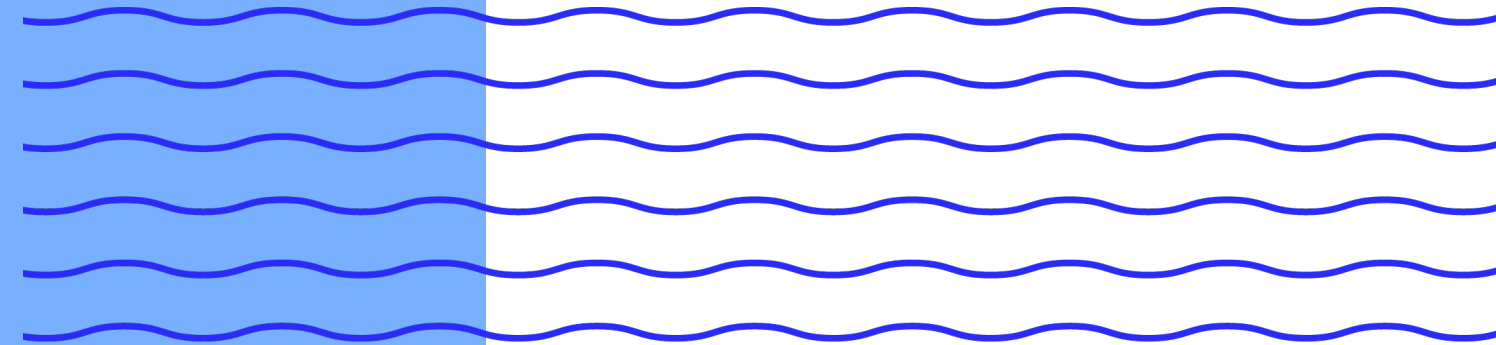# This week

Mond	The free speech agenda and the free speech bill
Tue	Making a difference on student housing
Wed	Improving the experience for international students
Thu	The secrets of political thinking
Fri	Hidden costs and student costs campaigns

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Student costs – where next?

JIM DICKINSON | ASSOCIATE EDITOR | WONKHE
ALAN ROBERTS | SU CONSULTANT

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Pre-pandemic

- 36% of undergrads turn to loans, overdrafts and credit cards to pay rent.

- 1 in 10 say rent is a constant struggle (and that's before other living costs).

- Parents are chipping in £2,542 a year for student accommodation – and give loans on top.

- And whilst 36% turn to commercial lenders, the figure jumps to 60% when sources include family, friends and employers.

DO STUDENTS BORROW MONEY TO PAY FOR RENT?

NO 40%

YES 60%

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And...

- Most UK graduates leave university with about £3,500 of debt on top of student loans, research shows.

- A survey of 1,000 UK graduates found the average Brit leaves uni with about £3,561 of additional debt, while 15% leave with £10,000.

- Overdrafts and other products like credit cards are the source of most debt, the survey found. But over half (55%) of grads also borrow money from parents while studying – with loans from the bank of mum and dad making up £2,188 of their debt.

- And only 57% of these pay their parents back, taking on average 11 months to do so.

- The amount of debt is a concern for graduates, with four in five (79%) worried about their current bank balance, and two in five (43%) admitting they are more worried about their finances than they were at university.

