

Council Notice: Arrangements for the University's Access Agreement with the Office for Fair Access to Higher Education

14 March 2011

Introduction

1. In its Notice of 23 February 2011, the Council reported that it would 'finalize its view on the elements of the financial support for students and the provision of funds for outreach work to be included in the Access Agreement at its meeting on 14 March 2011 in the light of the firmer information expected shortly from OFFA and on the National Scholarships Programme. It will publish its decisions in a separate Notice.

2. In considering further the elements of an Access Agreement, the Council has been assisted by a series of discussions in the Admissions Forum, the Undergraduate Admissions Committee, and the Senior Tutors' Committee. Members of the Planning and Resources Committee Working Group have also been consulted. The Council has also taken into account the guidance from OFFA to all universities published on 8 March 2011.¹ That guidance requires an Access Agreement to be submitted by 19 April 2011.

3. What follows is predicated on the approval of Grace 1 of 23 February 2011 by the Regent House which would authorize the University to submit an Access Agreement to OFFA.

The OFFA Guidance

4. The Guidance from OFFA includes the following stipulations and advice:
 - a. *Access Agreements may be revised annually. (This would imply that the University may need to reconsider the measures established by the Council and reported on in the Notice for the 2013 entry in the Michaelmas Term of the academic year 2011–12, although evidence of the effects of the measures taken will not be available until the following year.);*
 - b. *An Access Agreement should specify the fee at the level that the University intends to charge;*
 - c. *A guideline for the spending level on access measures. For Cambridge (corresponding to the most expensive rate) this implies expenditure of about £10m, representing 30–35% of the difference in fee income resulting from charging £9,000 rather than £6,000 and depending on the total number of students counted in the estimate (For other universities with an average or higher proportion of under-represented students or a lower level of proposed fee, the rate falls to 25% or 50% of this level.);*
 - d. *An expectation that a greater proportion of the expenditure required by the Access Agreement than hitherto should be spent on outreach as opposed to fee waivers and bursaries;*

¹ 'How to produce access agreements for 2012/13' <http://www.offa.org.uk/wp-content/uploads/2011/03/newaccess.pdf>

- e. *A requirement to match the National Scholarships Programme, for which the details are still awaited but expected in April;*
- f. *A requirement that expenditure qualifying for inclusion in the Access Agreement must be targeted: only those with parental incomes less than £42,600 per annum will qualify for support within the Access Agreement;*
- g. *There is less emphasis than hitherto on fee waivers;*
- h. *There is insistence that targets be focused on the outcomes against which they will in due course be measured.*

Targets

5. After consultation with the Undergraduate Admissions Committee, the Council proposes three targets for inclusion in the University's Access Agreement:
- a. A principal target of those admitted from the state school sector of between 61% and 63%, expressed as a five-year aspiration. There has been a 0.5% per annum increase in the proportion of students from state schools over the past ten years. However, progress has been uneven with fluctuations exceeding 1% in any given year in that sequence. The Council therefore takes the view that committing to progressive annual milestones is of little value and that this principal target should be presented with appropriate error bars in the Access Agreement.
 - b. A supplementary target corresponding to the HESA benchmark for non-continuation following year of entry (a standard that Cambridge has met for each of the last ten years).² OFFA advises in its Guidance that when an institution has an excellent retention record it may set a target to maintain that level of excellence.
 - c. A supplementary target of 375 places per annum as the minimum number of places available on summer schools run by the University. This specific access measure is one (of few) that has shown proven success in relation to Cambridge student admissions over several years.³

The Council believes that, taken together, these targets cover the three key areas of recruitment, admission, and retention.

Outreach

6. Total expenditure on outreach work across the collegiate University as reported to the HEFCE is of the order of £2.5m per annum. As the Council reported in its Notice of 23 February, some of the sources of funding for this work (Aimhigher for example) will now disappear and there remain strong arguments for replacing some of this funding and reinforcing existing initiatives. For that reason, the Council has decided that £1m of the income derived from the higher level of fee should be allocated for these purposes in the Access Agreement that it proposes to OFFA. The Council is aware that additional outreach activity outside that to be included in the Access Agreement takes place in both Colleges and University departments.

² The HESA benchmark target was 3.3% in 2008/09. The corresponding figure for Cambridge in that year was 1.2%.

³ The University filled 365 places on its summer schools in 2010. It is aiming for 400 in 2011. Additional summer schools are run by some Colleges.

