

REPORT OF FINDINGS

THE COSTS OF WIDENING ACCESS AND PARTICIPATION IN HIGHER EDUCATION IN WALES

Report for: The HEFCW (an extension of our study undertaken for the HEFCE, UUK and SCOP, reported in January 2004)

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Table of Contents

	EXECUTIVE SUMMARY	i
1	INTRODUCTION	1
2	CONTEXT	2
3	STUDY METHODOLOGY	6
4	KEY FINDINGS	8
	Annex 1: Extracts from 'The Costs of Widening Participation in England'	15
	Annex 2: Possible activities: widening access/widening participation (WP)	20

EXECUTIVE SUMMARY

1. This is a summary of the main findings of a study of the costs of widening access and participation in Welsh higher education institutions (HEIs), which was designed as an extension to a similar study of widening participation in English HEIs, conducted for the HEFCE, UUK and SCOP in 2004.

Methodology

2. The study was commissioned in January 2005 and adopted the same case study methodology as the study of English HEIs. Four institutions agreed to participate as case studies and all returned data of sufficient rigour to merit inclusion.
3. In addition, the remaining eight HEIs were invited to submit an estimate of their widening access and participation costs. Three did so and one of these was included with the four full case studies as it was of sufficient detail and rigour and did not affect the balance of the sample.
4. The same list of activities, prepared by the consultants (covering outreach, recruitment and retention, and including training, management and institutional learning and teaching frameworks), was used to inform the studies in Wales and England. The same exclusions and levels of scrutiny were also applied.
5. Institutions were encouraged to adopt an inclusive definition of widening access and participation to incorporate educational background, as well as socio-economic factors and equality issues.
6. Qualifying part-time students are included and are weighted at 0.4 when calculating full time equivalents (FTE)s.

Issues

7. There is no standard definition of widening access and participation (WP) students, nor of the activities that should be taken to support them. This adds to the complexity of the area: what might be considered a WP activity in one case might be considered 'normal' in another.
8. Equally, institutions' WP strategies demonstrate how the funding made available by the HEFCW for widening access and participation has been allocated, rather than showing the full range or cost of widening access and participation activities. As a result, institutions did not have a full set of cost data available. In particular, there is a great deal of activity taking place in individual schools and departments that can be difficult to identify.
9. Overall, the consultants believe that the costs identified in this study represent a fair and reasonable estimate of additional costs of WP activities for individual case study institutions. If anything, they are likely to be an under-estimate. (However, the consultants believe that under-reporting may be less prevalent than in England as the HEFCW reporting requirements tend to encourage HEIs to monitor closely the extent and nature of their widening access and participation activities, even though they may not be fully-costed.)
10. We found less difference in the costs per WP student FTE identified for individual case study institutions than in England (29-64% compared with 12-63%). The

weighted average cost per WP student FTE¹ was higher (48%, against 31% in England).

Findings

11. The additional costs of WP in the case study and other participating institutions are summarised in the table below. Costs relate to 2003/04.

HEI	A Cost per student FTE (£s)	B Cost per WP student FTE (£s)	C Cost per WP student headcount (£s)	D WP costs per WP student FTE as % of base price²	E WP costs per WP student headcount as % base price
Case study:					
F	85	871	780	29%	26%
G	99	1149	982	38%	33%
H	431	1925	1420	64%	47%
I	324	1659	1176	55%	39%
J	128	961	792	32%	26%
Weighted av of case study institutions.	217	1454	1208	48%	40%
Other:					
K	305	1582	952	53%	32%
L	157	973	756	32%	25%

12. As in England, HEIs tended to feel that resources, rather than opportunity, are the brake on widening access and participation activity. This is seen to be particularly marked where WP strategies have been successful, when WP student numbers increase in advance of the additional funding to support them.
13. We found more consistency in the target groups of students amongst our case study institutions in Wales, than we did in England, which, to some extent at least, may reflect the policy priorities of the Welsh Assembly Government and the HEFCW. There is a particular emphasis on attracting students from the most deprived wards; disabled students; and mature students with non-traditional qualifications.
14. In the table below, the average cost of WP activity is shown as a percentage of base price (£3022) and is compared with WP funding for 2003/04, also shown as a percentage of base price.

¹ WP student FTE is the full-time equivalent of all students for whom widening participation funding was allocated. However, those allocated only one semester completion funding are not included.

² Base price is £3022 – the unit of resource per FTE for ASC8 for 2003/04, deemed the best comparator for HEFCE Band D (£2808), which was the base price used in the study in England.

	Av. cost per FTE (case studies)	Av. WP funding per FTE (Welsh HE sector)	Av. cost by headcount (case studies)	Av. WP funding by headcount (Welsh HE sector)
Per HEFCW-fundable WP student	£1,454	£560	£1,208	£434
% of base price	48%	19%	40%	14%

15. This suggests that, on average, WP costs per WP student FTE are 48% of the base price, compared to the 2003/04 WP funding allocation per WP student FTE of 19% of the base price.
16. However, under the English funding model, for the English case study institutions overall, 55% of fundable student FTEs were classified as WP FTEs whereas the Welsh model classified only 15% of the Welsh FTES as WP FTEs. This seems to contradict the figures presented in the UK performance indicators that suggest the numbers of students from underrepresented groups are broadly similar in the two countries.
17. The different methods of classifying widening participation for funding purposes in the two countries makes it difficult to draw conclusions by comparing costs in terms of WP student FTEs as above. An alternative approach is to compare funding and costs per fundable student FTE (i.e. based on all students rather than just those attracting WP funding). On this basis, the average WP funding per fundable FTE is estimated to be £267 in England and £81 in Wales. The costs are also lower in Wales (£217 on average for the case study institutions) than in England (£486).

