



## Education Report: Analysis of submissions on Compulsory Student Services Fees Gazette Notice 2019

<b>To:</b>	Hon Chris Hipkins, Minister of Education		
<b>Date:</b>	11 July 2019	<b>Priority:</b>	Medium
<b>Security Level:</b>	In Confidence	<b>METIS No:</b>	1190455
<b>Drafter:</b>	Jon Rolfe	<b>DDI:</b>	s 9(2)(a)
<b>Key Contact:</b>	Shelley Robertson	<b>DDI:</b>	
<b>Messaging seen by Communications team:</b>	No	<b>Round Robin:</b>	No

### Purpose of Report

This paper summarises submissions received on a proposed update to the ministerial direction for compulsory student services fees (CSSFs) and seeks your agreement to minor changes to the direction to respond to feedback from consultation.

### Summary

- An updated ministerial direction for CSSFs was published for consultation on 9 May 2019 in the *New Zealand Gazette*. This included requirements for tertiary providers charging a CSSF to publish certain information about CSSFs on their websites. We received six submissions in response. Five submissions from student associations generally supported the proposed update. A joint submission from Wellington Institute of Technology (Weltec) and Whitireia Community Polytechnic (Whitireia) did not comment on the change but proposed adding transport as a CSSF category.
- In response to feedback from student groups, we propose the ministerial direction clarify the requirements for publication of CSSF information on tertiary providers' websites and in annual reporting. Student groups also raised concerns that providers do not have adequate arrangements for consultation or joint decision-making with students on CSSF arrangements. We propose that the Ministry work with the Tertiary Education Commission to improve the guidance on CSSF requirements, setting clearer expectations for providers.
- Submissions from student associations recommended significant wider changes to the ministerial direction that would require legislative changes. We do not recommend progressing work on proposals that would be inconsistent with voluntary student membership. We intend to address wider concerns that student associations have raised around the independence and resourcing of student voice through ongoing work on enhancing student voice and the Reform of Vocational Education.
- Two student associations and the joint submission from Weltec and Whitireia have proposed adding transport as a category of student services under the ministerial direction. We do not recommend considering further work on this proposal at this time.

## Recommended Actions

---

The Ministry of Education recommends you:

- a. **note** the six submissions received on the proposed ministerial direction for compulsory student services fees, including five from student association groups and a joint submission from Wellington Institute of Technology and Whitireia Community Polytechnic
- b. **agree** that the updated ministerial direction on compulsory student services fees (attached as Appendix 1) comes into effect from 1 August 2019
- c. **sign** the attached ministerial direction on compulsory student services fees (attached as Appendix 1)
- d. **note** that the Ministry of Education will work with the Tertiary Education Commission to update current guidance for providers on complying with the ministerial direction for compulsory student services fees, and will work with the Tertiary Education Commission and student associations to produce new guidance targeted at students
- e. **proactively release** this Education Report after the Tertiary Education Commission has published the updated ministerial direction on its website.

Agree / Disagree

Release / Not release

  
Andy Jackson  
Group Manager  
Tertiary Education

11/07/2019

  
Hon Chris Hipkins  
Minister of Education

31/7/19

## Background

---

1. On 3 May 2019, you agreed to consult via the *New Zealand Gazette* on an update to the ministerial direction for compulsory student services fees (CSSFs) [METIS 1158063 refers]. This notice was published on 9 May and submissions closed on 31 May.
2. The Education Act 1989 (the Act) allows the Minister to issue a ministerial direction that sets requirements on providers charging a CSSF.<sup>1</sup> This includes:
  - specifying the categories of student services that providers can make available
  - requiring providers to establish adequate arrangements for decisions to be made jointly or in consultation with the students, or their representatives, on CSSFs
  - requiring providers to account for CSSFs in a specified manner, and
  - requiring providers to publish CSSF information in annual reporting and on their websites.
3. The updated ministerial direction included requirements for tertiary providers charging a CSSF to publish certain information on their websites about these fees. This includes publishing the amount/s charged, the arrangements established to decide jointly or in consultation with students on CSSF-related matters and information on how students can participate in this process in future.
4. Initially these requirements were implemented on 1 January 2017 as conditions on funding under section 159L the Act. Legislative changes that came into effect in 2018 mean that these requirements can now be included in the ministerial direction issued under sections 227A and 235D of the Act.

