

■ INTRODUCTION

- 1 This circular seeks institutions' views on proposed arrangements for the allocation of the Council's Welsh Medium Provision Fund from 2003/04.

■ BACKGROUND

- 2 The Council provides funding support for Welsh medium provision in three main ways: through premium payments for enrolments on Welsh medium courses, paid as part of the main teaching funding allocation; a grant to the University of Wales Welsh Medium Teaching Development Unit; and through the Welsh Medium Provision Fund.

The Welsh Medium Provision Fund

- 3 The Welsh Medium Provision Fund was established in 2000/01, following an evaluation of the Council's earlier Welsh Medium Provision Development Fund. The Fund has been allocated each year pro-rata to institutions' Welsh medium enrolments, as recorded in Higher Education Statistics Agency (HESA) data, averaged over the most recent two-year period for which data are available.
- 4 Provision was also made for minimum allocations of £10,000 to institutions which, *pro rata*, would receive less than this sum from the Fund. The Council set a threshold of enrolments equivalent to greater than one full-time equivalent enrolment for eligibility for this floor provision. This threshold recognised that, particularly in institutions where the FTE total was low, students were likely to be studying only a few modules, or parts of modules, through the medium of Welsh and one FTE might represent several students. It was also considered that provision in some areas was likely to be at a developmental stage and could be helped to achieve a secure platform through seed-corn funding. The Council's view at the time was that floor provision should be available for a period of three years from 2000/01, whereafter it would be withdrawn, unless an institution could demonstrate the need to protect a pocket of provision.

- 5 In establishing the Fund, the Council wished to encourage institutions to take a strategic approach to developing Welsh medium provision on the basis of predetermined allocations, as opposed to responding to *ad hoc* bidding competitions for funding. Release of funding was therefore made conditional on the submission by institutions of satisfactory Welsh Medium Provision Plans. The Council recognised, however, that the production and review of these plans would be a developmental process for institutions and has sought to contribute to this by providing constructive feedback.

- 6 The bulk of the funding is allocated to the three institutions which have significant amounts of Welsh medium provision: namely, University of Wales, Aberystwyth; University of Wales, Bangor and Trinity College Carmarthen. University of Wales Institute, Cardiff receives an allocation which is a few thousand pounds above the floor provision level. Four institutions received floor provision in 2000/01 and the total fund was increased in the subsequent two years to accommodate other institutions which became eligible for floor provision. The sum initially set aside for the Welsh Medium Provision Fund in 2000/01 was £254,000, rising to £294,000 in 2002/03.

■ REACHING HIGHER

- 7 Institutions will be aware of the particular attention paid to Welsh medium provision in *Reaching Higher*, the Assembly Government's strategy for higher education.

"We are committed to working to make bilingualism a reality in Wales . . . We want an HE sector which is responsive to individuals, including those who wish to pursue elements of their degrees through the medium of Welsh. Over time it should be viewed as part of the mainstream provision covering a selection of courses and modules".

- 8 The strategy sets the Council and the sector a target of at least seven per cent of students in Welsh higher education institutions pursuing some element of their course through the medium of Welsh by 2010. The development of Welsh medium

provision also needs to be placed within the overall context of the *Reaching Higher* Reconfiguration and Collaboration agenda.

9 In response to the remit letter from the Minister for Education and Lifelong Learning received in May 2002, the Council submitted a report in July on current trends in supply and demand of Welsh medium learning, projected trends, and possible initiatives to stimulate demand. A further report was submitted in February 2003, developing in more detail the proposals in the first report. These focus on:

- extending the role of the University of Wales Welsh Medium Teaching Development Unit to create a National Centre to support the development of Welsh medium higher education provision; and
- increasing staff capacity within the sector to deliver Welsh medium provision.