1 INTRODUCTION

- 1.1 This is a summary report on a study aimed at providing a more robust understanding of the costs involved in widening access to, and participation in, Welsh higher education institutions (HEIs). This study does not cover widening access and participation activity undertaken by further education colleges (FECs).
- 1.2 The study was designed as an extension to a similar study of widening participation in English HEIs conducted for the HEFCE, UUK and SCOP and completed in 2004³.
- 1.3 This summary report looks at similarities and differences in widening access and participation in Welsh HEIs in relation to the findings of the English study. Familiarity with the report of the English study is assumed.
- 1.4 The aim of the Welsh study was to:
 - provide information on the cost implications for Welsh institutions of responding to the Welsh Assembly and government agendas in terms of widening access and participation and to note key similarities and differences with their English counterparts.
- 1.5 Institutional representatives in our case study and other responding institutions have committed time and effort to providing costing information for this study. We wish to thank them for their time and co-operation.

³ 'The Costs of Widening Participation in Higher Education' *J M Consulting Ltd*, January 2004. Copies of the report of the English study can be obtained from: www.hefce.ac.uk/pubs/rdreports/2004/rd03_04/

2 CONTEXT

- 2.1 This section looks at the policy context for widening access and participation in Wales. We note that whilst in England the most widespread terminology refers to 'widening participation', in Wales 'widening access' is also commonly used. We have tended to use the term 'widening access and participation' throughout this report, sometimes abbreviated to 'WP'.

Policy drivers

- 2.2 The Welsh Assembly Government's strategy for higher education, 'Reaching Higher', identifies widening access and participation as a key higher education priority for Wales. It focuses on increasing all-age participation in Community First areas in Wales, which are determined on the basis of the Wales Multiple Deprivation Index.
- 2.3 After consultation between the Welsh Assembly Government, the HEFCW and the HE sector in Wales, the target was refined and was set as:
- To increase the number of all undergraduate new entrants to HE courses at UK HEIs and FEIs who are domiciled in the Welsh Communities First areas. This will be measured by monitoring the proportion of undergraduate new entrants to courses who are domiciled in the Communities First areas equivalent to the 100 Most Deprived Electoral Divisions, which is targeted to rise from 8.9% to 11.4% by 2010.⁴
- 2.4 The focus on all-age participation from under-represented groups and communities is an important difference between Wales and England. In England participation amongst 18-30 year olds overall has assumed a higher Government priority, and mature students, although still important, are not as significant a part of the WP activity carried out in English institutions as they are in Wales. We note, for example, that our Welsh case studies placed a strong emphasis on community-based learning in support of all-age participation.
- 2.5 Improving participation amongst students with disabilities and ethnic minorities were also set as target areas, although precise target definitions for these groups are still to be finalised.
- 2.6 In support of these widening access objectives, four 'Reaching Wider' partnerships have been established in North Wales, West and Mid Wales, South-West Wales, and South-East Wales. These partnerships involve HEIs and FECs, as well as other partners, such as community groups, and are designed to encourage collaboration and a holistic approach to widening access.
- 2.7 Welsh institutions also recognise the annually published UK Performance Indicators on widening access, participation and retention as important drivers in measuring their own performance and benchmarking themselves against similar institutions in the sector.

⁴ Circular HEFCW W04/74HE, November 2004

Current funding for widening access and participation

- 2.8 All the data in this report are based on costs and allocations for 2003/04, the last full-year for which costs can be estimated.
- 2.9 The total HEFCW allocations of funds defined as supporting widening access and participation in 2003/04 were as follows:

Widening Access Fund & Premium	£4,016,175
Disability Provision Development Fund & Premium	£490,000
One-semester completions	£1,245,788
Per capita premium (part-time WP students only) ⁵	£136,890
Total	£5,888,853

- 2.10 The different types of funding included here are categorised as WP either because of their purpose, or, in the case of the per capita premium, for consistency with the English report.
- 2.11 The Widening Access Fund and Premium are disbursed largely on the basis of the number of widening access and participation students studying in the institution in 2001/02 (the last year for which HESA data were available to calculate 2003/04 funding), with ten percent of the Widening Access Fund disbursed according to the proportion of eligible students studying in an institution.
- 2.12 For the purposes of calculating funding, widening access students are those from low affluence areas: students are categorised into four affluence groups based on their home postcode and those in the least affluent group are included in the widening access premium, provided they meet other HEFCW funding criteria (home and EU fundable; active within the academic year; under-graduate; studying for 10 or more credit values; and not studying for the whole of the programme outside the UK). Students are included in the calculation of the disability premium if they are in receipt of DSA and meet the other criteria outlined above (although they can be post-graduate, as well as under-graduate, students). This is different from the WAIR (Widening Access and Improving Retention) allocation method used in HEFCE's funding model, and reflects the different priorities for Wales, as outlined above. The methods of supporting institutions who recruit hard-to-retain students are also different in England and Wales: HEFCE's WAIR allocation includes weightings for prior educational achievement and age while HEFCW provides funds for students who only complete one semester before leaving.
- 2.13 Widening access and participation is also supported through the Reaching Wider Partnerships and by other sources of funding, most notably the European Social Fund (ESF). These funds and the activities they support are excluded from this study.
- 2.14 The Reaching Wider funding, which in 2003/04 comprised allocations of £1.85 million to the partnerships, as well as £100,000 for central co-ordination, was excluded from the study to enable closer comparison with the English study⁶. Nonetheless, it represents a significant additional element of the HEFCW funding for raising aspirations and attainment and, through involvement in the partnerships, enables institutions to extend the scope and volume of their widening access activity.