## Submissions

5. Six submissions were received in response to the Gazette notice, five of which were from student associations. Copies of all submissions are provided in Appendix 2 attached. Submissions were received from:
  - Albany Students' Association (ASA) (for Massey University's Auckland campus)
  - Lincoln University Students' Association (LUSA)
  - New Zealand Union of Students' Associations (NZUSA)
  - Otago University Students' Association (OUSA)
  - Wellington Institute of Technology and Whitireia Community Polytechnic (Weltec and Whitireia), and
  - Younited, the student association for Eastern Institute of Technology (EIT).
6. This consultation was also an opportunity to get feedback from providers and students on the existing regulations and to inform future policy work.

---

<sup>1</sup> Under sections 227A(4) and 235D(4) of the Act, if a provider does not comply with the ministerial direction, the Minister may give a written direction to that provider specifying the types of student services it may make available or the maximum amount that students may be charged. To date this power has not been exercised by the Minister.

## Submissions on the proposed update

---

7. The five submissions from student associations generally supported the purpose of the proposed update. They indicated the importance of providers publishing CSSF information on their websites as this helps to ensure transparency and accountability for CSSFs. The submission from Weltec and Whitireia did not comment on the proposed update, but suggested adding 'transport' as a specified category of service that can be funded through CSSFs.
8. The submissions from student associations also all suggested several changes to the proposed update to make the requirements more explicit and require providers charging a CSSF to publish additional information on their websites. They have made three key proposals that we have given due consideration to and responded to accordingly.

### **Proposal 1: publishing CSSF information clearly and in an accessible location**

9. Submissions from student associations have indicated that information of CSSFs is often not easy to find on a provider's website. As such, they have recommended that the ministerial direction require information related to CSSFs is published on a provider's website *clearly and in an accessible location*. It is implicit that the information must be readily available on a provider's website, but we have updated the wording to reflect the expectation that the information should be accessible.

### **Proposal 2: publishing CSSF information for different categories of students**

10. The submissions from OUSA and ASA suggest that providers should be required to supply campus-specific CSSF information where applicable, indicating that this information is not readily available. Providers with more than one campus are able to charge students different CSSFs to reflect the costs of different services available on each campus. The same may apply for different categories of students, such as those studying part-time or by distance.
11. We propose that the ministerial direction clearly stipulate that CSSF requirements also apply to different CSSFs charged. This includes requirements for providers to make decisions on CSSFs jointly or in consultation with students, supply information through annual reporting and to publish information on their websites. We have updated wording in the relevant sections in the ministerial direction to make these requirements clear.

### **Proposal 3: publishing more detailed information**

12. Submissions from student associations suggested that providers charging a CSSF should be required to publish more detailed information for students on their website. This includes publishing a comprehensive breakdown of CSSF expenditure, information about procurement for each student service, and more detailed information on how providers made decisions on CSSFs jointly or in consultation with students.
13. Directing providers to publish this more detailed information on CSSF-funded services and expenditure on their websites falls outside the scope of the ministerial direction. This may also contravene the managerial and operational autonomy of tertiary education institutions (TEIs) as set out in section 160 of the Act. Some providers, such as Massey University and Lincoln University, supply on their website a breakdown of CSSF expenditure by category. This is an example of good practice, as providers are not explicitly required to publish this on their websites.

### *Requesting more detailed CSSF information in annual reporting*

14. Under the current ministerial direction, providers charging a CSSF are required to supply a description of the services funded out of the CSSF and the fee income and expenditure for each type of student service in their annual reporting. TEIs charging a CSSF are required to provide this in their annual report, while private training establishments (PTEs) charging a CSSF are required to publish this information in a written report to students each year. Some providers are currently only reporting CSSF expenditure by CSSF category in their annual reporting, not by each type of student service within the categories.
15. We propose updating the wording in the ministerial direction so information on each type of service is explicitly required in annual reporting. This will help to address the concerns raised by student associations. NZUSA and ASA have suggested that students do not have enough detailed information about how CSSFs are spent to provide constructive feedback to providers. It will also encourage providers to supply more detailed information on how CSSFs are spent, providing TEC with an opportunity to improve monitoring and encourage greater compliance with the ministerial direction.

