



Submission

Oireachtas Joint Committee on Education and Science

Subject - Student Services Charge

28th January 2010

I think it is helpful to begin by examining the statutory basis for the charge. This is grounded in Section 40 of the Universities Act 1997 which pertains to the matter of fees generally. The section contains broad provisions which empower the universities to charge fees to cover any or all aspects of the services provided by them. The specific wording used is, and I quote: **“student registration, courses, lectures, examinations, exhibitions or any other event, service or publication held or provided at or by, or produced by, the University”**.

The Act makes provision for the Higher Education Authority (HEA) to review fees relating to registration, courses and lectures and examinations relating to those courses. In addition there is a provision for the HEA, following consultation with the Minister to advise the universities on the fees which in its opinion should be charged. As stated in the Act, this provision is advisory rather than directive or binding.

The student services charge was introduced in 1996 by the Minister for Education following the abolition of undergraduate fees. Prior to this, a composite fee which included an element for student capitation was payable by non grant holding students attending courses in the universities. Following the abolition of Fees, the recurrent monies paid to the universities were allocated on the basis of a Core Grant and a Grant in Lieu of Fees. These monies were supplemented by the student services charge.

There is no explicit connection between the moneys provided through the estimates process and the scale of student services charge. In practice, however, significant adjustments in the core grant have tended to be reflected in concomitant adjustments to the student services charge.

This was most notable in 2002 when the Higher Education Authority communicated to the universities as follows, and I quote: ***The overall Exchequer funding for third level***

institutions in 2002 was predicated on a 6% increase in the charge which would give a revised charge of €420. The increase in excess of €250 is intended to secure savings to the Exchequer in 2002 and subsequent financial years. Accordingly, the approved Exchequer grants to third level institutions in 2002 will be reduced by the amount of additional income generated by the increase while the increase of €24 arising from a €6% increase may be retained by institutions. The effect of this approach is therefore neutral.

More recently, in the context of the Budget and Estimates 2009, the Minister for Education and Science indicated that, and I quote: ***the estimate allows for an increase in the student registration charge from its current rate of €900 to up to €1,500 in individual institutions for the academic year 2009/2010. Combined, this funding is generally in line with the projected outturn in 2008.***

As regards the scope of application of the student services charge, a framework developed by HEA in consultation with the universities in 1998, recommended that the Student Services Charge be categorised into three parts: a registration fee, exam fee and a student services fee. However, there has been no explicit definition, statutory or otherwise, as to what constitutes student services. The scope of the charge could vary from a narrow band of direct services for students such as registration, counselling etc. to a broader definition including exams and support services such as libraries and IT services, all of which students benefit from and which are separate to tuition. While all of these services are chargeable under the Act, clearly, as the scale of the charge has increased, more of these services have subvented by the charge.

In this context, Chairman, we have been asked to focus explicitly on how the income from the charge is disbursed. In that regard we have included in the main submission and appendices, tables which show data for the years 2007/2008 and 2008/2009, respectively. We also include a detailed list of expenditure headings to which income from the student services charge may be applied.

As I said at the start of my statement, Chairman, income from the student service charge is only one element of the recurrent operating budget of the universities which is also comprised of exchequer and other income. The table contained in the main submission shows the cost of the various elements of student services to which the charge may apply. It then shows the total cost of student services and the proportion of that cost relating to charge-paying students. This is necessary because not all students pay the charge: for example postgraduate and overseas fee paying students although such students do have access to the relevant student services. Grant eligible students are included as the charge is paid on their behalf by the grant authority. The table then shows the aggregate spend relating to charge-paying students, the number of those students and, consequently, the spend per student. Finally the income per student in the year in question from the charge is shown. In the year 2008/2009, the charge was fixed at €900 and it can be seen that the spend per student was substantially in excess of this. It can also be seen that the median

actual spend per student of approximately €1,600 was in excess of the €1,500 charge being levied by the universities for academic year 2009/2010.

As regards _____, all universities have processes in place, which vary in their detail from institution, but which are broadly similar. At an overarching level, and as provided for in statute, all universities have student representatives on their Governing Authorities. The Governing Authority has ultimate responsibility for determining the fees to be charged by a university and the disposition of the universities resources. It will be seen from the detail of the consultation processes described in the main submission that student representatives are extensively involved in a range of committees and fora relating to the disbursement of the student services charge.

Thus, students are involved in detailed discussions on a number of specific areas supported by income from the charge and, in addition, are involved at the highest level of university governance where matters relating to overall financing of the universities are discussed.

We are aware, Chair, from the previous deliberations of the committee on this matter, that the committee has concerns about the broad range of university activities which the income from the student services charge is subventing, in whole or in part. As I indicated earlier, there is no precise definition as to what constitutes student services and the

Universities Act itself brings the external financing of all activities of the university together under a single heading of “fees”.