⁵ The difference between the per capita premium per FT student and per FTE composed of part-time students for part-time WP students (equivalent to £67.50 per part-time FTE).

⁶ The AimHigher scheme in England was also excluded from the English study. Both schemes operate a partnership approach and share similar objectives. However, they are not directly equivalent.

This funding needs to be borne in mind when considering the total resource made available by the HEFCW for widening access and participation.

Widening access and participation students

- 2.15 The term widening access and participation is used to denote activities to recruit and retain students from groups that have been identified as under-represented. In Wales, institutions define “under-representation” more broadly than a definition based on the socio-economic measure (students from the least affluent postcode category) and, as in England, this definition tends to be broader than the definition used to allocate widening access and disability funding from the funding councils. For example, other determinants of widening access and participation used by institutions might include: prior educational attainment (which has a strong influence on preparedness for HE); under-represented ethnic minority groups; gender (where that gender is under-represented on a particular programme); and parental experience of HE.
- 2.16 Disabled students pose some difficulties in definition. For funding purposes, the disability must be formally recorded and recognised and the student in receipt of a disabled students allowance (DSA), yet the case study institutions claimed that on arrival some students with disabilities were either undiagnosed or failed to declare their disability. This applied particularly to students suffering mental health problems and those with dyslexia and other learning difficulties. However, as data on students in any particular academic year are not returned until the end of that year, institutions have the opportunity to identify students who may have particular support needs and to encourage them to be assessed to determine whether they are eligible for a DSA.

Issues

- 2.17 One obvious difference between England and Wales is the issue of Welsh medium provision. Although we have not included the Welsh medium premium paid for enrolments on Welsh medium courses or modules in our calculations of widening access and participation funding, a proportion of these funds may be spent on widening access activities, for example the provision of bi-lingual materials and some Welsh medium courses based in the community. Students who complete accredited Welsh medium provision can be returned by the institution to the HESA as eligible for premium payments.
- 2.18 Similarly, some of the widening access funding, used for publicity material, will be absorbed by bi-lingual production. There are many other implications of Welsh medium provision, such as bi-lingual staff, providing training in the academic part of the language to Welsh-speaking staff, running courses in Welsh. However, institutions found it difficult to identify these with higher costs of WP activity.
- 2.19 It should also be noted that the ‘Reaching Higher’ Welsh medium target is now explicitly included as one of the four targets against which the Reaching Wider partnerships deliver their activities. The Reaching Wider funding is thus an important new source of funding for institutions to be able to support Welsh medium activity, both in the context of widening access and in encouraging more students generally to consider the opportunities for Welsh medium study in higher education.
- 2.20 With the main widening access and participation target in Wales concerned with raising all-age participation in Community First areas in Wales, mature students are

an important focus of Welsh Assembly Government policy. This is a difference from England that should be noted.

- 2.21 This is also reflected in the significantly higher proportion of part-time WP students in Wales (19% of FTEs; 38% by headcount) by comparison with England. Part-time study is an important mode of study for mature students.

3 STUDY METHODOLOGY

- 3.1 The study started in January 2005. Four of the twelve eligible institutions were approached by HEFCW and agreed to participate. We received good data from all four of these institutions. With these institutions the study methodology outlined in paragraphs 3.28-3.34 of the HEFCE report was adopted, and is included in Annex 1.
- 3.2 In addition, the other eight HEIs were invited to submit an estimate of their widening access and participation costs, based on the list of activities included in Annex 2. A further three HEIs submitted responses. One of these was included to broaden the sample base, as their data were of sufficient rigour and detail. Between them the five institutions included account for 55% of HE student FTEs in Welsh HEIs (50% of WP student FTEs). Data for the other two institutions are shown separately. We have not conducted detailed interviews with the latter and costs are included as reported to us.
- 3.3 As in the English study, there were two main challenges inherent in this type of work: defining and tracking 'widening access and participation students' once in the institution; and identifying and costing widening access and participation activities that have become an embedded part of provision.
- 3.4 We used participating HEIs' definition of widening access and participation for the purposes of this study. Activities designed to address equality issues (such as disability, ethnicity and gender) are included. A more detailed description of the activities being considered can be found in paragraphs 3.10-3.12 in the HEFCE report, and the methods used in costing these activities is also discussed in more detail (paragraphs 3.13-3.27). These paragraphs are also included in Annex 1.
- 3.5 We note that our costs are likely to be under-estimates: they only include the costs of activities of which we were made aware and there is a great deal of activity that is difficult to categorise and/or quantify as widening access and participation. Phase three of our methodology attempts to address this by identifying activity undertaken by academic staff in schools and departments. But identification of this time - much of it done in academics' own time and based on 'goodwill' - remains a particular problem.
- 3.6 However, we also note that the HEFCW requires HEIs to provide detailed reports showing how their WP and disability funds have been allocated and spent. These reporting requirements tend to raise awareness of the range of activities being undertaken, even where activities are not fully costed. We would, therefore, expect that there are fewer 'hidden' activities than may have been the case in England.
- 3.7 We also note that in all the institutions who participated in this study, activity – as in England – was deemed to be limited by the availability of funds to support it, rather than by opportunity.
- 3.8 In three of the responding case study institutions all costings are based on data for 2003/04. In the fourth, a portion of the costs have been derived from 2002/03 data which have then been indexed (by 1.03) to bring them into line with the other costs. Costs in the three other responding institutions are also estimated at 2003/04 price levels.
- 3.9 Institutions are producing some materials (including those for widening access and participation) in Welsh and English medium. A number also run a proportion of their widening access events in Welsh as well as English and provide training in areas

such as academic Welsh. There are additional costs associated with this. Where these activities are aimed at widening access and participation the costs associated with them are included in our costings. However, we have insufficient data either to identify these costs, or to determine whether a proportion of the Welsh Medium Premium should be added into the funding figures we use. This will tend to underestimate the funding received from the HEFCW in support of widening access and participation slightly. However, as noted in paragraph 2.19, institutions are able to use Reaching Wider funding to support Welsh medium activity, and this too has not been included in our funding total.

