

# *The Independent Investigation Group on Student Hardship and Funding in Wales: Reflections from the Chair*

TERESA REES  
*Cardiff University*

## *Background*

Just before Christmas 2000, I received a phone call from Jane Davidson, the National Assembly for Wales Minister for Education and Lifelong Learning, inviting me to chair an inquiry into student hardship and funding in Wales, making a report to her in a few months' time. A review had already taken place in Scotland, chaired by Sir Andrew Cubie (Independent Committee of Inquiry into Student Finance, 2000), many of whose recommendations, albeit in a somewhat altered state, had been implemented by the Scottish executive. The National Assembly did not have the same level of powers as the Scottish Parliament to make some of the changes it might be minded to make. It had, nevertheless, scope to make some changes to student funding within its competencies. I was advised, however, not to feel constrained by these matters in making recommendations: what was wanted was a package of measures to deliver the 'learning country' (see the review article on *The Learning Country* in the Research Note of this issue). Our task was more difficult than that of the Cubie committee, however, as our brief differed in one very significant way. I and those appointed to serve as members of the group (listed at the end of this article) were invited to examine student hardship and funding for the whole post-16 age group, including further education (FE) as well as higher education (HE). This was clearly a challenging and daunting task.

What followed was an extraordinary if hectic six months. I met the members appointed to the group and, supported by civil servants seconded to us for the duration of the investigation, we began our work. In the first instance, we needed to get to know each other, to establish good working and trust relations and learn about each other's areas of expertise and competency. Between us, we had experience of the further and higher education sectors and delivering outreach programmes, knowledge of local authority student

support, curriculum development, funding councils, trade unions, student perspectives, legal issues and equality dimensions (we had two equality commissioners in the group). We also had academic expertise in learning societies, taxation and finance and international student funding systems. So, rather than the great and good who characterize many such investigation groups, we were a group of people with some relevant experiences and expertise. We also brought open minds to the task, together with a commitment to finding solutions to the problems.

We began by deciding on guiding principles that would enable us to assess what evidence to collect and ultimately what would make suitable recommendations. These guiding principles, broadly conceived, meant that our recommendations should assist the Assembly to deliver its vision set out in <http://www.betterwales.com> for fostering a knowledge-based learning country. We regarded as axiomatic the maximizing of opportunity for all, along with guarding against social exclusion and promoting equality.

In practice, what this meant was that we developed some stereotypical potential 'learners' against which to test our recommendations (we felt the term 'learner' was more inclusive than student, as many further education students do not identify themselves in these terms). We tried to identify not simply 'typical' learners in all the forms of education and training delivery, but also a number of cameos. These included a single-parent mother, an unemployed young man living in the Valleys, a Welsh-speaking rural worker wanting to develop more skills, a Muslim student unable to take out a student loan for religious reasons, a young person leaving care with little or no support system and Prince William. Prince William, I have to say, seemed to be likely to benefit from every proposal we could devise until we became rather better at it.

In many senses, the investigation resembled a policy-oriented research project: we identified the questions, we collected evidence, we analysed it, we discussed possible interpretations and their implications with key actors, we came to some conclusions and we made our recommendations. However, there was a crucial difference. In a typical research project, respondents have to be persuaded to give you their time, to take the project seriously, to think about their answers, to provide you with the data and so on. In this investigation it was very different. We wrote to about 1,500 organizations and individuals we wanted to consult, from government departments, education and training providers, student support services, trade unions, voluntary organizations, student bodies and so on. We received written replies from a great many of them (see the account by Dean Stroud (2002) in the previous issue of the *Welsh*

*Journal of Education* for further details). However, we also met others in person as they came to give evidence at one of our nine public hearings dotted around Wales. At our first public meeting, held in Llangefni, we were amazed by the care and hard work that witnesses put into the process of giving us oral and written evidence. That high standard was maintained. We were inundated with well-researched papers, power-point presentations, statistics and personal testimonies. People gave extremely impressive, well-informed, but also heartfelt presentations. They then stayed on to answer our questions and, at the end of the sessions, to engage in free debate with members of the group and other witnesses. All this material and other evidence presented to us, such as research reports, are available on CD-Rom as an archive for future research.<sup>1</sup>

It is clear that this was a topic about which people felt extremely strongly. They wanted the investigation group to hear their views, and see the reasons why they held these views. We also commissioned research on participation and on student income and expenditure. As a consequence of the nature, volume and quality of the evidence and research findings and the use we made of them, the work of the investigation group became what we had hoped for it: an exercise in evidence-based policy development, framed by principles focused on equality, inclusion and the development of skills for the Welsh economy.