It would appear to us, therefore, that this issue needs to be seen in the context of the broader debate about how higher education institutions, and the universities specifically, are financed. As the committee will be aware from our previous meeting and submission, we have expressed concerns at the excessive dependence of the universities on exchequer funding and the absence of a comprehensive policy on individual contributions. In that submission we made specific proposals in relation to the introduction of a system of income contingent loans and top up fees.

I might also mention that, in our submission to the Higher Education Strategy Group, we also called for greater clarity and predictability in the overall funding of Higher Education and recommended the introduction of a multi annual budgetary framework.

Reform of the system in these two key dimensions would help prevent a recurrence of those instances where the student services charge has had to increase to offset falls in Exchequer funding. In addition, although we would not claim that it is a short term panacea, income from a student loans system could in time allow the level of the student services charge and the areas of expenditure which it subvents to be reviewed and potentially reduced.

I would like to turn now, Chair, to the issue which the Committee has raised regarding those

I would mention at the outset, Chair, that this is an issue which arises regularly and not simply in the context of the particular delays being experienced this year. As a result, all of the universities have policies in place to deal with situations where grant applicant students have registered and are thus liable for the student services charge but where the relevant payment agency has not processed their grant application. The universities have been especially sensitive to the situation pertaining this year where there have been particular delays in the processing of grant applications. The approach adopted by the individual universities is described in the main submission.

As can be seen from the foregoing and the detail of the main submission, the universities have been responsive to the general situation where students grant payments are delayed and the specific circumstances pertaining this year. However, the universities wish to point out the very unsatisfactory nature of this situation in respect of the pressures on their budgets and also the need to strike an

appropriate balance between responsiveness to the needs of students and the requirement for prudent fiscal management.

It is important to mention that the Universities are strongly supportive of the need to overhaul and modernise the student grant administration system to avoid the kinds of difficulties which students are experiencing and to make the system more efficient overall.

In conclusion Chair, in this statement and our submission we have set out the circumstances surrounding the determination and disbursement of the student services charge and the responsive approach of the universities to difficulties encountered by grant applicant students. We have also addressed the wider policy context and made suggestions for reforms to bring greater diversity and predictability to the overall funding of universities and higher education generally.

I thank the Committee again for their invitation to discuss these matters and that concludes my statement, Chair.

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As requested by the Committee, this submission contains two parts:

1. Matters related to the disbursement of the student registration fee/student services charge in each college including a breakdown of how such fees are spent;
2. The situation of students who have not paid the student services charge due to delays in payment of the higher education student grant and the response of the universities.

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As can be seen by reference to the Universities Act (section 40), there is broad statutory provision for the universities to charge fees to cover any or all aspects of the services provided by universities. The Act makes provision for the Higher Education Authority (HEA) to review fees relating to registration, courses and lectures and examinations relating to those courses. In addition there is a provision for the HEA, following consultation with the Minister to advise the universities on the fees which in its opinion should be charged. As stated in the Act, this provision is advisory rather than directive or binding.

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The student services charge was introduced in 1996 by the Minister for Education following the abolition of undergraduate fees. Prior to this, a composite fee which included an element for student capitation was payable by non grant holding students attending courses in the universities.

Following the abolition of Fees, the recurrent monies paid to the universities were allocated on the basis of a Core Grant and a Grant in Lieu of Fees. These monies were supplemented by the student services charge.

Historically, there has been a correlation between the three principal components of university recurrent funding.

This is evident from correspondence on the part of the HEA. For example, in August 2002, the HEA wrote to the universities and advised as follows: ***The overall Exchequer funding for third level institutions in 2002 was predicated on a 6% increase in the charge which would give a revised charge of €420. The increase in excess of €250 is intended to secure savings to the Exchequer in 2002 and subsequent financial years.***

Accordingly, the approved Exchequer grants to third level institutions in 2002 will be reduced by the amount of additional income generated by the increase while the increase of €24 arising from a 6% increase may be retained by institutions. The effect of this approach is therefore neutral.

Most recently, in the context of Budget 2009, the Minister for Education announced as follows:

The Estimates provision for higher education is €1,844 million as compared with €1,887 million in 2008. The estimate allows for an increase in the student registration charge from its current rate of €900 to up to €1,500 in individual institutions for the academic year 2009/2010. Combined, this funding is generally in line with the projected outturn in 2008.

The thrust of the Minister's statement was reflected in the overall allocations to the HEA showing a 2008 Estimate of €1.386 BN compared to a 2009 allocation of €1.318 BN. Therefore it can be seen that the 2009 Estimates were framed in anticipation that the student services charge would increase from €900 to €1,500 to offset a reduction in the core recurrent grant to Higher Education Institutions.