Fee waivers and bursaries

7. The Council is conscious that what might comprise the optimal package for fee waivers and maintenance bursaries has been the subject of considerable debate both in the Regent House and among the student body, both as to the total budget for these purposes and to the balance between the elements of support. The Council has listened carefully to what has been said in this debate.

8. The loan package offered by the Government has the (non-linear) effect that small fee waivers are of virtually zero net present value to the student except for high-earning graduates because fee waivers affect graduate repayments only decades after graduation and often not at all. Cash payments are of far greater value to the student. On the other hand, because of the availability of Government maintenance loans at favourable rates and grants for the poorest, large maintenance payments may give the wrong impression that Cambridge is an expensive place to study. OFFA takes the view that bursaries have not improved access, though they concede that higher fees may change that. The National Scholarships Programme restricts cash payments qualifying for matching funding to less than £1,000. The view of admissions tutors on the basis of experience of the current Cambridge Bursary Scheme (CBS) is that prospective applicants are likely to struggle to make sense of comparing living costs and maintenance support between universities. They believe that for students from poorer backgrounds the headline fee will be the principal potential deterrent in applying to Cambridge.

9. A proposal to offer the student a choice of a fee waiver or maintenance support by redefining the terms of the CBS has been proposed by the Colleges, the Admissions Forum, the Senior Tutors' Committee, and the Undergraduate Admissions Committee. Members of the Planning and Resources Committee Working Group have also stressed the need for choice and future flexibility.

The package of student support for 2012/13

10. Having weighed the evidence and advice from individuals and Committees, the Council has decided on the following package of support for new students from England for 2012/13:

- a. The Cambridge Bursary Scheme (CBS) will continue but in an altered format. It will offer a bursary of £3,500 per annum to those students whose parental income is less than £25,000 per annum with a tapering arrangement for those with parental incomes of between £25,000 and £42,600. A higher rate of £5,650 will be paid to mature students. The bursary may be used, at the student's discretion and in any ratio, for maintenance purposes or to reduce future indebtedness from fees.⁴ The cost of this redefined CBS will be £7.5m.
- b. On the basis of our current understanding of the National Scholarships Programme, a fee waiver (with no option that it is drawn down as a cash sum)

⁴ The Student Loans Company (SLC) has not yet announced the deadlines for application for tuition fee loans for the 2012/13 academic year. The deadline for 2011/12 is 31 May 2011 for new students to ensure that they receive funds before their course begins. Later applications and changes to initial applications are possible but with no guarantee that funds will then be available by the beginning of a student's first term. In making arrangements for the dates by which a student will need to exercise choice in how a bursary is spent, the University will take into account the deadlines and arrangements that the SLC introduces.

of £6,000 for special categories of student (these might include care leavers; the severely disabled; lone parents; those in receipt of free school meals). These fee waivers will be awarded in addition to the proposed bursary that a particular student may also qualify for. This group would benefit to the full extent possible from the National Scholarships Programme on a matching basis and may also be prime candidates for substantial College support where donor funds are raised. The total cost will depend upon the special categories chosen and the numbers admitted within those categories. The total sum available to help these students in special need is estimated from present numbers to be approximately £1.5m. It is believed that this sum would attract approximately £750,000 from the National Scholarships Programme. The combined total would fund about 350 waivers at any one time (the equivalent of about 100 new awards each year). For 2013 and beyond this would provide a flexible model.

11. The total cost of these measures at steady state will be between £10m and £11m. It is expected that these proposals will attract further support of the order of £750,000 from the National Scholarships Programme. In reaffirming the size of this budget for the financial support of students, the Council took into account the following factors:
 - a. The University's and Colleges' budgets for 2012/13 are under considerable pressure; the Allocations Report to be considered by the Council at its May meeting will recommend a settlement from this year's planning round that requires significant deficits in the Chest for each year of the forward planning cycle.
 - b. In addition to the support offered to students through the redefined CBS and fee waivers for certain categories, Colleges also provide hardship funds for particular cases that are of considerable benefit in maintaining the collegiate University's commitment that no student should have to leave the University because of financial difficulties.
 - c. The Colleges and the University have raised over £2.5m towards the CBS since 2006 (about 20% of the total spent between 2006/07 and 2009/10). In addition, the Colleges have raised substantial additional sums for College-specific hardship funds. It is the view of the University's Development Office (CUDO) and the Chairman of the Cambridge Colleges' Development Group that the proposals set out in this Notice will provide a strong message to potential donors in the future.
12. An Access Agreement based on the decisions set out in this Notice will now be drawn up. This will be considered by the Council before its submission to the Director of Fair Access to Higher Education by the deadline of 19 April 2011.