4 KEY FINDINGS

- 4.1 This section of the report will focus on areas of difference noted in comparison with the study conducted in England. Issues included in the HEFCE report and not mentioned here should be assumed as applying. Where we have insufficient evidence to make a judgement this is also noted.

The types of institutions

- 4.2 The three types of institution used in the HEFCE study and outlined in paragraph 4.2 of the HEFCE report (highly engaged; targeted; and responding or emergent) were also applied to this study, for the purposes of comparison. Of the four main case study institutions, two could be described as highly engaged. According to their internal definitions of widening access and participation (broader than those used for funding purposes), one claimed the term could be applied to “around half” of its students, and the other “almost all” its students. These HEIs are undertaking a wide range of activities, from outreach to retention, and the ethos of widening access and participation is part of the institution’s culture. For example, it is not unusual for academic staff to invest significant amounts of time ‘out-of-hours’ on these activities without financial reward.
- 4.3 The other two case study institutions fall into the targeted category. Both have particularly developed policies and facilities for their (different) targeted categories of students with disabilities and have active outreach programmes.
- 4.4 As we found in England, HEIs tended to feel that resources limited their ability to interpret their widening access and participation agendas as broadly as they would wish. For example, one institution noted pockets of rural deprivation where populations were too small to attract widening access funding; they were targeting these areas but their efforts were limited by the funding available. Another highly engaged institution noted they were likely to reduce the amount of small-group teaching (a method they have found effective in improving retention) due to costs increasing faster than funding.
- 4.5 Our case study institutions also noted that they felt there was a penalty attached to their success in attracting WP students. The allocation of the widening access fund and premium is based on the number and proportion of widening access students that the HEI attracted two years prior to the funding year the data are applied to. There is a delay in increases in widening access students feeding through to increased premium allocations. Where the number of widening access students is increasing, therefore, this is seen as reducing the real per capita allocation which has implications for retention activities in particular, as resources may be spread too thinly. However, although there is a time-lag, there is no cap on the premium allocations, which increase in line with increases in eligible widening access students.
- 4.6 Another cause of concern for some of the HEIs interviewed for this study concerned undeclared disabilities on entry. They noted that some students arrived with disabilities that were undiagnosed or that they were unwilling to declare their disabilities, which has funding implications; the student may still need additional support but the funding model only recognises the need for support for declared

disabilities. This issue applied particularly to students with dyslexia and other learning disabilities and to students needing mental health support.

- 4.7 The sample size is small to draw firm conclusions. However, there does seem to be more of a correlation between the proportion of WP students and the spend on widening access and participation activities than was evident in England.

The types of students

- 4.8 In our case study institutions we found more consistency between the target groups of students in Wales than in England and, to some extent at least, this may reflect the policy priorities in widening access of the Welsh Assembly Government and the HEFCW. The Welsh institutions in our study tended to place a particular emphasis on attracting students from the most deprived wards, students with disabilities and mature students with non-traditional qualifications. As in England, once students have been recruited, the institution is often keen to avoid “labelling” them as a widening access and participation student as this might be seen to be differentiating them negatively from the rest of the student body.
- 4.9 The Welsh Assembly Government - and hence the HEFCW - places a strong emphasis on attracting students from the 100 most deprived wards. Much outreach activity is targeted at this group, although some institutions prefer to use socio-economic groups for targeting purposes as they believe it is more sensitive. It was also noted that using the 100 most deprived wards tended to under-estimate pockets of rural deprivation and that even extending the benchmark to the 200 most deprived wards would still exclude many prospective students from lower socio-economic groups.
- 4.10 We also noted a greater emphasis on recruiting mature students than was typically apparent in England. Many of these students have few formal qualifications, with an extensive range of community-based and lifelong learning initiatives in place to encourage access and progression.
- 4.11 Welsh institutions do not have a target for attracting students from state schools (as exists in England). This is not an issue of significance in Wales, as the Welsh sector performs very well against UK benchmarks for state school participation, as well as against other UK widening access benchmarks, as demonstrated in the annual publications of UK performance indicators for HE.
- 4.12 Welsh institutions do have a target for attracting Welsh-domiciled students, although this is not generally perceived as a widening access target.

The range of activities

- 4.13 The activities included as widening access and participation activities are outlined in Annex 2 and mirror those used for the English study. As in England, outreach activities tended to be easier to identify and cost than those in other categories. Although the levels of outreach activity did vary from institution to institution, they could be defined as high in all four responding case study institutions.
- 4.14 Most institutions ran student mentoring/ambassador schemes, summer schools, taster days and school visit programmes. There was a wide range of other activities including: science weeks; learning through sport initiatives; courses for parents (e.g. IT, maths); access to recording studios; and art clubs. These have been included where they are targeted at widening access and participation.