A framework developed by HEA in consultation with the universities in 1998, recommended that the Student Services Charge be categorised into three parts: a registration fee, exam fee and a student services fee. However, there has been no explicit definition, statutory or otherwise, as to what constitutes student services. The scope of the charge could vary from a narrow band of direct services for students such as registration, counselling etc. to a broader definition including exams and support services such as libraries and IT services. As the scale of the charge has increased, the range of areas which are supported by it has also increased.

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The table contained in the main submission shows the cost of the various elements of student services to which the charge may apply. It then shows the total cost of student services and the proportion of that cost relating to charge-paying students. This is necessary because not all students pay the charge: for example postgraduate and overseas fee paying students although such students do have access to the relevant student services. Grant eligible students are included as the charge is paid on their behalf by the grant authority. The table then shows the aggregate spend relating to charge-paying students, the number of those students and, consequently, the spend per student. Finally the income per student in the year in question from the charge is shown. In the year 2008/2009, the charge was fixed at €900 and it can be seen that the spend per student was substantially in excess of this. It can also be seen that the median actual spend per student of approximately €1,750 was in excess of the €1,500 charge being levied by the universities for academic year 2009/2010.

Consultation with Students

As regards consultation with students, all universities have processes in place, which vary from institution, but are broadly similar. At an overarching level, and as provided for in statute, all universities have student representatives on their Governing Authorities. The Governing Authority has ultimate responsibility for determining the fees to be charged by a university and the disposition of the universities resources. It will be seen from the detail of the consultation processes described in the main submission that student representatives are extensively involved in a range of committees and fora relating to the disbursement of the student services charge.

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In the context of our previous meeting with the Joint Committee and our associated briefing document of October 9 2008, we set out our position in respect of University Funding and Individual Student Contributions. The main submission restates the summary of our policy position. In summary, our view is that the current system of funding for the universities remains unsatisfactory. It is clear that budgetary constraints on the core grant/grant in lieu of fees has placed pressure on the student services charge and has required the amount paid by students to be increased. While we remain of the view that there should be greater diversity in university funding and that students should contribute more to the costs of their education, we believe that this could be more equitably achieved through the introduction of an income contingent deferred loans system. Were such a system to be put in place, the revenue accruing from repayments would, over time, allow the level of the student services charge and the areas of expenditure which it subvents to be reviewed and potentially reduced.

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All of the universities have policies in place to deal with situations where grant applicant students have registered and are thus liable for the student services charge but where the relevant payment agency has not processed their grant application. The universities have been especially sensitive to the situation pertaining this year where there have been particular delays in the processing of grant applications. The approach adopted by the individual universities is described in the main submission.

As can be seen from the foregoing and the detail of the main submission, the universities have been responsive to the general situation where students grant payments are delayed and the specific circumstances pertaining this year. However, the universities wish to point out the very unsatisfactory nature of this situation in respect of the pressures on their budgets and also the

need to strike an appropriate balance between responsiveness to the needs of students and the requirement for prudent fiscal management.

The Universities are strongly supportive of the need to overhaul and modernise the student grant administration system.

(3) Arising from a review under **subsection (2)**, An tÚdarás may, without prejudice to **subsection (1)** and after consultation with the Minister, advise the universities on the fees which in its opinion should be charged.

As can be seen by reference to the Universities Act, there is broad statutory provision for the universities to charge fees to cover any or all aspects of the services provided by universities. The Act makes provision for the Higher Education Authority (HEA) to review fees relating to registration, courses and lectures and examinations relating to those courses. In addition there is a provision for the HEA, following consultation with the Minister to advise the universities on the fees which in its opinion should be charged. As stated in the Act, this provision is advisory rather than directive or binding.

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Following the abolition of Fees, the recurrent monies paid to the universities were allocated on the basis of a Core Grant and a Grant in Lieu of Fees. These monies were supplemented by the student services charge.

As stated above, the initiative on fees rests with the Universities and any HEA advice on fees is not binding. Nevertheless, historically, there has been a correlation between the three principal components of university recurrent funding.

This is evident from correspondence on the part of the HEA. For example, in August 2002, the HEA wrote to the universities and advised as follows:

I refer to the announcement on 18th July by the Minister for Education and Science, Mr Noel Dempsey T.D regarding increases in tuition fees and the charge to defray the costs of registration, exams and student services for the academic year, 2002/2003.

The increase to be applied for the 2002/2003 academic year are (1) 6% in EU full time undergraduate tuition fee levels and (ii) an increase from €396 to €670 in the charge.

