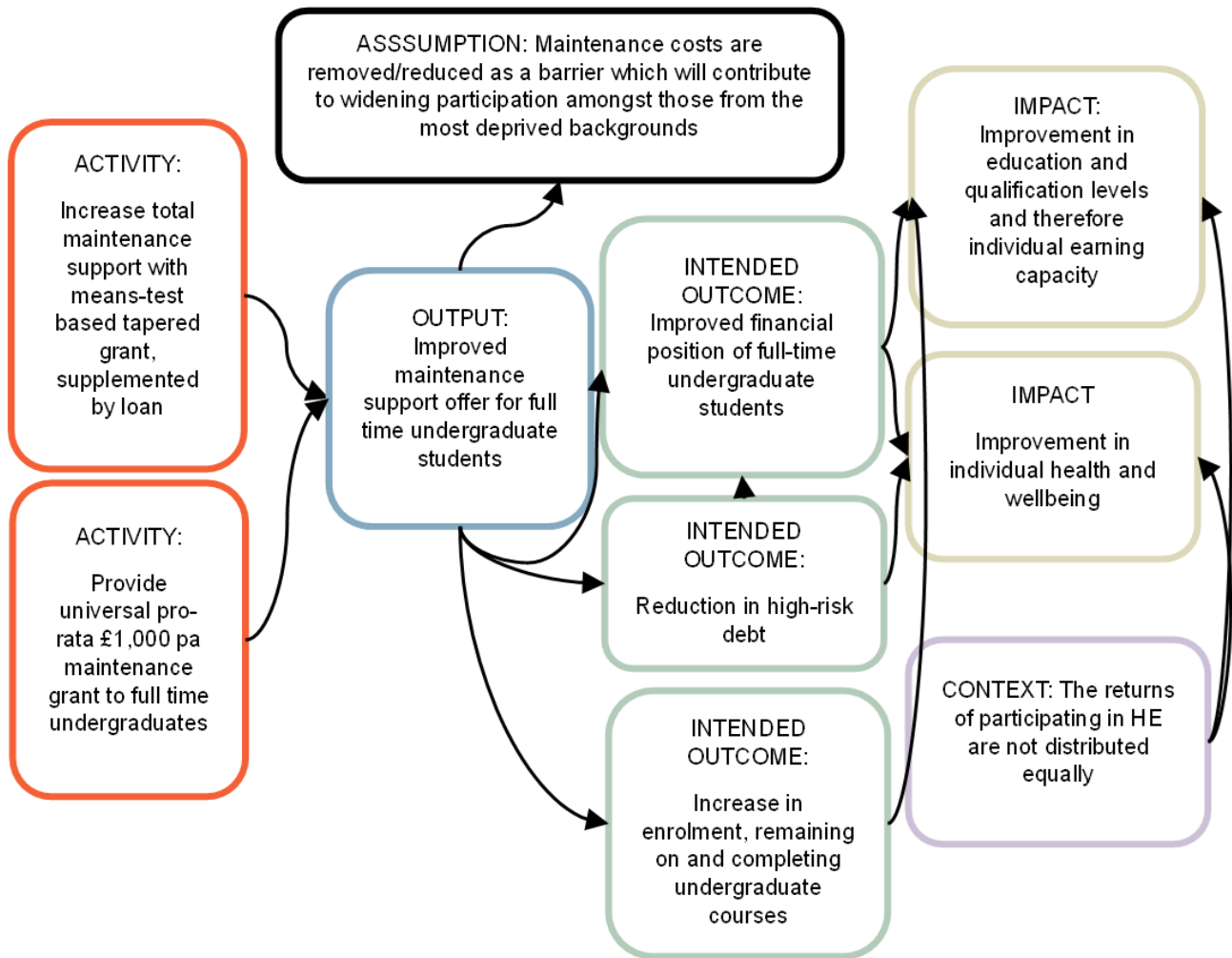


Figure 5: Logic Model: Part-time provision