- Of those that borrowed from their parents while at university, two in five (42%) did so because they had gone through their student loan too fast, while 36% had gone too far into their overdraft.
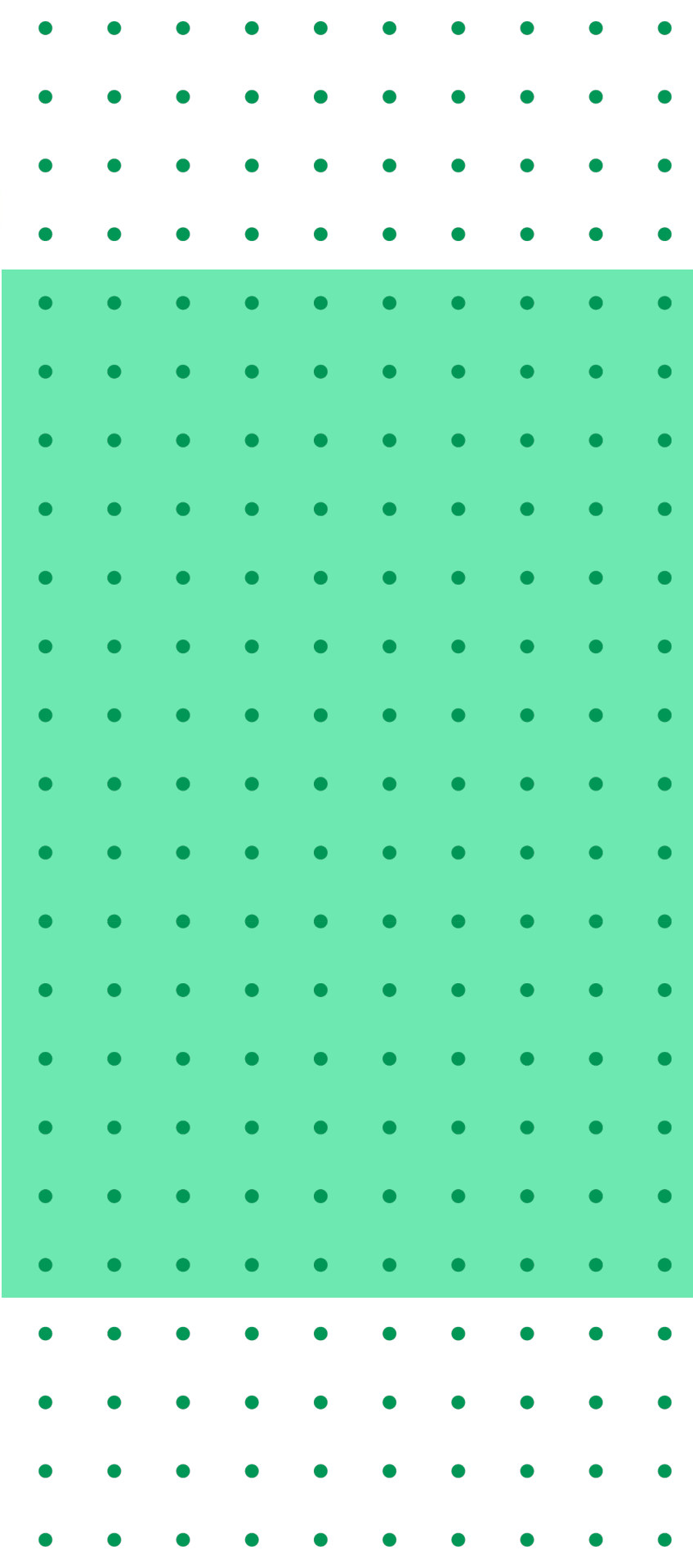
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You'll need

1. Leadership
2. Coordination
3. Ideas
4. Everyone to take part
5. Some lobbying and campaigning
6. Some institutional financial support
7. Some costs reduction!

Ten years of SU costs campaigns

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Coming Clean: our Hidden Course Costs campaign

Izzy John, Welfare Officer

The backdrop

- Expansion – particularly in "small cities and large towns"
- Transfer – removal of HEFCE capital funding
- Transfer – of several streams of funding (ie bits of DSA, hardship etc)
- Competition – on features (at additional costs) rather than rather than costs
- Sleepwalking – students as revenue stream and dependency on the income
- Parental contribution – reality of way HE is funded
- Catering – major shift in profitability (almost all outsourced)