Additional funding is being sought to enable these proposals to be implemented. We are awaiting the Minister's response to the report.¹

10 The second report has been produced following detailed discussions with representatives of the University of Wales Board for Welsh Medium Teaching and the University of Wales Welsh Medium Teaching Development Officer. The conclusion which has emerged strongly from the discussions is the need for a national strategy for Welsh medium provision in higher education for which the Council and the sector should take joint responsibility for developing, implementing and monitoring. It is proposed that this should be achieved through the establishment of a Steering Group which, as well as the Council and the sector, would include representatives from other organisations with an interest in the development of Welsh medium higher education.

¹ The July 2002 report was issued under the cover of Circular W02/64HE and can be accessed on the Council's website (<http://www.hefcw.ac.uk>). As the February 2003 report is being considered by the Welsh Assembly Government, it has not yet been issued to the sector.

11 As institutions develop and deliver Welsh medium provision, including through the use of Welsh medium premium funding and/or the Welsh Medium Provision Fund provided by the Council, we will look to them to do this in a way which supports the fulfilment of the emerging national strategy for Welsh medium provision and the achievement of the Assembly Government's target for Welsh medium provision.

■ WELSH MEDIUM PROVISION FUND – FUTURE ARRANGEMENTS

12 Given that we are coming to the end of the first three-year period of the operation of the Fund, and in the light of the challenging agenda presented by *Reaching Higher*, the Council wishes to review the operation of the Welsh Medium Provision Fund and to introduce revised arrangements from 2003/04.

13 It is essential the Fund is used effectively to contribute to the expansion of provision demanded by the *Reaching Higher* target. The *Welsh Medium Premium* funding which the Council makes available through its teaching funding method is primarily to acknowledge the extra costs inherent in the *delivery* of Welsh medium provision. It covers additional enrolments as they come on stream. The purpose of the *Welsh Medium Provision Fund* is to pump-prime and stimulate the *creation of new provision* and to support activities to *increase enrolments*. The way in which the Fund is allocated needs to facilitate these developments. Once the Minister's response to the report referred to in paragraph 9 is known, the Council hopes to be able to put in place other policies to support the expansion of Welsh medium provision.

14 The allocations to UWI Cardiff, and the allocation to several institutions of floor provision, have enabled a number of small-scale developments to take place. However, it has not, on the whole, directly led to the strengthening or embedding of provision. In the responses received to the request for Welsh medium plans and discussions with institutions, it has become evident that, for smaller institutions, the preparation of a full plan as requested by the Council can place a significant burden on a small management

- team. For some larger institutions, the staff time involved in putting together a plan can seem disproportionate to the level of allocation. Nonetheless, the request for plans has stimulated discussion in institutions about the place of Welsh medium provision within their portfolios. In many instances this has coincided with the requirement for institutions to prepare Welsh Language Schemes for approval by the Welsh Language Board. The UW Welsh Medium Teaching Development Officer has also provided advice and guidance to these institutions on the planning and development of their provision.
- 15 The allocations made to UW Aberystwyth, UW Bangor and Trinity College form an important element in these institutions' overall resource for sustaining and developing Welsh medium provision. The first three years of the operation of the fund have given them the opportunity to develop their planning frameworks for Welsh medium provision. However, whilst there have been gains in some subject areas, there has not been sustained growth in total enrolments. These institutions need to build on experience over the past three years and ensure strategic direction in the use of the funding to strengthen provision. In this context, we will look to these institutions to devote some of their resources to collaborative working. (A table illustrating Welsh medium enrolments over a five-year period is at **Annex A**)
 - 16 For other institutions, the question is, what is the best way forward, given the experience of the last three years, for developing Welsh medium provision. Even if the Council were to continue with a system of floor allocations, it does not consider that it would be appropriate to do this at the same threshold and some institutions would therefore no longer receive support from the Fund.
 - 17 The Council considers that, rather than making small allocations directly to individual institutions, a proportion of the fund should be set aside for the UW Welsh Medium Teaching Development Unit (or National Centre as it is hoped it will become) to support projects in subject areas in these institutions where there is potential for development. The Unit/Centre would also provide guidance to individual institutions on planning and embedding Welsh medium provision within their portfolios.
 - 18 Under this arrangement, every institution would not necessarily receive project funding each year. Projects would be considered within the context of an institution's own aspirations but also against national strategy priorities. The Centre would discuss the proposals with the institutions concerned before deciding, in consultation with Council officers, on the projects to be supported. There would be potential for collaborative programmes and projects could also be part of larger schemes supported by the other resources available to the Unit/Centre.
 - 19 The position of UWI Cardiff also needs to be taken into account. While its allocation has only been a few thousand above the £10,000 floor provision level, this has been on the basis of actual Welsh medium enrolments. UWIC therefore has potentially a stronger institutional platform for development than the institutions which have received floor provision.
 - 20 As the number of institutions becoming eligible for floor provision has increased, a significant proportion of the fund has gone to support developments on a very small Welsh medium enrolment base. (This has not, however, been at the expense of the institutions receiving above the floor provision, as the total sum for their allocations has been maintained or increased in line with the GDP deflator.) Thus in 2002/03, UW Aberystwyth, UW Bangor, Trinity College Carmarthen and UWI Cardiff received funding totalling £229,600 based on a two-year average total of 1,022 FTE enrolments, while £70,000 was allocated in floor provision based on a total of 81 FTE enrolments.
 - 21 The budget which the Council has set aside for the Welsh Medium Provision Fund for 2003/04 is £300,000. In the light of the points above, the Council proposes the following:
 - a) **£200,000** to be set aside as the "core fund" for UW Aberystwyth, UW Bangor and Trinity College. Hitherto, pro-rata allocations have been