- 4.15 As noted above, our case study institutions also tended to be active in community-based learning, with a particular focus on Community First areas, and progression routes designed to encourage non-traditional entrants into HE.
- 4.16 The highly engaged institutions also tended to place a strong emphasis on flexible, student-centred recruitment. For example one HEI noted that it was not unusual for the admissions tutor to spend time with a prospective student who was interested in HE but needed additional advice and guidance in selecting an appropriate course and subject area. Where appropriate, efforts were also made to gain parental involvement during the recruitment process and this could add to the time taken.
- 4.17 Retention activities could be more difficult to identify, since most institutions do not track WP students after entry; activity in this area tends to be targeted at ‘at risk’ students, whatever their background. Activities here included adapting course materials; use of different (non-written) assessment methods; increased academic and pastoral support from tutors; ‘refresher’ summer schools; and lunchtime drop-in maths sessions. The engineering department in one case study institution runs a racing team and allows the automotive workshop to be used out-of-hours to provide “a pressure-free but stimulating environment” that provides “more than an academic rationale” for WP students. Another HEI runs a laptop loan scheme and delivers some elements of a number of its programmes in small groups, off-campus to meet student needs.
- 4.18 All our case study institutions were active participants in the Reaching Wider (RW) partnerships and most were also receiving European Social Fund (ESF) funding for some of their work. These activities have not been included in our study as they are funded separately. However, where the HEI is providing unfunded support for these programmes (for example, management time or administrative support) we included a small amount in recognition of the costs that are not covered by the funding received.
- 4.19 As noted in paragraph 2.14, Reaching Wider funding does provide an additional source of funding for institutions. Many Reaching Wider activities are not entirely separate from other institutional widening access activities and often enable the scope and volume of existing WP activities to be expanded and developed. They may be jointly-funded from Reaching Wider monies and institutional widening access funding. In some circumstances, it may be difficult for the proportion of the funding for an activity which comes from Reaching Wider or institutional budgets to be fully disaggregated. Thus, as noted above, although not included in the calculations in this report, the Reaching Wider funding and costs should not be excluded from an understanding of the whole picture.

What affects the volume and nature of these activities

- 4.20 Our sample for this study comprised four HEIs and whilst this is one-third of the eligible institutions, it is too few to draw firm conclusions on any links between the type of institution and the nature of the activities they are undertaking. We note that, as in England, highly engaged HEIs appear to have a wider range of activities than other HEIs and that this is perhaps most marked in the area of activities associated with retention.
- 4.21 All the case study institutions were active participants in RW partnerships and had active outreach programmes. We also noted a strong presence in community-based learning initiatives across all the participating institutions.

- 4.22 As in England, ring-fenced funding, such as ESF schemes, drives a great deal of outreach activity and this ring-fenced funding generally only covers marginal costs and not the full economic cost of the activity. This may pose particular problems for some highly engaged HEIs.
- 4.23 RW funding is designed to cover costs incurred. We have, however, included a small amount of senior management time where institutions have indicated this is not covered by their RW funding.
- 4.24 Most of the case study institutions noted the commitment shown to widening access and participation by many of their academic staff, who were often putting in time 'out-of-hours' for which they received no financial compensation. Highly engaged institutions, whilst noting its importance and the goodwill involved, were more likely to see it as 'part of the job'. However, they were also keen to note that goodwill is not a limitless commodity and could not be relied upon indefinitely.

Resource implications

- 4.25 The additional costs of widening access and participation from the four case study institutions, together with the three institutions who replied to our invitation to participate, are shown in the table below. As noted earlier, one of these institutions has been included with the four case studies to broaden the sample base, as their data were of sufficient detail and rigour. The remaining two are shown separately.
- 4.26 The costs are shown in the same way as in the English report:
- a. a cost per HEFCW-fundable FTE student⁷
 - b. a cost per HEFCW-fundable WP student FTE
 - c. a cost per HEFCW-fundable WP student (headcount)
 - d. WP costs per student (B) as a percentage of the base price (£3022)⁸
 - e. WP costs per student (C) as a percentage of the base price (£3022).

⁷ 0.4 has been provided by HEFCW as a reasonable assumption of the FTE for a part-time student.

⁸ The base price is the unit of resource per FTE for ASC8 in 2003/04 which is deemed by HEFCW to be the best comparator for HEFCE Band D (the base price (£2808) used in the England report).

HEI	A Cost per student FTE (£s)	B Cost per WP student FTE (£s)	C Cost per WP student headcount (£s)	D WP costs per WP student FTE as % of base price	E WP costs per WP student headcount as % base price
Case study:					
F	85	871	780	29%	26%
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H	431	1925	1420	64%	47%
I	324	1659	1176	55%	39%
J	128	961	792	32%	26%
Weighted av of case study institutions.	217	1454	1208	48%	40%
Other:					
K	305	1582	952	53%	32%
L	157	973	756	32%	25%

- 4.27 HEFCW-fundable students taken from the HESA record to use in the calculation of the per capita and premium funding include those that do not complete, as well as those who do. (This differs from HEFCE definitions, which are based on completions only.) The one-semester completion funding, which we have included in the definition of funds supporting widening access and participation, is a component of the teaching funding calculated through the funding model, (based on data from HESES) to allow for students who complete only one semester during the year before leaving.
- 4.28 Showing costs as a percentage allows us to compare costs with widening access and participation funding for 2003/04. This is funding in addition to the base price, and can also be shown as a percentage of the base price. Comparisons are provided for both FTEs and headcount. HEFCW funding is allocated on the basis of HEFCW per capita, which, in the case of the widening access and disability premium, is headcount. The sums included in the HEFCW funding were listed in paragraph 2.9 above.
- 4.29 The table below shows both costs and funding as a percentage of base price. HEFCW funding is allocated by headcount, whilst the HEFCE study used FTEs as a basis of comparison. Both figures are therefore shown.