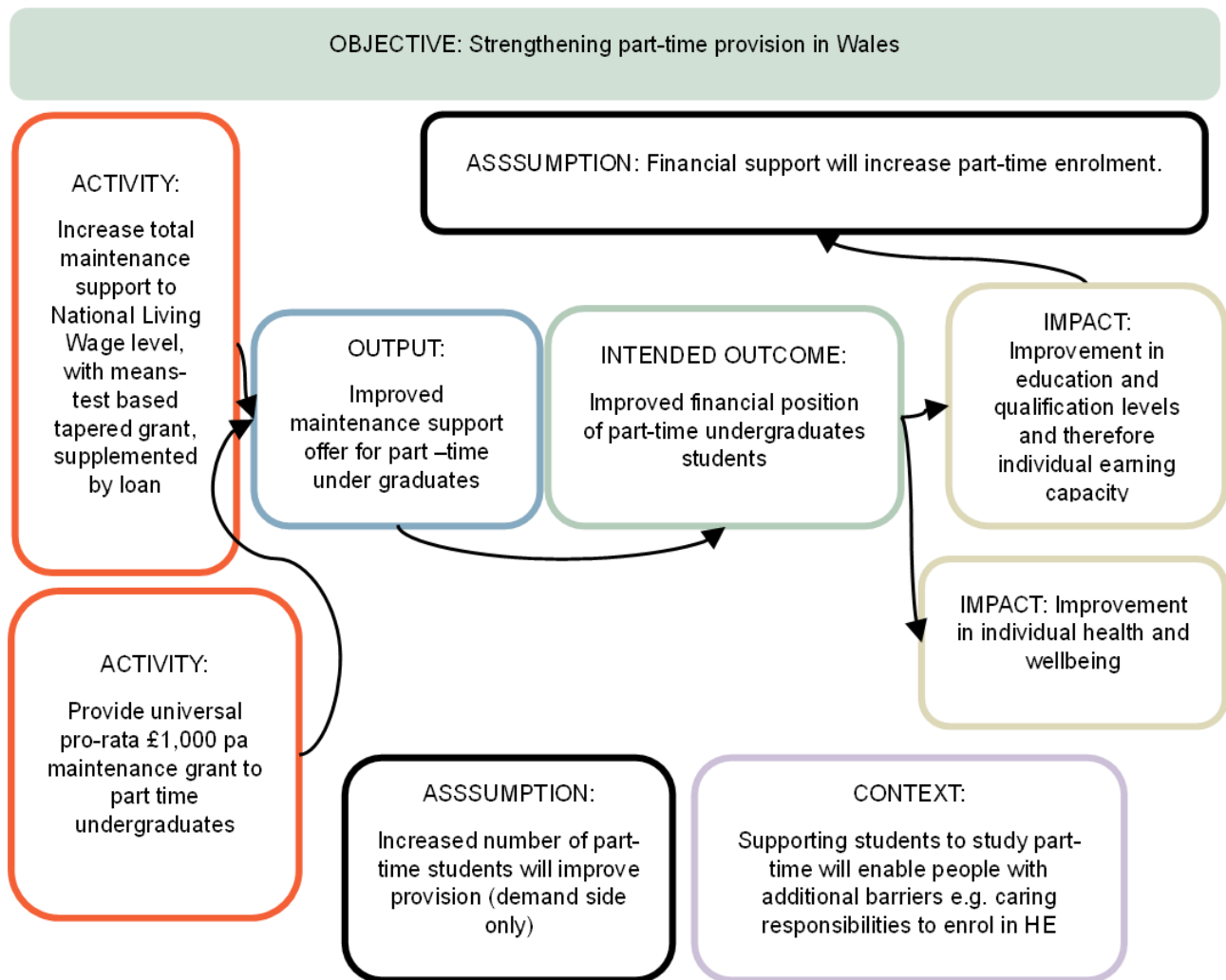


Figure 6: Logic Model: Postgraduate provision