determined on the basis of the average of Welsh medium enrolments for the preceding two-year period. This has resulted in some fluctuation from year to year as the balance of enrolments between institutions changed. To provide greater stability, it is proposed that the allocation be based on an average of three-years' data (1999/2000 to 2001/02) and that this allocation would remain in place for three years (2003/04 to 2005/06), with a review of arrangements for 2006/07 onwards. However, as the purpose of the funding is to increase provision and enrolments, the Council would wish to discuss with the institution concerned any significant drop in enrolments in a particular year. It would also retain the option to adjust the distribution of the core fund between the three institutions if it deemed this appropriate.

UW Aberystwyth, UW Bangor and Trinity College would be expected, as now, to submit Welsh Medium Provision Plans as a basis for the release of funding.

Either

- b1) A core allocation of **£12,000** to University of Wales Institute, Cardiff in addition to being able to seek support from a core fund of **£48K** to be allocated to the UW Unit/National Centre for projects to develop provision in institutions where Welsh medium provision is at a much lower level.

Or

- b2) A core fund of **£60K** to be allocated to the UW Unit/National Centre for projects to develop provision in institutions where Welsh medium provision is at a much lower level. This would include UWIC.

The institutions receiving funding under (b) would not be expected to submit individual institutional Welsh medium provision plans to the Council. However, they would be

expected, with the guidance of the Unit/Centre to progress the development of Welsh medium provision in a strategic manner which would also be consistent with the plans which they have set out (or will be setting out) in their Welsh Language Schemes.

If UWI Cardiff were to receive a separate allocation as indicated in (b1), it would need to submit development and expenditure plans for the use of the funding.

- c) This leaves a sum of **£40,000** unallocated. It is proposed that it be distributed each year on the basis of increases in enrolments. Increases would be measured individually at UW Aberystwyth, UW Bangor, Trinity College and any additional allocation made directly to them. The other institutions in the sector would be treated as a group and their enrolments added together. Any additional allocation would be paid to the Unit/Centre to add to the core fund for this group of institutions.

22 These additional allocations would always be on top of the core fund allocation and would be determined afresh each year. In other words, continuing increases in enrolments would have to be achieved each year to qualify for funding above the core fund level. (Note: this does not affect the payment of *Welsh Medium Premium* funding which institutions receive on the basis of their total FTE enrolments on Welsh medium courses.)

23 Three possible allocation models are suggested. For the sum to be allocated in full, the sector would need to achieve an increase of around 100 FTE a year. Institutions may consider this a challenging target but even so, it may not of itself be sufficient to fulfil the Assembly Government's 2010 target. The Council is working with Assembly Government officials to determine the precise definition of the target and the implications will then be discussed with the sector.