The overall Exchequer funding for third level institutions in 2002 was predicated on a 6% increase in the charge which would give a revised charge of €420. The increase in excess of €250 is intended to secure savings to the Exchequer in 2002 and subsequent financial years.

Accordingly, the approved Exchequer grants to third level institutions in 2002 will be reduced by the amount of additional income generated by the increase while the increase of €24 arising from a 6% increase may be retained by institutions. The effect of this approach is therefore neutral.

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The thrust of the Minister's statement was reflected in the overall allocations to the HEA showed a 2008 Estimate of €1.386 BN compared to a 2009 allocation of €1.318 BN¹. (Note that these figures are for recurrent grants to HEA and whereas the Minister's statement aggregates both capital and current allocations to Higher education overall). Therefore it can be seen that the 2009 Estimates were framed in anticipation that the student services charge would increase from €900 to €1,500 to offset a fall in the core recurrent grant to Higher Education Institutions.

Disbursement of the Student Services Charge

A working group chaired by HEA was established in 1998 when the Student Services Charge increased from £150 to £250 to draw up a framework for good practice related to the use of the funds arising from the charge. Periodically, the HEA has requested updated information from institutions regarding the disposition of the charge and confirmation that appropriate procedures are in place. Such requests have been made on three occasions: July 2008, June 2005 and July 2001.

¹ The 2009 allocation as shown in the 2010 Book of Estimates reflecting adjustment between budget lines subsequent to the publication of the 2009 estimates volumes.

The framework recommended that the Student Services Charge be categorised into three parts: a registration fee, exam fee and a student services fee. However, there has been no explicit definition, statutory or otherwise, as to what constitutes student services. The scope of the charge could vary from a narrow band of direct services for students such as registration, counselling etc. to a broader definition including exams and support services such as libraries and IT services. As the scale of the charge has increased, the range of areas which are supported by it has also increased.

The table below provides data for the Financial/Academic Years 2008/2009 across the range of non tuition-related services to students. **A detailed breakdown of the expenditure headings contained in the table is attached at Appendix 1, while**

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Irish Universities Association – Student Services Expenditure 2008/2009*	&	"	("	&	*	&	+	*	&	\$	&	,	"	&
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Student Services	6,4	5,0	6,9	5,1	3,1	5,0	4,5	33	46	86	13	01	08	14	
Examination Costs	1,8	1,3	1,7	2,5	6	1,9	5	78	45	05	02	18	46	27	
Costs relating to Registration	2,3	1,3	1,9	1,6	1,8	7	1,4	50	98	45	92	83	60	35	
Academic & Other Services	20,5	17,4	11,5	12,2	5,3	6,5	5,7	57	35	04	28	67	13	10	
Space Costs Associated with all student facilities	5,8	6,4	6,1	4,9	1,3	2,6	9	84	87	47	37	03	61	35	
Total Expenditure relating to student services	37,1	31,7	28,2	26,4	12,2	16,8	13,1	02	11	87	72	72	88	21	

Proportion relating to student charge paying students	56%	56%	63%	55%	65%	74%	74%
Spend relating to student charge paying students	20,949	17,853	17,941	14,638	7,938	12,575	9,662
Student charge paying students	12,997	9,187	10,799	8,311	4,989	7,094	6,080
Spend per student	1,612	1,943	1,661	1,761	1,591	1,773	1,589
Income per student	900	900	900	900	900	900	900

*Based on draft/unaudited financial statements. Audited data for 2007/2008 is at Appendix 2.

The table shows the cost of the various elements of student services to which the charge may apply. It then shows the total cost of student services and the proportion of that cost relating to charge-paying students. This is necessary because not all students pay the charge for example postgraduate and overseas fee paying students although such students do have access to the relevant student services. Grant eligible students are included as the charge is paid on their behalf by the grant authority. The table then shows the aggregate spend relating to charge-paying students, the number of those students and, consequently, the spend per student. Finally the income per student in the year in question from the charge is shown. In the year 2008/2009, the charge was fixed at €900 and it can be seen that the spend per student was substantially in excess of this. It can also be seen that the median actual spend per student of approximately €1,600 was in excess of the €1,500 charge being levied by the universities for academic year 2009/2010.

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The Student Services Committee of the Governing Authority and its subcommittees carry out both a consultative function and an allocation proposal function in respect of funds for Student Services, including Students Union, Clubs and Societies. The Student Services Committee, made up of Údarás members including the student representatives, is charged with the responsibility to formulate policy and make recommendations on services and amenities in relation to the social, recreational, welfare and developmental needs of the students of the University as well as to advise and recommend to Údarás na hOllscoile an annual budget for Student Services. These funds contain a portion of the Student Services Charge. This committee has been replaced in the current Údarás na hOllscoile term by a Support Services committee which will subsume the role of the Student Services Committee.