	Av. cost per FTE (case studies)	Av. WP funding per FTE (Welsh HE sector)	Av. cost by headcount (case studies)	Av. WP funding by headcount (Welsh HE sector)
Per HEFCW- fundable WP student	£1,454	£560	£1,208	£434
% of base price	48%	19%	40%	14%

- 4.30 This suggests that on the basis of FTE WP students, WP costs are, on average, 48% of the base price, compared to the 2003/04 funding allocation of 19% of the base price. When the comparison is repeated on the basis of headcount in Wales, the figures are 40% and 14% respectively.
- 4.31 In England, the average cost by WP student FTE was 31%, and the 2003/04 funding allocation per WP student FTE was 18% of the base price.
- 4.32 In Wales, institutional costs by WP student FTE range from 29-64%, and by WP headcount from 26-47%. This compares with a range of 12-63% by WP student FTE for England. Whilst the top end of the range is comparable, the bottom end of the range is significantly higher in Wales – only just below the average for England.
- 4.33 With the caveat that it was not possible to extricate disability spend for all the English HEIs in our sample (which may, therefore, have unbalanced the sample), our study suggested a higher average spend on meeting the needs of disabled students in Wales – 5% of base price in Wales, compared with 1% in England. Even allowing for the possibility of sample bias, this difference is significant and likely to account for some of the cost difference between HEIs in Wales and England.
- 4.34 Other factors contribute to the higher costs per WP student FTE in Wales. A significant factor is the proportion of students attracting WP funding. In England, 55% of all student FTEs attract some level of WP funding whereas, in Wales, only 15% receive funding, all at a full level. The HEFCE funding is spread across a large number of students whereas the HEFCW funding is concentrated on a much smaller proportion of students. This gives proportionately a much larger denominator (WP student FTE) in England than in Wales when WP costs and funding are compared with the student FTEs that attract WP funding. When presented in this way, the data suggest both the funding (marginally) and costs attributed to each WP student FTE are lower in England than in Wales.
- 4.35 An alternative approach is to compare funding and costs per fundable student FTE (i.e. based on all students rather than just those attracting WP funding). The average WP funding per fundable FTE is estimated to be £267 in England and £81 in Wales. The costs are also lower in Wales (£217 on average for the case study institutions) than in England (£486).
- 4.36 The different results obtained from these two methods of interpreting the data are a reflection of different approaches to funding policy; the data do not suggest that the number of students from under-represented groups is significantly lower in Wales than in England. Indeed, figures presented in the performance indicators suggest the proportion of students from under-represented groups in the two countries is broadly similar.⁹
- 4.37 Many factors may affect the figures for costs and/or funding or the basis of the calculations. These include:
- higher levels of activity, particularly in the area of outreach and community-based learning;
 - areas of low population density, where activities may be offered to smaller numbers at a greater number of locations and travel time and costs may be higher;

⁹ Performance indicators in Higher Education in the UK 2003/04 which is available at www.hesa.ac.uk/pi

- a higher proportion of marginally costed activity (such as ESF schemes) where only the unfunded costs are included;
- the presence of two highly engaged institutions in our sample (a larger proportion than in England), with no emergent HEIs. However, the Welsh case study institutions were not untypical of the Welsh sector, with an average 14.0% of their students classified as WP for funding purposes – compared to 14.4% across the whole of Wales;
- Welsh institutions providing detailed WP strategies to HEFCW which show how their widening access and participation funds have been spent and allocated, may help to reduce under-reporting;
- the fact that WP student numbers are growing and the figures used for calculating funding and reported WP student numbers for 2003/04 are based on 2001/02 admissions; and
- the small differences in the base rates of funding: the HEFCW rate was £3022 while the HEFCE rate was £2808;

Annex 1: Extracts from ‘The Costs of Widening Participation in England’

Study methodology - phases of work (paragraphs 3.28 – 3.34)

- 3.28 The study methodology changed as the project developed. Initially, a short interview at each institution was to be used to develop a list of activities, and the costs of those were to be estimated through a Delphi process of iteration and refinement (basically through comparison of the estimates) by appropriate experts.
- 3.29 However we soon found that the officers in the institutions with whom we were speaking could give a considerable amount of information up-front, and this then formed the base of the costing work. This will have led to an improved quality of the cost results overall.
- 3.30 The work was carried out in three phases.
- 3.31 The first phase established a full list of activities, case study institutions, and context. The list of activities is given in the Appendix.
- 3.32 The second phase involved direct contact with institutions, collecting information on activities and costs. Up to three stages were undertaken:

Stage 1: a structured telephone interview with an institutional representative - the WP officer or senior manager (often pro vice-chancellor or head of institution) - to confirm the activities that are being carried out and who provides the resources (i.e. a central unit, academics, or senior managers). (Discussions were based initially on the institution’s last WP strategy, compared to the full list of activities already prepared.) This was typically a one-two hour telephone conversation, but in some cases involved face to face meetings, where the institutions requested this.

Following this discussion, the activity list for that institution was sent to the interviewee for confirmation. At this stage it was often updated for the latest action plans (i.e. those recently submitted to HEFCE as part of the annual monitoring return).

Stage 2: a second interview with the institutional representative to identify costs of the activities of which s/he has knowledge. This commonly included all relevant central units’ activities and budgets, and the time of senior managers. Again a one-two hour telephone conversation was used. In practice Stage 2 was generally a finalisation of costing work started in Stage 1.

Whilst the original intention was to focus on establishing the costs of the most resource-intensive activities, in practice all activities have been covered, as it is not possible except after detailed discussion to identify which activities are the most costly to undertake. This has increased the quality of the findings.

As described in paragraph 3.14 of the report of the English study (reproduced in the ‘costing of activities’ section of this annex), a different

approach to phase two was adopted in a number of post-92 institutions where WP is deeply embedded. Senior managers with considerable insight into the area identified staff time (academic and other) dedicated to WP activity. This was done on the basis of job title, rather than by individual WP activity. The levels of costs identified by this approach were broadly consistent with those achieved by our standard method.

