

# Cylchlythyr | Circular

## Fee Plan Guidance 2014/15

**Date:** 15 April 2013  
**Reference:** W13/11HE  
**To:** Heads of higher education institutions in Wales  
Principals of directly-funded further education colleges in  
Wales  
**Response by:** 17 May 2013  
**Contact:** Name: Leanne Holborn  
Telephone: 029 2068 2259  
Email: [leanne.holborn@hefcw.ac.uk](mailto:leanne.holborn@hefcw.ac.uk)

This circular provides guidance to Welsh institutions who wish to charge above the basic fee rate of £4,000 in 2014/15 for UK and EU full-time undergraduate courses and those postgraduate courses, such as PGCEs, that are subject to regulated undergraduate fees. These institutions are required to submit a one year fee plan detailing the additional investment they will make in support of equality of opportunity and the promotion of higher education, and the objectives they will set to secure these outcomes.

If you require this document in an alternative accessible format, please telephone us on (029) 2068 2225 or email [info@hefcw.ac.uk](mailto:info@hefcw.ac.uk).



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## Introduction

1. This circular provides guidance to Welsh institutions who wish to charge above the basic fee rate of £4,000 in 2014/15<sup>1</sup> for UK and EU full time undergraduate courses and those postgraduate courses, such as PGCEs, that are subject to regulated undergraduate fees. These institutions are required to submit a one year fee plan detailing the additional investment they will make in support of equality of opportunity and the promotion of higher education, and the objectives they will set to secure these outcomes. This circular broadly follows the approach set out for the 2013/14 fee plans required in HEFCW circular W12/15HE in April 2012.
2. The Guidance to HEFCW, which is a Welsh Government document, is attached at **Appendix A** and is unchanged from last year. With reference to this Guidance, institutions are required to submit a fee plan by **17 May 2013** using the pro-forma attached at **Appendix B**. Following consideration of the evidence contained in a Fee Plan, we will write to the Vice Chancellor/Principal to agree or reject the Fee Plan proposed by **15 July 2013**. Where we are unable to accept a Fee Plan, the institution concerned will only be able to charge students a fee up to, and including, the £4,000 basic level stipulated in the regulations.

## Background

3. In November 2010 Wales' then Minister for Children, Education and Lifelong Learning, in responding to the Browne Review of Higher Education in England, announced that from 2012/13 Welsh institutions would be allowed to charge fees up to a maximum of £9,000 for full time undergraduate or PGCE courses. In February 2011 the Minister confirmed that the basic rate of fees that can be charged in Wales would be £4,000. Any institution wishing to charge above this basic rate is required to submit an acceptable Fee Plan to HEFCW.

## Tuition fee grant and expenditure controls

4. The introduction of the Fee Grant for Welsh and EU domiciled students means that, from 2012/13, we face an increasing demand upon our funding. This requirement inevitably affects our capacity to respond to some other key Welsh Government policy priorities. Circular W12/03HE

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<sup>1</sup> For information on the rules for charging higher fees for specified courses such as sandwich or language year out see page 9 of the Guidance (Appendix A).; and for the classification and inclusion of PGCE see The Student Fees (Qualifying Courses and Persons) (Wales) Regulations 2011 <http://www.assemblywales.org/bus-home/bus-guide-docs-pub/bus-business-documents/bus-business-documents-doc-laid/sub-ld8475-e.pdf?langoption=3&ttl=SUB-LD8475%20-%20The%20Student%20Fees%20%28Qualifying%20Courses%20and%20Persons%29%20%28Wales%29%20Regulations%202011>.

*Strategic Reallocation of Student Numbers 2013/14*<sup>2</sup> set out our process to try and limit the unintended effects of the new fee regime.