There are two working groups established, the Universities Societies Coordination Group and the University Sport and Recreation Union Working Group, made up of students and staff. These working groups have formal responsibility for decisions on funding the activities of individual Clubs and Societies.

In addition, an agreed portion of the Student Services Charge is currently allocated to a “Student Projects Fund”. A Student Projects Fund Committee, made up of an equal number of students and staff, recommends to the Vice President for the Student Experience on the distribution and allocation of this fund.

In addition to the Committee membership, the Students Union of NUI Galway has access to information on the allocation of the Student Services Charge via the interaction of the Unions' Officers with the University Director of Management Accounting. It has also been the practice that this information is supplied to the Student Services Committee (to be subsumed into the Support Services Committee) on a regular basis and at least annually.

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UCC has prioritised student services with a dedicated Vice President for Student Experience since 2008.

The annual budget including the amount to be spent on student services is brought to the University's Finance Committee for approval and ultimately onwards to Governing Body for their approval and adoption. The President of the Student Union attends Finance Committee for financial matters related to student matters e.g. annual budget/fees and is a formal member of GB along with other Student Union Executive members.

UCC also has a Student Finance Committee known as the Joint Boards for the Student Experience having Student Union membership, and with regular meetings. This body determines the expenditure of the allocation of funding to the Students Union Societies Guild, the Student Union Clubs Executive and the Students Union Executive from the registration charge. In relation to other relevant matters, the President of Student Union is:

- a board member of the company owned by UCC to manage all sports services for students,
- a board member of the company owned by UCC managing accommodation for students
- a board member of the company owned by UCC managing student facilities – e.g. crèche, events, etc

As such, the Student Union President has a further fiduciary role in the expenditure of funds for these activities.

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The College through its main committees (Finance Committee and Student Services Committee) notes and reviews in detail the various elements of the Student Service Charge and reports accordingly to the Board and College annually. Students are represented on all the College's main committees and on the Board of the College, and accordingly, the process and transparency associated with the student charge is applied within the Framework for Good Practice as circulated by the HEA.

The Student Services Committee is appointed by Board, and its membership comprises two student representatives, while the Finance Committee has one student representative.

Annually, the draft Income and Expenditure (I&E) data is initially presented to the Dean of Students, Student Services Committee representatives and SU President for review and consultation. As part of this process any submissions for additional allocations are individually reviewed on their merits before allocations are made and prioritised for onward submission to the College's budgeting process.

The Capitation Committee is a sub-committee of the Student Services Committee and meets at least once a term and one of its main roles is to apportion the capitation fund. In addition, it ensures the observation of all regulations pertaining to the capitated bodies and their dependent organisations including a review of the annual Financial Statements. The Capitation Committee comprises 78% student representatives.

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Within the budgetary process, funds are allocated to student services and related overheads. The Budget Committee in recommending the financial allocations considers the many historical student supports, past decisions in relation to student supports, recognition of current and future student needs, proposals from the Director of Student Support & Development (SS&D), and the current financial conditions. The Director of SS&D is in regular direct contact with Student Representatives in reviewing activities and developing new and improved supports. The outcomes from Budget Committee are recommended to the University Executive. The Student Union President is a member of Executive. Governing Authority approves the Budget. The Student Union President is also a member of the Governing Authority. Many other committees have student representatives as a norm. These include Sports Facilities, Catering Facilities, Social Centre, and SIF Steering Committee.

To ensure that allocations in respect of student union and clubs & societies (capitation) are maintained an amount per student was fixed several years ago. This amount is increased in line with the increase in the Service Charge. The Student Finance Committee has sole responsibility for the disbursement of these funds. The constitution and structure of this committee was agreed by Governing Authority. This committee is almost entirely representative of the student body. The Director of SS&D is also a member. Financial Statements detailing the income and expenditure are presented to the Director of SS&D and the Director of Finance. Since 2008, the Finance Officer also meets with the Student Finance Committee Head of Administration and the Director of SS&D to review the Financial Statements, the use of the funds, and reports from independent auditors. The Student Finance Committee was reviewed under the Quality Review Process, as with any other university unit.

An analysis of expenditures relating to the Student Service Charge and the university's contribution to this activity is normally supplied to the Student Union, annually. The Finance Officer meets with the Student Union President to review.

Student Support is core in DCU activities and each school and unit must deliver on objectives relating to student support. This is recognised within the unit quality review process and are set out in the units own written objectives. The Office of Student Support & Development annual staff

handbook confirms that all staff has a duty of support to students, and the primary point of contact is the academic.

