

CONSULTATION RESPONSE FORM

Proposals to refocus higher education student finance

It would be very helpful if you could use this questionnaire to respond to the consultation. Thank you for your time, effort and co-operation which is much appreciated.

Unless marked confidential, all responses will be published by placing them in our library and/or on our website. Respondents may request that their response be kept confidential. We will respect this request, subject to our obligations to disclose information, for example under the Freedom of Information Act 2000.

Respondents who wish their responses to remain confidential should clearly mark the document/s to that effect and include the reasons for confidentiality. We ask respondents who wish to submit a part-public, part-confidential response to put confidential material in appendices.

The closing date for responses is Monday 16 February 2009.

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Are you responding as an individual or representing an organisation or group of people? (Delete as appropriate)

Organisation

1. Do you agree with these arguments for redirecting resources away from the Tuition Fee Grant?

As a matter of national policy, we do not necessarily support Tuition Fee Grants in Wales. Semta would like parity of student grants across UK; allowing students to choose the best HEI in terms of teaching, learning and support, and not choosing a particular Higher Education Institution simply because it is cheaper. We do not believe that Tuition Fee Grants will in the long term help HEIs in Wales remain best in-class – we believe that a level playing field (market forces) is the best way to drive the necessary continuance improvement in teaching and research.

However, the current economic situation forces certain revisions and caveats to this view, and Welsh industries in Semta's footprint are particularly concerned about a shortage of graduate-level skills and innovation. We would therefore support some kind grant towards the cost of progressing onto HE. This does need to be targeted, but at key national drivers (see our suggestions for 'priority subjects under question 18) with uplifts for the less well off.

2. In this remodelled student finance system, would you support the intention to provide an enhanced level of Tuition Fee Loan to maintain the principle that full-time undergraduate students should not be expected to pay up front fees?

Semta supports this principle.

3. In this remodelled student finance system, would you agree with the intention to proportionately increase our PGCE incentives in order to maintain the same overall level of support available for ITT students in Wales and England?

Again Semta would like to see parity of support across the UK; but would support additional PGCE and ITT incentives for students that plan to teach STEM (Science, Technology, Engineering and Mathematics) subjects. This should be considered in conjunction with 'in work' incentives such better employment security and a performance related reward system for teachers.

4. Do you agree with the arguments for enhancing the means-tested Assembly Learning Grant?

We agree with enhancing the means-tested grant.

Higher levels of household income may not necessarily improve the finances and/or wellbeing of students from these households. We support the framework approach with grants being awarded subject to household income on one sliding scale from £15K to £60K.

5. What level of Assembly Learning Grant support would be appropriate for those eligible students from the lowest-income households in a remodelled student finance system?

We feel a maximum of 60% of full tuition fees for students from the lowest household incomes (£15K) would be proportionate

6. What are your views on the appropriate eligibility thresholds for full and partial Assembly Learning Grants in a remodelled student finance system?

As above we support the framework approach with full and partial grants being awarded subject to household income on one sliding scale from £15K to £60K.

7. What are your views on the form of tapering which the Welsh Assembly Government should apply to an enhanced Assembly Learning Grant?

As above we support the framework approach with full and partial grants being awarded subject to household income on one sliding scale from £15K to £60K.

8. What are your views on how much of the increase in Assembly Learning Grant the Welsh Assembly Government should substitute for the Maintenance Loan?

We support the substitution of the entire increase in the Assembly Learning Grant

9. Should the non-means-tested element of the Assembly Learning Grant available to ITT students be retained at the same level as at present?

Yes – however we support additional ITT incentives for students that plan to teach STEM disciplines.

10. Should any changes made to the level or thresholds for the Assembly Learning Grant be reflected in the Special Support Grant?

We support no change to these arrangements

11. Do the questions in this consultation enable you to address your main concerns with full-time undergraduate student finance in Wales? If not, please outline your other concerns and the reasons for these here.

With identified graduate skill shortages in science and engineering occupations including teaching of STEM disciplines, we would encourage grant incentives to be used more strategically to encourage more students to consider, select and study STEM subjects.

12. Do you agree that resources should be redirected towards providing extra assistance with student debt?

For Universities in Wales and UK to remain world-class increases in student tuition fees will be necessary and inevitable. Therefore increased student debt in most cases is also inevitable. We believe each HEI should decide how best to direct any additional resources to meet their individual missions within a flexible funding model.