### Wider feedback on current CSSF arrangements

16. We indicated that this consultation was also an opportunity to gain insight on how fit-for-purpose the current CSSF framework is and to help us understand how well the framework is working in practice. In particular, we sought feedback on student involvement in CSSF decision-making, the specified categories of services and the quality of student services. The ministerial direction was last amended in 2014 and the last review was in 2015, so considering some of the wider issues related to CSSFs now is well timed.

### **Feedback on student involvement in CSSF decision-making**

17. All submissions from student associations raised concerns that providers do not have adequate arrangements for consultation or joint decision-making with students on CSSF-related matters, and so are not complying with the ministerial direction. Furthermore, students' associations note that providers are not taking reasonable steps to involve students or their representatives in making decisions around CSSFs. Students raise concerns that this has contributed to a collective disempowerment of students and loss of student voice that followed the introduction of voluntary student membership (VSM) in 2012.

### *Examples of student involvement*

18. NZUSA's submission indicates that a majority of providers opt for a student-wide survey or student forums to consult with their students on how CSSFs are spent. Both NZUSA and ASA suggest that providers rely heavily on student associations to promote these forums to students. They raise concerns that student associations do not have sufficient capacity or resources to adequately promote these engagements on behalf of providers.
19. ASA's submission provides the example of Massey University's annual student forums, suggesting that the University does not do enough to effectively promote these engagements. Massey University's website states that in 2018 students were emailed and texted about the forums held in each of its three campuses. Distance students were also given the opportunity to provide feedback on how their CSSF was spent for the first time.

20. Younited's submission says that consultation on CSSFs at EIT is carried out effectively, although did not provide detail on these arrangements. EIT's website indicates that students can give ongoing feedback on CSSF arrangements through several channels. These include formal evaluations of services (such as student experience surveys), student representatives, social media such as Facebook, and direct feedback to Younited and EIT staff.

*Proposal for decisions to be 'made jointly'*

21. In response to these concerns, student associations have proposed changes to the ministerial direction so that providers are required to make decisions jointly, through a process comprised of at least 50 percent representation from students. Their submissions indicate this would ensure students and their representatives have a more meaningful influence over how CSSF funding is spent.
22. However, the current legislation does not enable you to direct providers specifically on whether decisions on CSSFs must be made *either* jointly or in consultation with students. It is for providers to determine the procedures or arrangements for involving students in decisions, including whether decisions on CSSF matters are made jointly or in consultation with students. As a result, any direction that sought to specify in detail the arrangements providers must make would be unlawful.

*Improving CSSF guidance*

23. Student feedback indicates that there are many ways that providers are trying to involve students on CSSFs-related matters. Some are clearly better received than others by students and the level of provider compliance with requirements to involve students in decisions is mixed. Most providers, especially universities, appear to engage with students annually to take stock of the existing arrangements to inform the development of future changes for CSSFs. This engagement with students is a key part of an effective consultation, however, it may not satisfy the specific requirements of the ministerial direction.
24. The ministerial direction requires providers to make decisions jointly or in consultation with students on the amount/s charged as CSSFs, the types of services made available, the procurement of those services and the method for authorising expenditure on services. It would be reasonable to expect that providers clearly inform and involve students or their representatives in any decisions that relate to changes on these matters. For example, decisions about increases to CSSFs, changes in the types of services delivered or a change in a service's provider would need to be made jointly or in consultation with students or their representatives.
25. The legislative requirement to consult sets certain expectations on providers when making changes to the CSSF-related matters specified above. This includes ensuring:
- **the outcome is not predetermined** – the provider must keep an open mind and not have predetermined a course of action before consultation
  - **proposals are clearly communicated and publicised** – the provider must supply and publicise enough information to enable students consulted to be adequately informed so that they can respond to proposals
  - **there is sufficient time** – the provider must ensure that there is sufficient time for students to consider proposals and to provide feedback
  - **due consideration is given to proposals** – consultation includes listening to what students have to say and giving due consideration to alternative proposals.