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The allocations to student services at NUI Maynooth are determined and monitored as part of the University budgetary procedures. Students are represented at all stages by the President of the Student Union. Draft budgets are prepared early in the academic year, typically in September, by the Planning, Development and Finance Committee of the Governing Authority. The draft proposals are submitted for approval to the Governing Authority which includes as members the President and a Vice President of the Student Union. Throughout the year students make inputs to the Capitation and the Student Services Committee. The audited end of year accounts prepared by the Bursar identify explicitly the amounts spent on student services. The draft accounts are discussed with the student representatives through the Planning, Development and Finance Committee before being presented to the Governing Authority. The total expenditure on student services includes costs related to registration and examinations; a range of academic and related support services; other student personal services such as medical, counselling, careers advice, and security; sport and other recreational facilities, and student clubs and societies.

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In the case of UCD, there are regular meetings held with the Students Union under the chairmanship of the universities' Vice President for Students in respect of the capitation funding allocation for the students union, sports clubs and student societies. There is also regular consultation with students on the medical healthcare services including counselling services.

By agreement with the President of the Students Union, a meeting is held annually in June each year of the Student Services Forum Group, which is chaired by the Vice President for Students, and has three student representatives, a representative from the Finance Office, Sport, Student Medical Services and the Registrar's Office. The most recent meeting was held on the 15 June 2009.

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From the introduction of student service charges the University has kept the Students Union fully informed with respect to the cost of providing student services on campus and the disbursement of their contribution towards the cost of such services.

The Students Union participate fully in the annual budget cycle both as members of the Governing Authority Finance Committee and of the Governing Authority itself. The Students Union is invited to make an annual submission with respect to their budgetary requirements and this submission facilitates the making of representations with regard to the provision of student services on campus.

The Students Union representatives have regular formal meetings with the senior executives of the University, including the President, Vice President Academic and Registrar and Director of Finance.

In addition, the Students Union are provided with an annual report setting out the cost of providing the range of necessary student services on campus and the income sources contributing to and underpinning these costs.

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In the context of our previous meeting with the Joint Committee and our associated briefing document of October 9 2008, we set out our position in respect of University Funding and Individual Student Contributions. For convenience, we restate the summary of our policy position below:

The Universities' position on this issue is substantially set out in the IUA policy paper entitled: Statement on Individual Contributions to Higher Education the text of which is included in this submission. A summary of the Universities' position is as follows:

- The question of whether there should be increased individual contributions to the funding of higher education cannot be divorced from a holistic consideration of how higher education is funded.
- Based on their consideration of that issue, the universities believe that there are rational grounds for sharing the cost of investment in higher education between the exchequer and those individuals who benefit directly from participation in higher education.
- The universities are of the view that this should be achieved through an investment plan which sets out agreed multiannual levels of funding and the exchequer and individual funding components. In addition to the “fee” component, that investment plan should also take account of other possible sources of non exchequer investment such as philanthropic donations. This matter has been raised with government separately (see below).
- The universities have concluded that the most equitable approach to individual contributions is via income contingent deferred loans and top up fees.
- The universities have not proposed a specific implementation model for such loans and top up fees and are of the view that any system introduced should be in a form which is appropriate to the specific circumstances obtaining to Ireland.
- Our policy paper outlines a number of the key implementation issues to be considered in that context. The universities are cognizant of the complexities of the implementation issues and hence have stressed the need to consider them in an overall investment context.
- The universities are not in favour of a replication/reintroduction of the fees and grants system which obtained in the ‘pre 1996’ period.

Our view is that the current system of funding for the universities remains unsatisfactory. It is clear that budgetary constraints on the core grant/grant in lieu of fees has placed pressure on the

student services charge and has required the amount paid by students to be increased. While we remain of the view that there should be greater diversity in university funding and that students should contribute more to the costs of their education, we believe that this could be more equitably achieved through the introduction of an income contingent deferred loans system. Were such a system to be put in place, the revenue accruing from repayments would, over time, allow the level of the student services charge and the areas of expenditure which it subvents to be reviewed and potentially reduced.

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All of the universities have policies in place to deal with situations where grant applicant students have registered and are thus liable for the student services charge but where the relevant payment agency has not processed their grant application. The universities have been especially sensitive to the situation pertaining this year where there have been particular delays in the processing of grant applications. The approach adopted by the individual universities is described below.

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The University has not to date placed any pressure to pay the student services charge on undergraduate students who indicated at registration, that they have applied for a grant. They have been issued with a Student ID card and can avail of all services of the university. The university has invoiced relevant grant funding authorities for known applicants, and some of those authorities have paid.

The universities' position is that up to 1st February 2010, it will not place pressure on grant applicant students to pay the student services charge element of their fees unless it has received notification from the funding authorities that the student's application for a grant has been refused.