5. Following on from this and based on the student numbers from Circular W12/03HE, in December 2012 we published our new approach to limiting the unintended effects from 2013/14, to be based on a maximum fee grant rather than controlling student numbers. This was set out in circular W12/38HE *Maximum fee grant arrangements 2013/14*.
6. Maximum fee grants for institutions for 2014/15 have not yet been finalised. Data used in their calculation to determine year to year progression will be sent to institutions in April 2013 for verification and institutions will be notified of the 2014/15 maximum fee grant in early May. Institutions are expected to ensure that any fee plan content is consistent with the expectation that tuition fee grant costs for their institution will remain within their maximum fee grant. A clause to this effect (as described in paragraph 19 of W12/38HE) is included in the fee plan pro forma. Institutions are also expected to at least maintain their number of Welsh domiciled students, as described in paragraph 10 of W12/38HE, and any fee plan content should be consistent with this expectation.
7. As a result of the replacement of the student number control with the maximum fee grant, institutions are not obliged to remain consistent with the average fee levels declared as part of the reallocation of student number process, but are still required to declare an average fee, in order for us to adequately monitor fee plan expenditure.

### **Arrangements for Higher Part-Time Fees**

8. In March 2013, the Minister for Education and Skills issued a statement which confirmed that his intention is not to introduce a full new student support regime for part-time students for 2014/15. For that reason we do not require any fee plans to include any PT fee income.

### **Content of Fee Plans**

9. Institutional Fee Plans must be drafted with reference to the Guidance provided at **Appendix A**, which stipulates that a '*reasonable proportion*'<sup>3</sup> of new fee income (i.e. income above the basic rate of £4,000) should be invested in equality of opportunity and promotion of higher education. We are not specifying the proportion of fee income above the basic level that should be invested in these areas but our expectation is that it would be at least 30%. Institutions who wish to consider investing a lower proportion of their fee income than was earmarked in their Fee Plan 2013/14 are invited to discuss this with HEFCW.

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<sup>2</sup> <http://www.hefcw.ac.uk/publications/circulars/circulars.aspx>

<sup>3</sup> Paragraph 21 Appendix A

10. The fee plans should clearly illustrate the depth and breadth of engagement with the student body and how the student voice contributes to governance in their institutional context.
11. It remains the case that those institutions with further to travel in terms of widening access will need to provide more investment in support of **equality of opportunity** and clearly respond to the Minister's expectations for that area. The Council has long supported the aims of widening access and this is reflected in the development of the corporate strategy targets based on "Communities First" and participation. Institutions should continue to ensure that Fee Plans are consistent with their Widening Access Strategy, Learning and Teaching Strategy, Initial Teacher Training Strategy, Skills and Employability Action Plans and Equality Plans as well as the regional Reaching Wider Strategy and relevant Regional Strategy. The outcomes proposed should also be consistent with the aims of '*For our Future: The 21<sup>st</sup> Century Higher Education Strategy and Plan for Wales*', HEFCW's Corporate Strategy, and the latest remit letter to HEFCW from the Welsh Government.
12. **Promotion of higher education** is a broader investment area and institutions should ensure that the outcomes they propose here are consistent with the aims of '*For our Future: The 21<sup>st</sup> Century Higher Education Strategy and Plan for Wales*', HEFCW's Corporate Strategy, and the latest remit letter to HEFCW from the Welsh Government.

### **Other aspects**

13. We would encourage institutions to consider the inclusion of work they do to enhance the student experience generally, including those which internationalise the curriculum, for example through their encouragement in participation in overseas exchange programmes, including the Erasmus scheme.
14. In line with WG's mental health strategy, *Together for Mental Health*, fee plans are expected to reflect the principles of the strategy and include provision of appropriate support services to improve support for people with mental health and substance misuse problems in higher education.
15. All the documents referred to above can be found at [www.hefcw.ac.uk](http://www.hefcw.ac.uk) or [Together for Mental Health](#).

### **How to measure performance**

16. Fee Plans must include detailed and measurable targets, benchmarks, and objectives. These targets must be derived from auditable data sources such as:

- HESA – Higher Education Statistics Agency
- LLWR – Lifelong Learning Wales Record
- HEIDI – Higher Education Information Database for Institutions
- Internal institutional admissions/completion/retention data
- EYM – End of Year Monitoring
- HESES – Higher Education Students Early Statistics
- HEFCW Corporate Strategy targets
- SLC – Student Loans Company data
- ECU – Equality Challenge Unit data
- EHRC – Equality and Human Rights Commission data

This is not a definitive list of data sources and others may be more appropriate in some cases. Close attention should be paid to target setting as failure to achieve appropriate levels of progression in year may have serious repercussions for institutions who wish to continue to charge higher fees in future years<sup>4</sup>.