26. We propose that the Ministry work with TEC to improve the current guidance for providers by setting clearer expectations on what adequate arrangements for student involvement are. This updated guidance could include examples of best practice to demonstrate effective ways that some providers are involving students in decisions on CSSFs.
27. s 9(2)(f)(iv)

#### **Proposal to make student representation a category of student services**

28. Submissions from ASA, NZUSA, OUSA and Younited all suggest adding 'student representation' as a category of student services that can be funded under the CSSF. This links to wider concerns that student associations have raised around a lack of independence and resourcing for student representation. NZUSA has suggested that this category could be used to fund training for student representatives and to facilitate an independent class representative system.
29. s 9(2)(h) If providers were to pay a portion of the CSSF to a student association for representation services, then students are in effect being required to pay a fee to a student association for representation services provided generally to the student body (regardless of membership). As this would infringe upon section 229CA(2) of the Act, we do not recommend adding 'student representation' as a specified category.
30. In response to the paper 'Enhancing student voice in tertiary education' [METIS 1175744 refers], you indicated that you did not want to progress work on repealing VSM. You also held a meeting with NZUSA president James Ranstead on 12 June 2019 where you signalled that future work would look to move away from the notion of membership and focus on other mechanisms to enhance student voice. We recommend addressing the wider concerns that student associations have raised through the ongoing work on enhancing student voice and the Reform of Vocational Education (RoVE).

#### *Facilitating stronger partnerships between providers and student associations*

31. The provisions of the Act on VSM currently enable providers to form partnerships with and contract their student associations to deliver student services, so long as these fall under the specified categories for CSSFs. This is explicitly permitted under section 229CA(3) of the Act, although it is not a requirement.
32. In practice this most commonly occurs in universities. Two good examples of such partnerships are those at Auckland University of Technology (AUT) and the University of Canterbury (UC). AUT's annual report for 2018 indicates that the Auckland University of Technology Student Association (AUTSA) arranged the delivery of student services that contributed \$1.2 million out of \$12.6 million of CSSF expenses (8.5 percent). UC's 2018 annual report indicates that University of Canterbury Students' Association (UCSA) was allocated \$2.3 million out of \$9.6 million in of total CSSF revenue (24 percent).
33. s 9(2)(f)(iv)

### **Proposal to make transport a category of student services**

34. Submissions from NZUSA and Younited propose that 'public transport' is added as a specified category of service that can be funded through CSSFs. Weltec and Whitireia have submitted a similar proposal in their joint submission, except defined this more narrowly as 'support for subsidised or free travel for students between campuses and/or delivery sites'. Weltec and Whitireia currently offer free bus services to connect students between their Wellington, Petone and Porirua campuses.
35. NZUSA and Younited state that transport is a key service for tertiary students and subsidised or free transport could reduce financial barriers some students face. Weltec and Whitireia raise similar concerns that the cost of travel is a barrier to access and choice for prospective students, particularly where delivery sites are distributed over a wide area. Their submission indicates that subsidised or free travel for students is not a core service that can be funded through standard provider funding, and in this respect it is not dissimilar to childcare services, which is currently a specified CSSF category.

#### *Current funding arrangements available for transport*

36. Tertiary providers receive tuition subsidies to meet the needs of delivering provision to students, with over \$2 billion provided in Student Achievement Component (SAC) funding in 2018. This can be used to support transport. Youth Guarantee also has specific funding for transport, which totalled approximately \$6 million in 2018. Furthermore, full-time students can access student support to help cover transport costs. This includes student allowances, student loan living costs (where students can currently borrow up to \$235.84 per week for living expenses) and course-related costs, which enables students to borrow up to \$1,000 per year and could include transport costs.
37. Currently, many local and regional councils offer additional transport subsidies to students.<sup>2</sup> In some cases, providers and local or regional councils collaborate to cover the costs. Local bodies and providers receive wider economic benefits through funding free or subsidised transport to their students. For example, providers can use this in marketing to students and this may attract more students to a particular region, which has positive flow-on effects for local business.

#### *We do not recommend progressing this proposal*

38. As there is currently a variety of ways that transport used by students can be funded, we do not recommend adding transport as a specified category that can be funded through the CSSF. Adding transport as a category of student services could result in providers and local or regional councils shifting the costs of current subsidised transport arrangements to students. Furthermore, there would likely be costs for government associated with increased student loan borrowing and CSSFs paid for through the Fees Free policy.
39. The CSSF regulation is also a universal mechanism that applies to all TEOs charging a CSSF. Under the current legislation, if transport was added as a specified category and providers began shifting costs for free or subsidised transport to students, you would not be able to prevent this or limit the amount providers sought as a student contribution.