### *Evidence*

What did we discover?<sup>2</sup> We found that the amount of money available to support learners constituted a fraction of what was needed. Essential childcare and transport gobbled up the majority of the funds designed to facilitate 'access' and alleviate 'hardship'. People wanting to enrol at the beginning of a year would not know what income they could be certain of receiving – they are in effect invited to take a considerable risk with individual or, indeed, family finances. Rules governing funds from twenty-seven potential sources of support are highly complex and administratively burdensome. A learner may have to be means tested as many as three separate times, by different bodies, to access small amounts of money. No money is allocated to advertise the funds in Wales – as a consequence, in some places, learners are barely aware of their existence. Universities and colleges are given no resources to allocate the funds, for which rules change on an annual basis. Some categories of learners in need are simply not eligible for support.

We found evidence of some learners living in poverty. Poverty is associated with stress and poor health, which in turn are associated with poor performance

and grade deflation (getting a worse grade than they would have done otherwise). ‘Poverty of the learning experience’ was graphically described to us, whereby some learners had to undertake excessive hours of paid work to support themselves, even while studying full time, as well as taking care of family responsibilities.

At the same time, we found that HE students from wealthier backgrounds were able to enjoy the benefits of publicly subsidized, low-interest student loans that were surplus to requirements and therefore used (very sensibly) for investments such as Individual Savings Accounts (ISAs) or a deposit on a house. Wealthy parents contribute much less now to the support of their offspring in university, despite the fuss about fees, than they did under the old system.

In short, the current system, devised by Whitehall, is a mess. It puts potential learners off, as they cannot be sure they can afford it. It renders some of those who do go into further or higher education at risk of poverty. There is an income and expenditure gap for learners in both FE and HE. Graduates are in the process of accumulating considerable debts, on average £12,500. This may deter them from acquiring further qualifications – and further debts. There is, therefore, a fundamental mismatch between the vision of Wales as a ‘learning country’ as set out in the National Assembly for Wales blueprint document – <http://www.betterwales.com> – and the reality.

Towards the end of our deliberations, we held several private brainstorming sessions with key figures from the education funding councils for England and for Wales, the Student Loans Company, Whitehall departments and others to discuss our emerging thoughts. We also had helpful discussions with senior Assembly officials, towards the end of our deliberations, to pose the question: here are our thoughts on designing a new system – ‘will it fly’?

### *Recommendations*

In the end we came up with fifty-four endlessly redrafted and finely tuned recommendations. Many were reasonably straightforward and obvious ones to reach. Others, because we wanted to be progressive in addressing the monumental problems in the system, were much more difficult to develop. The fact that the minister had asked for costed proposals focused our attention on what was affordable that would achieve the desired ends. The group’s work at this stage of the proceedings was frenetic and involved 24 hours locked away in a hotel used by the Welsh rugby squad before international matches. Throughout, we held on to the mantra that all our decisions should be rooted in evidence.

Our recommendations were arranged in three groups: those that the National Assembly would need to persuade the UK government to adopt because they lay outwith the Assembly's competencies, those that the Assembly could do itself, and those that the Assembly should encourage others to do. (See IIGSHFW 2001 for the full set of recommendations.) Our key recommendations in the first two categories were as follows:

*Westminster*

The UK government should:

- invest considerably more resource into supporting learners;
- invest in a statutory entitlement to a finite, means-tested, needs-assessed targeted maintenance support for all learners in HE and FE; and
- replace student fees with an end-loaded, income-contingent, finite graduate endowment contribution (that is, you pay when you can afford to, after you have graduated).

*National Assembly for Wales*

The Assembly should:

- increase support for learners from £11.5m (in 2001) to £58.5m in 2002/3 and beyond;
- ensure that the needs of learners are incorporated into childcare and transport strategies;
- roll all budgets for access and hardship funds into two new schemes: learner maintenance bursaries (means-tested support for all learners in FE and HE normally resident in Wales) and financial contingency funds (a safety net, for which learners at Welsh institutions not normally resident in Wales would also be eligible).

We agreed that the cost of education should be shared between the learner and the state. However, the current situation is that FE learners are expected to enrol without knowing whether applications to access and hardship funds will be successful and how much cash they might generate. HE students are expected to contribute to the cost of their education at the beginning, when they themselves may have no resource. This can act as a real barrier, even though fees are means tested. We were guided by the principle that learners themselves benefit from their education, hopefully, by subsequent enhanced income, and should therefore make a contribution to its cost – when they are benefiting from the

‘graduate premium’ of an enhanced salary, rather than ‘up-front’. Hence we proposed a shift – from parents’ paying fees at the beginning to graduates paying a finite contribution when they can afford it. As maintenance support would be means tested, wealthier families would make a contribution to the support of their offspring, but learners themselves would be responsible for the fee contribution. This should ultimately raise more for the Treasury (and HE) as it is hoped that in the future a higher proportion of graduates will earn a graduate premium salary than the 50 per cent of students who currently pay fees.