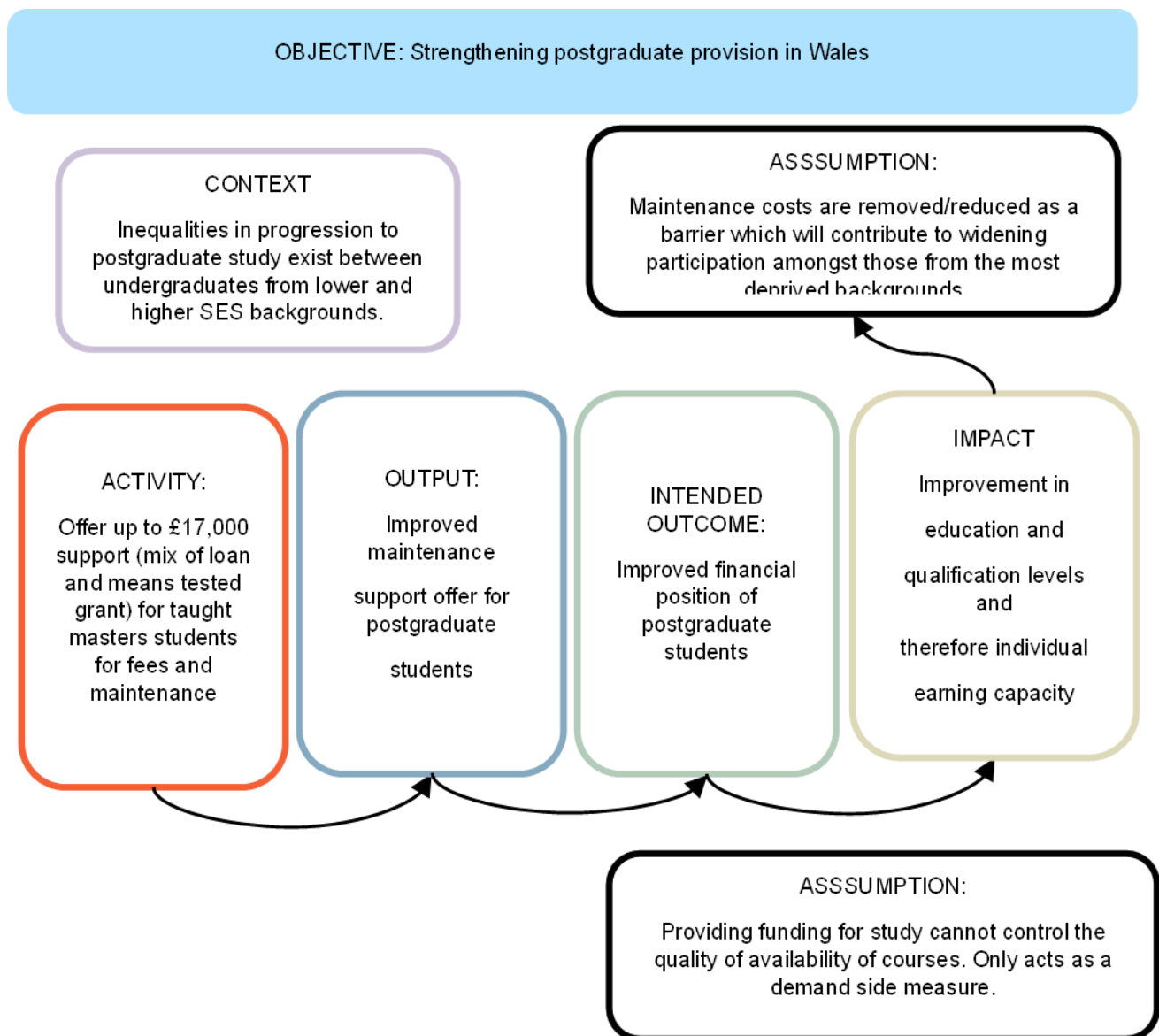


Figure 6: Logic model: Skills Needs