---

<sup>2</sup> For example, Horizons Regional Council offers free travel for students and staff at the Palmerston North campuses for Massey University and Universal College of Learning (UCOL) and the Greater Wellington Regional Council recently introduced a 25% discount for eligible full-time tertiary students.

## Next steps

---

40. If you agree to the proposed updates to the ministerial direction for CSSFs, the TEC will publish the revised ministerial direction on their website and communicate this to providers. The revised direction would take effect from 1 August 2019 and apply to CSSFs charged by TEOs from 2020 onwards.
41. The Ministry will write letters to respond to the submitters and provide a link to the revised ministerial direction when this is published.
42. The Ministry will work with TEC to update guidance to providers to reflect more clearly the expectations on providers charging a CSSE. <sup>s 9(2)(f)(iv)</sup>  
[REDACTED]

## Ministerial Direction on Compulsory Student Services Fees for ~~2014~~2019

Pursuant to sections 227A(1) and 235D(1) of the Education Act 1989, I give the following direction to institutions and private training establishments (together referred to in this direction as "providers"):

1. **Objective** – The objective of the direction is to ensure accountability in the use of compulsory fees for student services.
2. **Coverage** – All providers that charge compulsory student services fees to domestic students must comply with the provisions of this direction.
3. **Effective date** – Providers must give effect to this direction as soon as reasonably practicable after ~~15 January 2014~~1 August 2019.
4. **Decision-making** – Providers must establish adequate arrangements for decisions to be made jointly, or in consultation with the students enrolled at the provider, or their representatives, on the following matters:
  - (a) The maximum amount that students will be charged for student services and, if applicable, the maximum amount that will be charged to different categories of students (for example part-time students or distance students) or to students studying on different campuses of a provider; and
  - (b) the types of services to be delivered (within the categories set out under paragraph 9 of this direction); and
  - (c) the procurement of these services; and
  - (d) the method for authorising expenditure on these services.
5. **Accounting for the use of compulsory student services fees** – Providers must either hold compulsory student services fees in a separate bank account, or ensure that all income and expenditure associated with the provision of such services is separately accounted for in the provider's accounting system.
6. **Reporting on compulsory student services fees** – Institutions must provide information on compulsory student services fees through their annual report, or in the case of registered private training establishments, through a written report to students. Institutions and registered private training establishments must include the following information in their annual report or written report to students:
  - (a) a description of ~~the each type of services~~ than has been funded out of the compulsory student services fee; and
  - (b) a statement of the fee income and expenditure for each type of student service; and
  - (c) the compulsory student services fee ~~levy~~ charged per Equivalent Full Time Student; and equivalent full-time student and, if applicable, the amount charged per equivalent full-time student to different categories of students or to students studying on different campuses of a provider; and
  - (d) a ~~note to their reporting stating~~statement describing how ~~they are~~ the provider is complying with the accounting requirements of the direction specified in paragraph 5.
7. **Private training establishment's written reports to students** – Registered private training establishments charging the compulsory student service fee must provide to the Tertiary Education Commission a copy of the report that is provided to students. A copy of the report must be sent either to:
  - (a) by post to:  
Compulsory Student Services Fee Submissions

Monitoring and Crown Ownership  
The Tertiary Education Commission  
PO Box 27048, Wellington 6141

(b) or by email to:

<u>cssf@tec.govt.nz</u>	<u>Student</u>	<u>Services</u>	<u>Fees</u>	<u>Submissions</u>
<u>Tertiary</u>		<u>Education</u>		<u>Policy</u>
<u>Ministry</u>		<u>of</u>		<u>Education</u>
<u>PO</u>		<u>Box</u>		<u>1666</u>
<u>Wellington</u>				<u>6140.</u>
<u>Email:</u>		<u>tertiary.strategy@minedu.govt.nz</u>		

**8. Publishing information online** – Providers charging compulsory student services fees must, as soon as reasonably practicable each year, publish the following information clearly and in an accessible location on their website:

- (a) the compulsory student services fee charged per equivalent full-time student and, if applicable, the amount charged per equivalent full-time student to different categories of students or to students studying on different campuses of a provider; and
- (b) a description of the arrangements that the provider established for decisions to be made jointly or in consultation with students or their representatives on matters related to the current year's compulsory student services fee, in accordance with paragraph 4; and
- (c) a description of how students can be involved in compulsory student services fee joint decision making or consultation for the following year, in accordance with paragraph 4.