17. Institutions which include a lower level of ambition for 2014/15 to those targets included in their 2013/14 fee plan, or a removal of a previously agreed target, will be asked to provide a rationale for this and may be asked to retain these objectives.

### **Plan acceptance and appeals process**

18. Upon receipt we will consider your Fee Plan 2014/15 and discuss any issues arising from it with you. Acceptable Fee Plans will need to specify challenging strategic outcomes and ambitious targets in relation to equality of opportunity and promotion of higher education. Fee Plans should continue to demonstrate the depth of engagement with the student body, and the steps in place to ensure that students are aware of new fee charges prior to enrolment, and how fee income will be invested in support of the student experience.
19. HEFCW will notify institutions of Fee Plan decisions by **15 July 2013**, after which we will list institutions with accepted plans on our website. Any institution which does not have an acceptable Fee Plan in place by **28 August 2013** will either be constrained to charge, at most, the basic fee rate, or will need to have invoked the appeals process by that date.
20. The process by which an application for review of a provisional HEFCW decision may be made will again be managed by the Welsh Government, and the grounds are set out on page 11 of the Guidance at **Appendix A**.
21. Fee Plans must be published and easily accessible on an institution's website within one week of formal acceptance by us.

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<sup>4</sup> Paragraph 43 Appendix A

22. Where there are significant changes to your circumstances after the submission of your Fee Plan and you wish to change any of your institution's commitments, you should discuss this with us at the earliest opportunity. Any changes that reduce your commitments will require our approval. However, you should note that you must honour financial commitments you have made to students.

### **Monitoring and feedback**

23. Institutions will be monitored against the targets in their agreed Fee Plans via our Strategic Engagement processes, which includes an annual request for institutions to submit forecast information and strategic planning information. The success of the plan will be assessed following the submission of a fee plan report in October 2015 and as appropriate, external advice may be sought in that assessment process. Institutions failing to achieve all their targets are at risk of having their future fee plan rejected. In addition, any institutions not achieving all their targets will be asked to provide a rationale for this which will be considered in a separate assessment process, including external input, which may delay the outcome of the assessment.
24. Institutions will already be aware that they are required to provide information to the Student Loans Company in order for administrative arrangements to be undertaken.

### **Equality and sustainability**

25. In 2011 we carried out an equality impact assessment screening of circular *W12/14HE Fee Plan Guidance 2012/13* to safeguard against disadvantage and promote equality. The guidance provided in that document was considered to contribute towards widening participation, improving access and increasing rates of retention and achievement for those with protected characteristics. With no substantial changes to the guidance in 2014/15 we have concluded that a repeat EIA screening is not required. We will continue to consider the impact of policies on the Welsh language, and Welsh language provision within the HE sector in Wales.
26. Institutions are responsible for equality impact assessing their Fee Plan 2014/15 proposals. When formulating your plan you should take account of its impact on individuals with protected characteristics in relation to age, disability, gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion and/or belief, sex and sexual orientation, plus the Welsh language.
27. Institutions should describe in their Fee Plan how it underpins their overall approach to sustainable development (economic, social, and environmental) together with any specific contribution to Education for Sustainable Development and Global Citizenship.

## Authorisation and Submission

28. Following a thorough process of engagement with the student body, finalised Fee Plans will need approval by the governing body after which they should be signed and authorised by the Vice-Chancellor or Principal. We will reject any Fee Plan which does not amply demonstrate that institutions have been through all stages outlined in this process.
29. By **17 May 2013** each institution should:
- submit one signed hard copy version of the Fee Plan to Craig Brett at the HEFCW offices in Llanishen;
  - email an electronic version of the fee plan to [craig.brett@hefcw.ac.uk](mailto:craig.brett@hefcw.ac.uk).

## Timeline for Fee Plan Process 2014/15

Activity	Due Date
Publication of fee plan guidance	10 April 2013
Return date for first submission	17 May 2013
Initial responses to HEIs	14 June 2013
Resubmission and dialogue	14 June 2013 – 5 July 2013
HEIs informed of final decision	15 July 2013
Initial referral to appeal	26 August 2013
Publication of Fee Plan online	Within one week following acceptance of Fee Plan by HEFCW
Fee Plan report submitted	October 2015
Annual Report Produced by HEFCW	Early March annually
Feedback from HEFCW to institutions	Early May annually