Perhaps there is a place here for 'priority subjects' in science, engineering, technology and mathematics to receive additional attention – strategically applied grants could be used to encourage students and minimise their debt. This would provide direction and reward in the right educational areas.

13. Would index-linking the student loan repayment threshold improve the student loan system?

We think this would be a sensible way forward.

14. Do you agree with the Welsh Assembly Government's preferred option of debt relief for graduates? Are there other, better ways in which assistance with student debt could be provided?

For Universities in Wales and UK to remain world-class increases in student tuition fees will be necessary and inevitable. Therefore increased student debt in most cases is also inevitable. We believe each HEI should decide how best to direct any additional resources to meet their individual missions within a flexible funding model.

Again however, we do not wish to see those students who enter the most challenging courses in STEM subjects put off by debt – perhaps this may be an opportunity to examine the content of courses and provide debt relief in those subjects where the workload (class contact, private research, laboratory working) is known to be high, which prohibits students from taking part-time work during their degree. We are aware that STEM degrees often have the highest workloads.

15. If debt relief for graduates were to be offered, should it be available to all graduates who have received student loans from the Welsh Assembly

Government or should we seek ways to make it available only to specific categories of graduates, and if so, which categories?

See our point above relating to the workload of certain degrees – STEM students should be eligible for debt relief where their courses are known to have a high workload.

16. Should any debt relief scheme

- be linked to loan repayments
 - be means-tested
 - last for a specific period of time
- and if so how?

17. Do you have any other comments on how a debt write-off may work?

As stated earlier student debt is inevitable and is arguably the incentive graduates need to fast track their ambitions / careers. We do not see pumping additional and diminishing public funds into reducing graduate debt as a whole as the way forward. Unless STEM students benefit explicitly from the reforms, any additional funding should go into improving the teaching and research activities within higher education.

18. Do you agree that a proportion of the resource released from remodelling the student finance system should be re-invested in the Welsh Higher Education sector on a targeted basis as described in the consultation document?

Semta strongly supports the view that any resource generated by remodelling/reform should be re-invested in areas such as support for science, technology, engineering, and mathematics subjects.

We believe that that industries which particularly utilise these subjects, including bioscience, engineering, and manufacturing, are key to the overall health of the Welsh economy. Semta has identified a number of areas such as nanotechnology, photonic, computer-aided design, and bioscience, where industry is likely to have increasing demand for HE-level skills and graduates. We are also expecting learning in areas such as high level Lean techniques to increase in importance across a range of industries.

We strongly recommend that these subjects, and others which support science, engineering, manufacturing and technology industries, are prioritised for any additional funding which the proposed financial reform may provide.

Increasing both the number and quality of graduates in these subjects will enable Wales to prepare for the upturn out of the current recession, It will ensure Wales is well positioned to introduce and exploit innovation in every circumstance, speeding its exit from the downturn and boosting its position in the global economy.

19. How should the Welsh Assembly Government ensure that resources re-invested in the Welsh Higher Education sector are best targeted in line with *One Wales* objectives, such as the study of priority subjects and Welsh-medium higher education?

Semta recommends that resources are invested as follows, to support Science, Technology, Engineering and Mathematics (STEM):

- Bursaries and scholarships for STEM students (see our responses to questions 18 and 20)
- Investment in STEM-related capital equipment for institutions – with the latest equipment and world-class facilities, Wales can attract both students and research academics to study and work in these subjects
- Support for the STEM Higher Education sector workforce to work with industry, updating their skills and courses to provide practical and up-to-date learning which inspires students
- Support for Higher Education and industry to work together in improving workforce skills, through short courses and professional development in STEM subjects, as well as subjects such as Lean and Business-Improvement Techniques at the highest levels

20. Please outline your views on:

- **additional targeted bursaries and scholarships in the Welsh Higher Education sector,**
- **how these should be targeted, and**

- **what measures should be put in place to ensure that targeting is effective.**

Bursaries for STEM subjects should be targeted as follows:

- high achieving young people who will become the 'blue skies thinkers' of tomorrow
- young people below the top rank, who can contribute to science and engineering through related careers in laboratory support, practical engineering team and project leadership, etc

Please use the space below to provide any additional comments.