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In almost all student cost areas "the market" (where competition drives down price) isn't working/hasn't worked
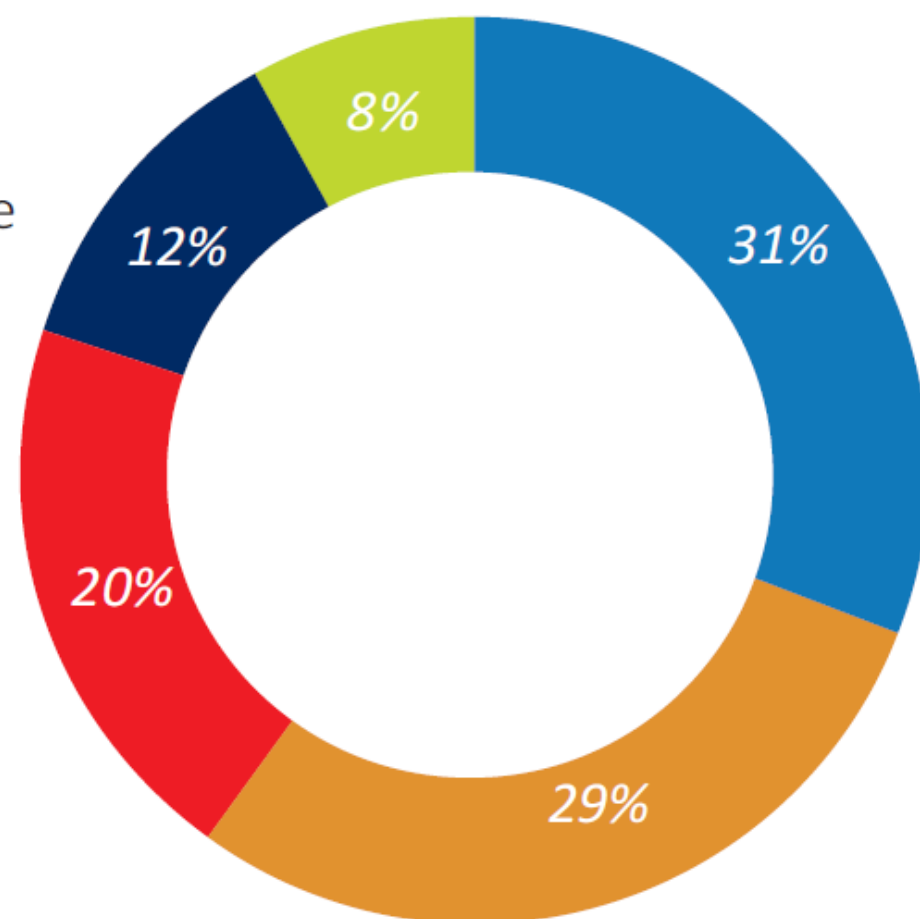
What's going on?

A lot of costly extra's have been supplied or covered by the university where possible. Great Library service.

The price for books that you "have to have" but only look at once is disgusting. The price of trips is still too much for the average student. The price of accommodation has gone up so that it is more expensive than the amount of loan that I get. That is not including food, trips, social life and anything else the university wants us to participate in.

Accomodation has increased by 30% as of two years ago. Library fees (due to returning laptops a few minutes late) from a year ago are being chased up with monthly emails, affecting my anxiety and adding further stress. Gym Canteen food is overpriced- no healthy soever

I am able to access anything I need at University for a reasonable price that doesn't have a negative impact on my way of living.

why do we get charged an admin fee for paying our fees for the course? its a con the course fee should include all costs - this is not ryanair!

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Other charges/fees

- **D**issatisfaction in the comments has four themes
  - Unexpected charges
  - Unnecessary costs
  - Perception of being "milked"
  - Intersection with student hardship
- Satisfaction related to
  - Inclusivity of costs
  - Perception of subsidy
  - Perception that efforts made to keep costs down

Regrets, I've had a few

- We have reviewed a decade's worth of efforts by SUs to reduce costs that face students

- There may be lessons/implications for your work

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Normal?

1. Who do you love

- Significant confusion over who costs campaigns aimed at

- Poorer students = deficit model handled through bursaries

- All students = derided (privately and publicly) as middle class subsidy

- Argument on "all" (or squeezed middle) largely absent

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2. Locally produced spirits

All-inclusive HOLIDAYS

- Some campaigning had the "all inclusive holiday" as its goal

- Early price competition in £9k fees regime drove limited adoption

- Inability to levy compulsory additional fees seen as a significant hurdle

- Coventry (UNI) an early success (and later withdrawn) and Bucks New (SU) a type (although now being rowed back)

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3. In plain sight

- Bulk of campaigning in early 2000s focussed on "hidden costs"

- Assumption was that if they could be seen, universities would a) compete or b) be shamed

- Complexity of aggregation and lack of price competition in general has harmed

- CMA regulation has generated "in plain sight" regime

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Plain sight...

- **"Other extra costs students are likely to incur"**, in the guidance includes examples such as field trips, equipment, materials, bench fees or studio hire. In other documents they say "for example field trips for geography or geology courses or studio hire for design courses".