**8.9. Categories of student services** – Providers may charge compulsory student services fees to support the delivery of the following categories of services:

- (a) *Advocacy and legal advice* – Advocating on behalf of individual students and groups of students, and providing independent support to resolve problems. This includes advocacy and legal advice relating to accommodation.
- (b) *Careers information, advice and guidance* – Supporting students' transition into post-study employment.
- (c) *Counselling services* – Providing ~~non-academic~~ counselling and pastoral care, such as chaplains.
- (d) *Employment information* – Providing information about employment opportunities for students while they are studying.
- (e) *Financial support and advice* – Providing hardship assistance and advice to students on financial issues.
- (f) *Health services* – Providing health care and related welfare services.
- (g) *Media* – Supporting the production and dissemination of information by students to students, including newspapers, radio, television and internet-based media.
- (h) *Childcare services* – Providing affordable childcare services while parents are studying.
- (i) *Clubs and societies* – Supporting student clubs and societies, including through the provision of administrative support and facilities for clubs and societies.
- (j) *Sports, recreation and cultural activities* – Providing sports, recreation and cultural activities for students.

|     / /  
HON Chris Hipkins, Minister of Education.

Proactively Released

## Ministerial Direction on Compulsory Student Services Fees for 2019

Pursuant to sections 227A(1) and 235D(1) of the Education Act 1989, I give the following direction to institutions and private training establishments (together referred to in this direction as "providers"):

1. **Objective** – The objective of the direction is to ensure accountability in the use of compulsory fees for student services.
2. **Coverage** – All providers that charge compulsory student services fees to domestic students must comply with the provisions of this direction.
3. **Effective date** – Providers must give effect to this direction as soon as reasonably practicable after **1 August 2019**.
4. **Decision-making** – Providers must establish adequate arrangements for decisions to be made jointly, or in consultation with the students enrolled at the provider, or their representatives, on the following matters:
  - (a) The maximum amount that students will be charged for student services and, if applicable, the maximum amount that will be charged to different categories of students (for example part-time students or distance students) or to students studying on different campuses of a provider; and
  - (b) the types of services to be delivered (within the categories set out under paragraph 9 of this direction); and
  - (c) the procurement of these services; and
  - (d) the method for authorising expenditure on these services.
5. **Accounting for the use of compulsory student services fees** – Providers must either hold compulsory student services fees in a separate bank account, or ensure that all income and expenditure associated with the provision of such services is separately accounted for in the provider's accounting system.
6. **Reporting on compulsory student services fees** – Institutions must provide information on compulsory student services fees through their annual report, or in the case of registered private training establishments, through a written report to students. Institutions and registered private training establishments must include the following information in their annual report or written report to students:
  - (a) a description of each type of service than has been funded out of the compulsory student services fee; and
  - (b) a statement of the fee income and expenditure for each type of student service; and
  - (c) the compulsory student services fee charged per equivalent full-time student and, if applicable, the amount charged per equivalent full-time student to different categories of students or to students studying on different campuses of a provider; and
  - (d) a statement describing how the provider is complying with the accounting requirements of the direction specified in paragraph 5.
7. **Private training establishment's written reports to students** – Registered private training establishments charging the compulsory student service fee must provide to the Tertiary Education Commission a copy of the report that is provided to students. A copy of the report must be sent either:
  - (a) by post to:

Compulsory Student Services Fee Submissions  
Monitoring and Crown Ownership  
The Tertiary Education Commission  
PO Box 27048, Wellington 6141

(b) or by email to: [cssf@tec.govt.nz](mailto:cssf@tec.govt.nz)

8. **Publishing information online** – Providers charging compulsory student services fees must, as soon as reasonably practicable each year, publish the following information clearly and in an accessible location on their website:

- (a) the compulsory student services fee charged per equivalent full-time student and, if applicable, the amount charged per equivalent full-time student to different categories of students or to students studying on different campuses of a provider; and
- (b) a description of the arrangements that the provider established for decisions to be made jointly or in consultation with students or their representatives on matters related to the current year's compulsory student services fee, in accordance with paragraph 4; and
- (c) a description of how students can be involved in compulsory student services fee joint decision making or consultation for the following year, in accordance with paragraph 4.