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Any student in receipt of a letter of award (LOA) from a Local Authority/VEC automatically receives their Student ID card. Students who are awaiting a LOA can contact the Fees Office Manager and formally agree a more protracted payment schedule if required until confirmation of the award is forthcoming.

In addition to the above, the University has also made a number of separate budget allocations to support students who may be experiencing financial difficulties. For example, €100k was allocated from Core Funds to bridge the gap in Student Assistance Funding – the amount received by UCC from the National Office for Equity of Access to Higher Education was reduced by that amount in 09/10 vs. 08/09 and €25k from Core Funds towards assisting students affected by the recent flooding in Cork City.

Ongoing assistance is also provided to students in extreme hardship from the UCC Benefaction Trust Fund. Amounts of up to €1,000 per student have been made available this year to students who were facing homelessness, and severe financial hardship arising from late payment of Local Authority Maintenance Grants.

UCC also plans to implement a number of flexible payment policies in 2010/11 including: two Instalment Payments for all Self Financing Students. This would apply to all students, including EU UG students in receipt of State Free Tuition Fees, who have to pay fees and do not have confirmation of funding by a third party agency such as a Local authority, Foreign Government or Research Funding Grant. This would be introduced alongside a proposal to release ID cards to all new entrant 1st year students whereby 1st year students awaiting confirmation of funding from a Local Authority/Funding Agency would receive their ID card at Registration irrespective of whether or not they had discharged the relevant fee liability.

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Fees are paid in two instalments; 60% in September and the balance of 40% in January. Undergraduate students who are entitled to “Free Fees” pay the Service Charge which is due before Registration in September. The normal practice is that at registration, students either pay the charge or present confirmation of their grant for the paying of fees from the relevant authority. On receipt of this confirmation student accounts are tagged with a code and the relevant organisation is invoiced direct. Returning students accounts are tagged with a code based on their previous year and the relevant authority is invoiced direct. Student accounts are blocked in October unless the relevant fee is paid or in relation to first year students, written confirmation of the grant is received

from the relevant authority. Students, who are entitled to a grant, but pay their fees, are reimbursed on payment from the relevant authority.

However, DCU has always tried to accommodate students affected by late grant payments. In light of the particular difficulties this year, Student accounts were not blocked in October. Student ID cards were retained by the college but temporary access to library and other facilities was put in place. This arrangement is currently continuing.

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National University of Ireland Maynooth has allowed students who have applied for grant approval access to the following facilities: Moodle – lectures and lecture notes; exam packs for January 2010 (student required to sign a form), and use of the Library .The only restriction currently in place relates to the borrowing of books. All previous year students have been automatically rolled forward. Only first time applicants are affected by this.

In an effort to be as flexible as possible, the Fees & Grants office has accepted notification of approvals from Local Authorities by phone, email and fax.

Students do have the option of paying the service charge and receiving an immediate refund on receipt of approval. Some students have been assisted by the Student Hardship fund with loans to pay the service charge.

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Trinity College does not prevent or delay students (new entrants or continuing) from registering because College has not been paid by the Local Authority or VEC, so long as the appropriate procedures and paper work as set out below is in place. This approach has been in place for a number of years.

Under College Regulations students are required to pay the Student Charge in full before registration can take place unless the conditions below are followed.

In relation to new entrants, where a student has applied for a Local Authority/VEC grant they are required to submit a completed GF1 form, providing details of the Local Authority/VEC they have applied to. The GF1 form and instructions are contained in the Orientation Pack sent to all new entrants in August.

Where students have been successful in their application they are requested to submit a copy of the letter of award to the Fees Office. Registration is permitted on receipt of the GF1 form and without payment of the student charge.

If students have not received notification from their Local Authority/VEC by the time they are to register we permit them to register on receipt of the completed GF1 and without payment of the charge.

Where a student submits a GF1 form and the university subsequently learns the student was unsuccessful in their application, the Fees Office will issue a bill to the student for the outstanding amount – for immediate payment.

Where students pay the Student Charge and subsequently notify the university that they are receiving a grant, the original payment is refunded when the Local Authority/VEC pay the university

As regards continuing students, where a student was in receipt of Local Authority/VEC funding in the prior year, the college assumes the funding will continue into the current year once the student is rising with their class and the student is allowed to register without payment of the charge.

If the student personally paid the charge in the prior year and submits a GF1 form for the current year and has a letter of award from the Local Authority/VEC, the student can register without the payment of the student charge. If the student does not have a letter of award before he/she must register, the student is requested to pay the charge before registration and it is refunded when the Local Authority/VEC pay the college.

Students, who fail their exams and are required to repeat the year, are required to pay the student charge in full before registration is permitted.

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In relation to policy towards students who are grant funded, but who are unable to pay the student service fee because of delays in grants, it has always been the policy of UCD to allow additional time to these students to meet their financial commitments. The University does not place undue pressure on these students and takes due consideration of the financial hardship that students experience through delays in grant funding.