- THIS YEAR "Providers should also be clear about any extra costs that students might need to bear to access resources or buy equipment as a result of the changes to teaching".

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4. Failure to get at finances

- Almost all SU costs campaigns have focussed on the student as the "frame"

- We can find little evidence of universities opening up on costs/income from students

- "Partnership" not meaningfully achieved over costs of running services

- Sleepwalking into huge surplus, attempts to hide via TRAC accounting

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5. Whose job is this

- Lack of focus on "whole institution" responsibilities

- Data not there or hard to obtain

- Affordability pinned on university central management rather than general policy duty (eating, sports, graduation)

- Are decisions made by academics/depts and could a policy target (reading lists, trips, lab coats etc)

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6. Salami slicing

- Lost of evidence that initiatives and schemes that start in single academic areas are easier to leverage into institutional policy

- Little evidence that SU campaigns have focussed here (ie costs of placements and equipment for medics)

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7. We won a thing

- A number of defensive wins that are nuggeted and not enshrined in wider policy

- Free printing

- Scrap additional charges for med certs

- English language testing

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8. Going public

- Theory of public (student) information is focussed on getting info into hands of applicants

- Almost all attempts at doing this by SUs have been met with major/significant hostility

- There may be opportunities in the English regulatory landscape but would require coordinated pressure

9. Home and away

- Almost all campaigning has focussed on home student experience

- Major costs for international students (and, increasingly, disabled students) rarely a focus

- See lecture capture as moral crowbar for importance of focus here

FLAGS OF THE WORLD

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10. All or nothing

- Trade offs between choices and compulsories often confused in the work

- Acceptance of some low cost choices (meals, some accomm rooms, shared text books)

- Much easier to win but much harder to extrapolate

- Some smoothing (see Liverpool Guild – Rent)
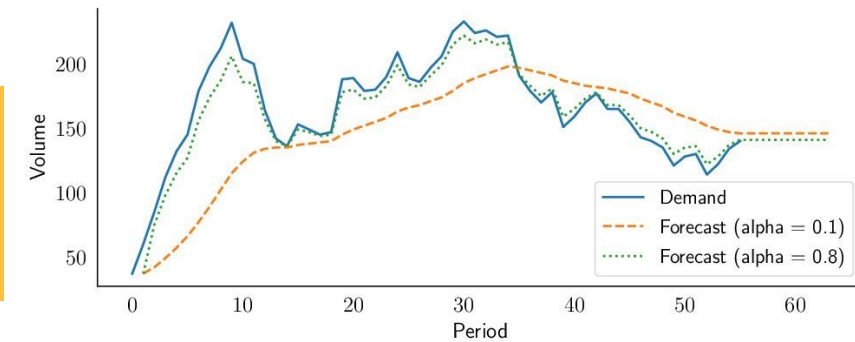
11. And there's more

- Little involvement of graduates and parents

- University expansion a major pressure on accommodation costs

- SUs haven't helped – operate similar model(s) and across the board cost reductions extremely rare

- Emergence of Cut the Rent groups (sometimes as factional offshoots) – rent strikes and direct action (SUs usually as honest brokers) – but major barriers/risks to participation.

- Lived experience as "compound impact" crowbar

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Market developments

- Creation of a series of "off balance sheet" PBSA accomm schemes

- Involve nominations agreements (from very soft to very hard, and from 1 year to 30 year)

- Almost always involve rent accelerator agreements and varying degrees of university control

- Frequent issues with experience parity (sometimes unacceptably better, sometimes unacceptably worse)

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Regulation and Policy

- Fees regulation

- Academic penalties for non-academic debt

- Removal of HEFCE capital grants

- OfS and VFM (transparency)

- Augar was "interested" in student costs re: the maintenance duty

- OfS IAG strategy

- A&P arguments buried in schemes and poor (BUT NORMS)

- Ireland (rent, grad gowns)

- Scotland (graduation fees)

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Killer questions

1. What do you have a duty to be seen to be doing?

2. What drives your decision making?

3. What do you know, and what do you need to know?

4. All or some students (soak the middle classes)

5. Are you more interested in choice or blankets?

6. What is the impact of student numbers/uni finances?

7. Departmental, Functional, Institutional, local or national (could you spend your time/resources more widely)

8. Where might you have to lead the student body?

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You'll need

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