9. **Categories of student services** – Providers may charge compulsory student services fees to support the delivery of the following categories of services:

- (a) *Advocacy and legal advice* – Advocating on behalf of individual students and groups of students, and providing independent support to resolve problems. This includes advocacy and legal advice relating to accommodation.
- (b) *Careers information, advice and guidance* – Supporting students' transition into post-study employment.
- (c) *Counselling services* – Providing counselling and pastoral care, such as chaplains.
- (d) *Employment information* – Providing information about employment opportunities for students while they are studying.
- (e) *Financial support and advice* – Providing hardship assistance and advice to students on financial issues.
- (f) *Health services* – Providing health care and related welfare services.
- (g) *Media* – Supporting the production and dissemination of information by students to students, including newspapers, radio, television and internet-based media.
- (h) *Childcare services* – Providing affordable childcare services while parents are studying.
- (i) *Clubs and societies* – Supporting student clubs and societies, including through the provision of administrative support and facilities for clubs and societies.
- (j) *Sports, recreation and cultural activities* – Providing sports, recreation and cultural activities for students.



31, 7, 19

HON CHRIS HIPKINS, Minister of Education.



**Albany Students' Association**  
**Submission**  
on the  
**Compulsory Student Services Fee**  
**Ministerial Directive**

Adapted from the report prepared by:  
**James Ranstead & Sam Smith**  
NZUSA

Edited By:  
**Meity Tang Carlman**  
ASA President

**Monique Neal**  
ASA Education Executive

Contact:  
*president@asa.ac.nz*  
0275302058

**To:** The Ministry of Education

**From:** Albany Students' Association

**Date:** 30 May 2019

**Subject:** Education (Compulsory Student Services Fees) Notice 2019

## 1. Introduction

1.1 Thank you for the opportunity to make a written submission on the proposed Education (Compulsory Student Services Fees) Notice 2019.

## 2. Submission on the Proposed Changes

2.1 Publishing CSSF information online is important, as it shows transparency. The proposed changes to the CSSF are useful, however do not go far enough to fully address the issues that have, and could potentially, arise.

2.2 ASA suggests the proposed change be altered to truly ensure the accountability features the change aims to produce are meaningful and robust. Our proposed alterations are displayed in red, and then described in detail from then on.

**8. Publishing information online** - *Providers charging compulsory student services fees must, as soon as reasonably practicable each year, publish the following information on their website **clearly and in an accessible location**:*

2.3 ASA would like to stress that information must be placed in a location that the average student will easily be able to find.

*1. Basic compulsory student services fee information for the year, including the amount charged per EFTS and a **comprehensive breakdown and description of the student services the fee supports and who the providers of those services are**; and*

2.4 There is a growing concern among students that no one really knows where their student service money is being spent. Massey University provides a pie graph showing the categories of spending, but there is insufficient detail about how much is being spent on services within those categories and obtaining campus specific rather than University wide data is challenging. (see appendix 2 below).

- 2.5 While a large variety of student satisfaction surveys are carried out on campus, students do not tend to know what the results were. There was a fair amount of engagement from students when choosing where their student service fees go; however, this didn't capture enough engagement to accurately represent Massey Universities student population. The results of this survey were posted online, though in a partially concealed location and without mentioning to students that it is there.
- 2.6 Furthermore, many services are provided by external service providers, mainly students' associations. However, it is not clear to students the mass of services that are provided by the students' association, rather it looks as though the provider is responsible for all student services. Therefore, a breakdown of spending should also show how much funding the students association receives.
- 2.7 *A description of the current year's compulsory student services fee decision-making process – including:*
- a) *a description of how the current fee and services offered were determined;*
  - b) *how consultation with students and student representatives occurred;*
  - c) *what the feedback was;*
  - d) *how the decisions were made;*
  - e) *what the decisions were; and*
  - f) *justifications for those decisions.*
- 2.8 It should be made clear to students exactly what occurred throughout the decision-making process, as it is their money that is being used. There is no use in knowing that students were consulted, but not knowing what the result of the consultation was.
2. A description of how students can be involved in compulsory student services fee decisions for the following year – how TEOs propose to consult with their students and work with their student representatives, and what issues might be considered.
- 2.9 It should be made clear to students and student representatives what the institution plans to do in the following year.

### **3. Decision-Making**

- 3.1 Since the introduction of voluntary student membership, students have lost their ability to decide which student services they want to see on their campus. Something that should inherently be determined by students, now rests in the hands of tertiary providers. Overtime, this has resulted in cuts to services, cuts to students' association funding, and a loss of student voice.

