

Universities New Zealand Submission on the proposed changes to how Compulsory Student Services Fees are regulated

June 2021

Introduction

This submission is from Universities New Zealand, the operating name of the New Zealand Vice-Chancellors' Committee, a statutory body established under Section 311 of the Education and Training Act 2020 to exercise functions such as determining what university qualifications can be offered, and making recommendations on criteria for entrance to universities.

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Submission

The Discussion Document gives three reasons for the suggested changes:

- The document suggests current provisions of Section 257 of the Education and Training Act do not allow for the Minister to be sufficiently prescriptive in determining consultation requirements for setting Compulsory Student Services Fees (CSSFs) or for determining where CSSF money is directed.
- Providers may try to shift additional compliance costs arising from the new Code of Practice for Pastoral Care onto students and Government through loans and fees free support.
- Current CSSF fee levels may be disadvantaging some student groups – such as extramural, part time, etc.

Universities New Zealand agrees that Compulsory Student Services Fees (CSSFs) should be set and allocated in ways that are transparent and that have appropriate input from students. However, we are concerned that this change is being made in ways that have potential to see Government imposing a range of additional compliance requirements that potentially reduce the ability for universities to best meet the needs of their students and that potentially impose additional compliance costs without.

Additional compliance costs might include;

- Additional consultation requirements
- A requirement to reduce or waive fees to certain students
- Requirements that increase costs in one area and that require a reduction in services in other areas.

All universities set their CSSFs in consultation with at least their main students' association. The consultation processes invariably require trade-offs between (a) the reasonableness and affordability of the CSSF for different student groups, (b) the services that are prioritised by student representatives, (c) the needs of the particular student populations, (d) the services that are seen as important by the university, and (d) the service levels that students and/or the university would like to see.

For example, student representatives at some universities survey the student body to help inform priorities for the CSSF. Typical findings are that funding for the recreation centre, and student health centre score well above other services such as student advocacy/support, or student media.

All universities have worked with their student communities to set fees and develop services funded through CSSFs over time in ways that match local priorities and needs. This is indicated, somewhat through the following table which shows the CSSF in 2020 (the most recent year for which there is a published annual report) and how all CSSF funding has been allocated across the eight allowed service areas.

From 2020 university audited annual reports	Compulsory Student Services Fee (incl GST)	Student advocacy & legal advice	Career advice & Student Job Search	Health services	Counselling & pastoral care (including hardship support)	Clubs, cultural groups, societies, sport & rec	Student to student communications (media)	Childcare	Building levies / capital contribution
University of Auckland	\$943	4.9%	11.0%	14.0%	22.0%	45.0%	1.1%	2.2%	
Auckland University of Technology	\$760	3.5%	11.4%	8.4%	55.5%	16.2%	3.7%	1.3%	
University of Waikato	\$700	3.7%	9.2%	29.2%	28.3%	22.4%	3.8%	3.4%	
Massey University	\$582	14.7%	7.8%	39.5%	15.1%	9.5%	3.0%		10.4%
Victoria University of Wellington	\$911	6.9%	16.8%	28.4%	23.5%	21.1%	1.8%	1.5%	
University of Canterbury	\$870	7.2%	6.3%	12.0%	10.1%	34.6%	3.8%		25.9%
Lincoln University	\$780	12.5%	4.0%	23.3%	2.1%	53.0%	5.0%		
University of Otago	\$830	7.5%	6.2%	41.2%	0.9%	42.4%	1.9%		

As can be seen, there is significant variation in CSSF levels and significant variation in how funding is allocated across services between universities. Though it is not shown on this table, there is also significant variation as to what happens within each service area.

The table needs to be read with some cautions.

- First, there is some variation across the universities in how expenditure is allocated between Health Services and Counselling/Pastoral Care.
- Second, some pastoral care expenditure is done outside of CSSF, meaning the amounts and percentages above under-report expenditure in some areas. For example, at the University of Otago a significant proportion of pastoral care support for students in residential accommodation is funded through accommodation fees rather than the CSSF.

We would not support any central Government attempt to try to impose one-size-fits-all approaches to the prioritisation and design and delivery of services across and within these service areas.

We do support the Code of Pastoral Care requirements which specify minimum requirements and expectations for the safety and wellbeing of students. They set adequate expectations for what must be done with CSSF funds while also allowing the flexibility in where and how those expectations are met and balanced with other aspects of the student experience (such as clubs and societies, childcare, information needs, etc).

The current legislative requirements seem to have worked well for universities. More importantly, they appear to already give the Minister the ability to specify things like maximum fees, and what services the fees may be used to support.

It is not clear what problem the proposed changes are trying to address that cannot be already addressed under current legislative settings.