### *Action*

Jane Davidson welcomed the report when we presented it to her in June 2001 and said that the proposals would be scrutinized carefully. Since then, she has implemented many of those recommendations within the gift of the Assembly, including a substantial increase in the budget for learner support. She is in negotiation with ministers at the Department for Education and Skills (DfES) about those that only Westminster can deliver, such as shifting the incidence of fees in HE from the time of enrolment to the time when a learner is earning a graduate salary. Our rather cumbersome but I think clear description for this recommendation was that we wanted to see a shift from up-front fees to a finite, end-loaded, income-contingent graduate endowment contribution. If you did not earn enough, you would not need to pay; if you did, you would and should be able to afford it.

In February 2002, members of the group were delighted to hear a further announcement from the Minister that, as from October 2002, our proposals for learning maintenance bursaries (to be renamed ‘assembly maintenance grants’) and financial contingency funds are to be introduced – in both HE and FE. This means that many learners in Wales will now be better resourced and better informed about their level of support than those in the rest of the UK. It means that Wales will be on track to become a learning country. However, in HE, the UK itself is a learning market – there are considerable cross-border flows. Improvements in one country can cause repercussions elsewhere. Now that Scotland, Northern Ireland and Wales have developed their own solutions to problems of student hardship and funding, the ball is firmly in the court of DfES to address the problems in England, and those of the UK for which only a UK solution can be found.

Looking back, I doubt whether any of us had ever worked with such intensity before. Few members of the group had met any of the others before the work started. The civil servants seconded to us worked incredibly hard and

were an invaluable source of information on complex matters. During the course of the investigation, we had to cope with the fact that the outbreak of foot and mouth disease adversely affected our carefully planned programme of public hearings. We had to negotiate the effects of a general election, and the threat of civil servants being plunged into purdah just at the time we wanted to brainstorm with them. We had to deal with press enquiries the week before our press conference and launch, following an alleged 'leak' of recommendations to the *Western Mail* that was in fact mischievous political speculation. On the plus side, we saw committed people, remembering their own career trajectories from relatively poor origins to jobs that made the best of their skills as a consequence of having enjoyed higher education, free at the point of entry, who wanted the same for others. We had the pleasure of meeting many students, hearing their stories and receiving the very reasoned (and costed) proposals of the National Union of Students. And finally, we have seen our recommendations accepted and acted upon by the minister. Now *there* is a difference from research!

*The Independent Investigation Group on Student Hardship and Funding: Members*

Professor Teresa Rees (Chair)	School of Social Sciences, Cardiff University and Equal Opportunities Commission Commissioner for Wales
Mr Rob Humphreys	Department of Continuing Education, University of Wales Swansea
Mr David Jenkins	General Secretary, Wales TUC
Mr Tony Pearle	Principal Education Officer, Powys County Council and Chairman Welsh Student Support Officers' Group
Dr Sonia Reynolds	Credit and Qualification Framework for Wales Project and member of Education and Learning Wales (ELWa)
Mr Ken Richards	University of Wales, Aberystwyth (recently retired)

Judge Ray Singh	Barrister at Law and Commission for Racial Equality Commissioner for Wales
Mr Matthew Whiting	President of the University of Glamorgan Students' Union
Dr Maureen Woodhall	University of Wales, Aberystwyth; Emeritus Reader, Institute of Education, University of London

*Notes*

**Teresa Rees** is Professor of Social Sciences at Cardiff University. She was Chair of the IIGSHFW. E-mail: ReesTL@cardiff.ac.uk. A section of this article is based on material that has previously been published in the Institute of Welsh Affairs magazine, *Agenda* (2002).

<sup>1</sup> See IIGSHFW (2001) and <http://www.wales.gov.uk/investinginlearners> for details.

<sup>2</sup> We also discovered that catering varied considerably among the institutions around Wales kind enough to host our public enquiries and offer us lunch. We discovered that the lighting system in some institutions' lecture theatres is activated by movement, so that listening to evidence quietly and without fidgeting can have the unwanted side effect of gradually plunging the room into darkness. We discovered that Craig Owen, then president of National Union of Students Wales, would come to every inquiry hearing and round up any recalcitrant students from the library or bar to ensure we heard their views (for which, of course, we were very grateful).

*References*

- Independent Committee of Inquiry into Student Finance (2000). *Student Finance, Fairness for the Future* (The Cubie Report), Edinburgh, Independent Committee of Inquiry into Student Finance.
- Independent Investigation Group on Student Hardship and Funding in Wales (2001). *Investing in Learners: Coherence, Clarity and Equity for Student Support in Wales*, a report to the Minister for Education and Lifelong Learning at the National Assembly for Wales, Cardiff, IIGSHFW (<http://www.wales.gov.uk/investinginlearners>).
- Stroud, Dean (2001). 'The Independent Investigation Group on Student Hardship and Funding in Wales', *Welsh Journal of Education*, 10 (2), 92–104.