Stage 3: a conversation between the institutional representative and a small sample of academics; or an email/phone exchange between the consultant, relevant senior manager and the sample of academics. The purpose was (a) to identify activities that the academics are carrying out which are not recorded centrally; and (b) to establish the levels of resource input into those activities. Two types of academic input were identified here – outreach only (in most institutions) and outreach and retention/achievement (in institutions where WP is most embedded). These were established for a couple of ‘enthusiastic’ departments, and another ‘not quite so involved’ department and the institutional representative was asked to indicate the percentage of students that these departments cover. The results were extrapolated for the whole institution.

Stage 3 was not necessary in all institutions – e.g. where the institutional representative was aware of all initiatives and was able to make informed estimates of resource inputs.

Occasionally other contacts were necessary, i.e. to pick up on the disabilities unit’s work.

- 3.33 In the third phase data were consolidated and aggregated. Calculations were made for salaries, indirect costs, and the flexible learning element. A cost total was struck for each institution. [Retention and APEL/WBL costs, at notional rates of 5% and 3.3% respectively, were added.]¹⁰
- 3.34 This then provided an estimate of the total WP cost for each case study institution. This is likely to be an under-estimate – only the costs of activities that we were made aware of were included, and there is a considerable amount happening that is difficult to identify precisely or to categorise as WP.

Activities considered (paragraphs 3.10 – 3.12)

- 3.10 The activities considered as potentially relevant to attracting or retaining WP students are given in the Appendix¹¹. These were informed by two previous costing studies in this area, as well as the evaluation of the HEFCE widening participation support strategy.¹² They have been reviewed by each case study institution.
- 3.11 The activities exclude those that relate to:

¹⁰ Paragraphs 3.26 and 3.27 of the English report deal with this and are reproduced in the ‘costing of activities’ section of this report

¹¹ Annex 2 in this report

¹² *ibid.* HECG and NCSR, 2003.

- the development or provision of foundation degrees (covered under a separate funding allocation);
- part-time students (covered under a separate funding allocation, albeit now within HEFCE's WP allocation);
- infrastructure (either for disabilities, or for access – e.g. multi-campus provision).

3.12 They generally exclude the costs of the following, except where stated:

- e-learning. Although e-learning is generally more costly, it is being introduced for all students, not just WP students. There is no reason why use by the latter should be more expensive. There will be the occasional costly course focussed on WP students – as part of foundation degrees for example – but these are generally deemed to be covered under other funding e.g. for foundation degrees, or by the Department of Health for nurse education. However, the development of strategies for flexible learning, and staff training associated with this, was included if the institution felt that this was relevant to WP provision;
- distance learning courses, howsoever defined;
- employability – where the link with WP is not clear. The costs of careers advisors who specifically advised WP students were included;
- departments of continuing education, unless there were specific deficits, i.e. after mainstream funding had been taken into account, that were attributable by the institution to WP activities;
- licensing and franchising activities, unless the HEI's costs in this area were considered by them to exceed the relevant mainstream funding;
- 2+2 and other 'access' provision, unless the HEI's costs in this area were considered by them to exceed the relevant mainstream funding;
- smaller cohort sizes (i.e. courses running at less than optimal numbers, expressed in financial terms). The reasons for this could include general difficulties in recruitment, a need for module review, etc. The costs of remedial classes, taster courses, were however included.

Costing of activities (paragraphs 3.13 – 3.27)

3.13 To assist with defining relevant activities and the appropriate part of those activities' costs, several principles were adopted. These include the following:

- i. if the activity is wholly carried out for the 'WP students' then all the costs are included;
- ii. if a service is being provided that was primarily developed for the 'WP students' (e.g. outreach) but is relevant to all students, then 50% of the use is deemed a 'fixed' WP cost, and only an appropriate part of the remaining 50% of cost of that service is included (i.e. the part which relates to WP);
- iii. if a service is being provided which has always been available, but which is used to a greater degree by WP students, then only the costs of the extra use would be included;

- iv. if a service is being provided which is an embedded part of the institution's provision, then the costs are only included if:
 - they are additional to the costs of alternative services which might be provided in other institutions without such diverse student populations; or
 - the service is developed in a particular way because of the diverse nature of the student population.
- 3.14 Most of the participating large post-92 institutions found that the embedded nature of their provision, and the large number of activities that they undertook, meant that they could not cost each activity specifically. In these institutions, senior managers were able to identify specific dedicated staff (WP units or equivalent, counsellors etc) and non-staff costs that should be attributed to WP activities. They then made an estimate of academic staff time. Inter-institutional comparisons were carried out, where possible, to assess the reasonableness of these estimates.
- 3.15 Even where institutions could provide an activity-by-activity build-up of costs, there was some degree of uncertainty of the whole scope of activities, with central units not generally aware of the full range of activities carried out by the academic departments. Because many activities are carried out for all students, not just WP students (e.g. outreach activities in institutions that recruit, as well as select, students) then institutions often did not identify these as WP activities. The study team did considerable probing to identify these types of embedded activities.
- 3.16 Overall, the activities and costs identified can only be considered as broad estimates of the levels incurred by institutions. They are likely to be under-estimates (only the costs that were known about, and could be justified according to the above principles, were included).
- 3.17 All activities were included, irrespective of source of funding, with the exception of European Social Fund (ESF), Single Regeneration Budget (SRB), PT-related activities and costs, capital/infrastructure, hardship funding, and local authority disability support (e.g. Disabled Students Allowance). Costs that related to mainstream funding (i.e. the development of new courses or the provision of courses) were not included, even where the course related directly to WP students (any 'extra' costs of this provision were, however, included).
- 3.18 Standard costs were used where possible for staff salaries, and a standard indirect cost charge was applied (on academic staff only).
- 3.19 Costs for 2002/03 were identified. If development costs (of a new initiative targeted at WP) were incurred prior to this year, they were not included. Institutional plans (or wish-lists, subject to additional funding) were not taken into account. In this context it should be noted that the HEFCE funding stream for WP – which is one of the main drivers of spend in this area – was only increased significantly after 2002/03.
- 3.20 A 'fair and reasonable' judgement was made on the costs that resulted.
- 3.21 Only costs relevant to HEFCE-funded students have been included. There are therefore other WP costs within the institutions that are not included in the totals that we are reporting, relevant to other groups of students funded for example by the Teacher Training Agency and Department of Health. Often an institution could only provide total WP costs that covered all students – in which case we excluded a proportion of the costs, using student numbers as a proxy. This assumed that all students, irrespective of their disciplines or funding streams, incur the same WP costs. This was not however investigated during this study, or based on previous evidence.