24 The new allocation method would take enrolments in 2001/02, the latest year for

which data is available, as the baseline. As changes in enrolments will therefore not be able to be measured until the 2004/05 allocation year, flat rate additional allocations of £7,500 each will be made in 2003/04 to UW Aberystwyth, UW Bangor, Trinity College Carmarthen and to the Unit/Centre for the group of institutions providing at lower levels.

Model 1

An allocation of £5,000 for an increase in enrolments of 10 to 19 FTE in a particular year, or

An allocation of £10,000 for an increase in enrolments of 20 to 29 FTE in a particular year.

Additional allocations would be made for increases of over 30 FTE if the overall budget allows.

The advantage of this model is that it provides an incentive to make significant step increases in FTE enrolments. However, it would not recognise smaller increases and a 19 FTE increase, for example, would attract the same funding as an 11 FTE increase.

Model 2

An allocation of £400 for each FTE increase on the 2001/02 baseline, up to the maximum of the £40,000 available.

This would be the most straightforward method to operate and would recognise a single FTE increase. Nonetheless it should provide an incentive to achieve greater increases to secure more of the funding available.

Model 3

An allocation of £4,000 when the first 10 FTE increase on the 2001/02 baseline has been reached.

Additional allocations of £2,000 for every 5 FTE increase after the first 10 FTE increase, subject to the maximum of the £40,000 available.

This method would retain the incentive in Method 1 to achieve an initial step increase of 10FTE but would recognise smaller step increases thereafter.

Exemplifications of these models are provided in **Annex B**.

25 Each year any sum which remained unallocated would be transferred to the Unit/Centre's programme budget and would therefore still contribute to the development of Welsh medium provision.

26 As indicated above, adjustments would be made to the method if necessary to keep the additional allocations within the maximum sum available. The Council would hope each year, depending on the level of its overall grant, to increase the Welsh Medium Provision Fund in line with the GDP deflator. The Council would review the operation of the Fund after three years.

27 As the proposals above constitute a new method for allocating the Welsh Medium Provision Fund, it is important that it operates with accurate baseline data for 2001/02. Therefore **for 2001/02 data only**, institutions will be requested to verify their Welsh medium enrolments as recorded in HESA and will be permitted to amend the data to include Welsh medium enrolments which were omitted from the HESA return. **This will not be allowed for future years' data. Nor will any amendments made to 2001/02 data in relation to the Welsh Medium Provision Fund apply to the Welsh medium premium allocations for 2003/04 (published in April 2003, W03/18HE) or 2004/05.**

28 We would emphasise how important it is for institutions to return correct Welsh medium enrolment data to HESA. This impacts not only on the calculation of funding allocations for Welsh medium provision, but also on our ability to report progress to the Welsh Assembly Government against the *Reaching Higher* target for Welsh medium provision. It is also vital that we have as clear a picture as possible of the current position as we work with the sector to expand Welsh medium provision.

■ CONSULTATION

29 We would welcome institution's views on the proposals set out above.

Specifically, we would wish to receive comments on:

- i) the proposed method for core-fund allocations to UW Aberystwyth, UW Bangor and Trinity College for a period of three years (paragraph 21a);**
- ii) the proposal to distribute funding to the UW Unit/National Centre to support the development of Welsh medium provision within other institutions in the sector, rather than making floor provision allocations to individual institutions (paragraphs 17-18 and 21b)**
- iii) the alternative approaches proposed to funding support for UWI Cardiff (paragraph 21b1 and 21b2)**
- iv) the proposal to allocate a proportion of the Fund on the basis of increases in FTE enrolments (paragraph 21c).**
- v) the proposed models for allocating the "Enrolment Increases" element of the Fund (Paragraph 21, Models 1, 2 and 3, and see also the exemplifications in Annex B).**

30 Responses should be made to Alison Allan, Senior Learning and Teaching Manager, HEFCW, Linden Court, The Orchards, Llanishen, Cardiff CF14 5DZ by 25 June 2003.