There are no immediate consequences for the non payment of student service fees by any student awaiting grant funding.

To the extent that it arises, the non-payment of service fees for students, regardless of funding source, tend to become pressing towards the end of the year when access to exam results, progression to later years or graduation may be affected. At that point in the year, it is unlikely that grant funding would still be delayed, so students impacted in the early part of the year by grant funding should not feature in this context. There is a very small number of students at present who have not received their student cards, because of non payment of the student service charge. However, these students have not declared themselves and therefore it cannot be assumed that the students in question are grant applicants. The university is happy to discuss the circumstances of those students with them, should they wish it.

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Delays in grant funding to students are accepted by UL as a legitimate reason for the fee not being discharged on time. It is the policy of UL not to pursue students for payment in such circumstances. Students are permitted to register and are treated the same as all other students.

As can be seen from the foregoing the universities have been responsive to the general situation where students grant payments are delayed and the specific circumstances pertaining this year. However, the universities wish to point out the very unsatisfactory nature of this situation in

respect of the pressures on their budgets and also the need to strike an appropriate balance between responsiveness to the needs of students and the requirement for prudent fiscal management. Some relevant issues in this context are:

Delays in the payment from the Local Authorities impact on cash flow, and could impact on the ability to settle an institutions own liabilities as they fall due. At present, across the universities as a whole, millions of euro in funding are outstanding from Local Authorities.

As with all outstanding debts the risk of not being paid, i.e. bad debt, increases over time. At registration every year students confirm that grant applications have been made. A not insignificant amount of these have either not submitted an application or the application will not be approved. These situations again have both a cash and a potential bad debt impact.

Extra risks of non-collection occur because of the excessive delays this year, due to the fact that (as previously indicated to the Committee by the USI), students may withdraw before the grant is paid having completed only part of the programme. The grant authority, in this scenario, may pay nothing as the student has now withdrawn. All of the above contribute to more credit control work and associated cost to the university, with time spent following up with the grant authorities and with students.

The Universities are strongly supportive of the need to overhaul and modernise the student grant administration system.

Appendix 1

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Student services charge income is calculated as follows:-

Student service charge Student no's

Student numbers for this purpose is defined as all students billed with the student services charge (i.e. excludes non-EU, part-time and post-graduate students).

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Categories of expenditure

The following categories of expenditure should be included in student service charge expenditure:-

Student Services (Note 11 per Funding Statements)

Student Services Charge
Careers Office
Health & Counselling
Sports facilities & recreation
Capitation & Other Grants

Examinations Costs (Note 10 per Funding Statements)

Includes:-
Exam papers
Hire of halls
Invigilation costs

Costs relating to registration

Includes:-
Fees office (pay & non-pay)

Admissions office (pay & non-pay)
Student records office (pay & non-pay)

Academic & Other Services (Note 6 per Funding Statements)

Includes:-

Library
Information systems services
Other relevant services

Note: the full cost of Academic and other services are not included on the basis that these are not exclusively student related facilities and for example staff also have access to such services. The total costs are therefore proportioned to reflect students' level of access only.

Space costs associated with all student facilities

Careers & appointments office
Accommodations office
Chaplaincy
Disability services
PE & sports facilities
Student health & counselling
Capitated bodies
Fees office
Admissions office
Student records office
Library
IS Services
Other relevant academic & other services

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As the above costs relate to the entire student body it is necessary to identify the proportion of those costs that relate to students who pay the student services charge. Expenditure therefore has been proportioned on the following basis:

Students paying the service charge

Total Student Body Numbers

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	&	"	("	&	*	&	+	*	&	\$	&	,	"	&
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Student Services	6,241	5,090	6,838	4,377	2,903	4,909	4,424								
Examination Costs	1,895	1,280	1,705	2,662	1,587	1,784	443								
Costs relating to Registration	2,450	1,455	2,187	1,312	1,732	1,747	1,564								
Academic & Other Services	22,658	17,867	11,271	12,237	5,430	7,492	5,830								
Space Costs Associated with all student facilities	5,643	6,635	6,147	4,755	1,423	2,733	332								
Total Expenditure relating to student services	38,887	32,327	28,148	25,343	12,075	17,665	12,593								
Proportion relating to student charge paying students	57%	56%	64%	55%	66%	74%	70%								
Spend relating to student charge paying students	22,086	18,135	18,146	13,839	7,957	13,060	8,90								

Student charge paying students	12,645	8,855	10,602	7,849	4,606	6,696	5,570
Spend per student	1,747	2,048	1,712	1,763	1,727	1,950	1,578
Income per student	825	825	825	825	825	825	825