Use of proxies

- 3.22 Commonly, three areas could not be costed in most institutions: non-traditional modes of delivery, flexible learning, and retention.

Non-traditional modes of delivery

- 3.23 The costs of developing and providing distance learning courses, e-learning courses, and foundation degrees were not included, as discussed above. Sandwich degree provision is not strictly relevant to WP.
- 3.24 Work-based learning (WBL) and APEL can both support widening participation. There is very little of it taking place in the sector.¹³ We took into account costs in this area that relate to WP in the flexible learning cost premium, below.

Flexible learning

- 3.25 A key feature of provision for a diverse student population is flexible learning, encompassing, for example: modularisation/Credit Accumulation and Transfer (CATs) schemes; semesterisation; combined honours schemes; different entry points; flexible progression schemes (e.g. 2+2, access courses etc); the ease of PT/FT conversion; study breaks; reviews of academic regulations; resits; the number of credits for defining a full-time student; and so on.
- 3.26 These activities are an embedded part of the activities of a post-92 institution. However, their costs could rarely be identified. For these institutions, the additional costs were recognised by a notional 3.3% addition to the 'base/mainstream' costs of each WP student (not subject weighted). This percentage reflected broadly the same levels of costs in these areas that were identified in detail by two institutions.

Retention

- 3.27 There is a correlation between lower entry qualifications and lower levels of completion.¹⁴ There is a higher cost associated with lower levels of completion (the institutions incur teaching costs that are not fundable). This extra cost was reflected in the English study with a notional 5% addition to the base/mainstream costs of each WP student (not subject weighted). In Wales it is recognised in the 'one semester completion' funding. The costs of this in Wales are considered to be already covered in the WP cost estimates obtained from institutions and this notional cost was therefore not included in the Welsh study.

¹³ *ibid.* J M Consulting, 2003.

¹⁴ Schooling effects on higher education achievement. Issues Paper, HEFCE, 2003. www.hefce.ac.uk/pubs/hefce/2003/03_32.htm

Annex 2: Possible activities: widening access/widening participation (WP)

A To attract students

1. Publicity
2. working with community groups or parents
3. outreach in the community
working with schools including: tasters; summer schools; compacts
4. working with FECs including compact schemes;
collaborative provision (licensing, franchising); feeder courses
5. foundation courses/year 0s
(do these have very low student numbers or heavily discounted fees?)

B To recruit students

1. selecting students with lower entry requirements
interviewing/portfolio review /test, or contact with schools or parents
2. induction
assessment of needs (including learning difficulties)
any local induction or skills course not provided centrally
3. pre-entry contact (to ensure the student arrives)

C To promote retention and achievement

Any activities which you would classify as supporting students from more diverse backgrounds. For example:

1. extending or developing new tutorial support systems
2. smaller groups in conventional taught courses
if so - for what amount of their contact time?
3. adapting course material or adapting teaching and learning methods
4. introducing and applying flexible learning e.g.
PT to FT conversion
different entry points
regular recognition of achievements/intermediate qualifications (certificate, diploma)
breaks in study
(is any of this more costly in delivery terms than more traditional forms of delivery?)
(we are covering non-conventional modes of delivery such as APEL etc separately)
5. using different assessment methods
more costly assessment (e.g. more feedback, dyslexia)
additional resits or retakes
special support for first assessment, or failed assessment

6. pastoral support from academics – is this called on more by WP students?
7. financial or personal support and counselling
8. special initiatives or procedures to identify and support failing students e.g.
 - administration (to identify them)
 - exit interviews
 - diagnostic testing
 - top-up courses
 - extra study skills

D Planning and management

1. developing policies and strategies for WP
2. working with partners
3. management information systems
4. good practice: assessment of progress and effectiveness.

Some of these activities may be offered to all students (not just those defined as part of a 'widening access' group).

Resource estimates should include the time of all staff – central unit/s, senior management, academics, secretarial staff.

The activities should exclude project costs funded through Reaching Wider Partnerships (although they should include the management time, where it is not covered by the Reaching Wider funding stream)

They should exclude activities funded by the ESF/ERDF and HEFCW mainstream teaching funding grant or tuition fees, the costs not covered by external funding can be included – for example any matched funding required by the ESF, and any deficits in a Department of Continuing Education.

Costs associated with the provision of a curricular structure and educational framework suitable for WP students, and the costs of any increased attrition in WP groups, are covered by other methods in this study.

Additional costs of alternative modes (part-time study vs. full-time) or methods of delivery (e-learning, distance learning, foundation degrees) are not covered under this study. Nor are capital infrastructure costs.