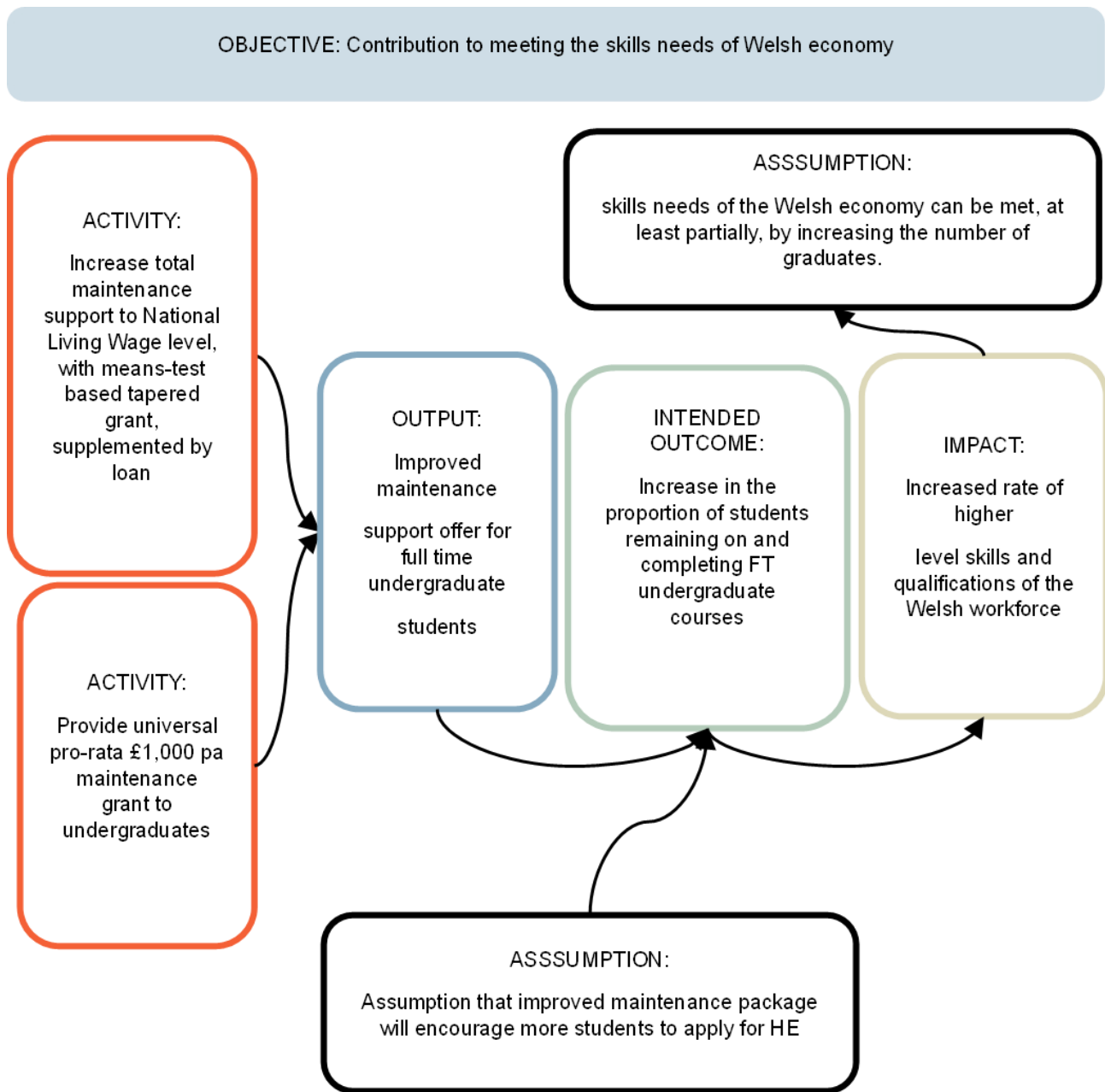


Figure 7: Logic model: Financial sustainability