3.2 Changes to the CSSF reporting process are much needed to ensure students are able to hold their providers accountable, but ultimately the decision-making process is already flawed. Currently, Massey Albany students are paying up to \$817.50 for student services, but they hold little control over how or where that money is spent.

3.3 Providers are required to follow section 4 of the Education Notice which states:

**4. Decision-making**—Providers must establish adequate arrangements for decisions to be made jointly, or in consultation with the students enrolled at the provider, or their representatives, on the following matters:

- a) The maximum amount that students will be charged for student services; and
- b) the types of services to be delivered (within the categories set out under paragraph 9 of this direction); and
- c) the procurement of these services; and
- d) the method for authorising expenditure on these services.

3.4 The main issue with this clause is that providers are making decisions about student service funding with minimal consultation with students, let alone joint decision making. By having the option to either make decisions jointly with students, or merely make decisions *in consultation* with students, providers are opting for the latter, and are doing a poor job at it.

3.5 Massey University have held student forums as their 'consultation', to discuss the CSSF, but the University promotion of these forums has been lack-lustre and then passed on to the students' association, who don't have the contact information for students on campus and have limited capacity and resources to facilitate such events.

3.6 ASA proposes an amendment to the current decision-making clause that would ensure students are at the heart of the student service decision making process, and not just a consideration that often goes unacknowledged. The proposed change is as follows:

**4. Decision-making**—Providers *must make decisions jointly with the students' association, student council or representatives, following consultation with the students enrolled at the provider, on the following matters:*

- a) The maximum amount that students will be charged for student services; and
- b) the types of services to be delivered (within the categories set out under paragraph 9 of this direction); and
- c) the procurement of these services; and
- d) the method for authorising expenditure on these services.

- 3.7 This amendment would bring students back to the discussion table and allow elected student representatives of the officially recognised students' association or council to have meaningful influence over how students' service money is spent. Student representatives have the first-hand knowledge of what services students want on their campus.
- 3.8 As the amendment highlights, any decision regarding the CSSF should come *after* robust consultation with the wider student body of the campus. That information should be the basis of any decision and will also ensure all students have genuine influence over how their money is spent.
- 3.0 To sum this point, students need to be at the heart of CSSF decision-making and doing so would go some way in reducing the power of providers over student serviced since the introduction of VSM in 2012.

#### 4. Categories of Student Services

This section is in direct answer to the question provided within the letter from the tertiary education commission dated 17/05/2019:

*"Categories of services - the notice specifies that tertiary providers charging a CSSF must ensure that the fee only supports the delivery of 10 specified categories of services. Are there more categories you think should be included, and if so, why? Are there categories that should be excluded, and if so, why?"*

##### 4.1 **ASA is in support of the addition of a 11th category; 'Student Representation'.**

- 4.2 Student Representation is currently funded through category 1, however separating it allows for the expansion of the definition of what student representation constitutes and gives its value greater weight.

*Student representation – Ensuring there exists an independent, elected student executive or council, providing training for student representatives and facilitating an independent class representative system.*

- 4.3 Having Student Voice as a separate category gives greater legitimacy to its function, and follows the trend of other Western Nations that are giving greater importance (such as [Scotland](#)). As was highlighted in the report by Ako Aotearoa and NZUSA "Using the Student Voice to Improve Quality", Student Voice is a valuable tool for institution decision making\*. Having a proper representative body for institutions most

important stakeholder is critical to ensuring effective and inclusive decision making, and a healthy student experience. It is proposed that this category includes the provision of funds for training and reimbursement. Second to the institutional benefits, student voice is 'representative learning'. It builds capacity in learners, and helps students grow as individuals, which is in accordance with the purpose of tertiary institutes.

- 4.4 Category 1 is currently framed around the traditional work of student advocates, and there shouldn't be any need to change it.

## 5. Quality of Services

- 5.1 In direct answer to the question provided within the letter from the tertiary education commission dated 17/05/2019:

*Quality of services – how satisfied are students at your tertiary provider with the quality of student services offered? How do students at your tertiary provider rate the value for money of the student services offered to them?*

- 5.2 Student satisfaction of services is difficult to explain without carrying out a robust survey and analysis of student views. It is understood that Massey does carry out a survey regarding the student fees, however results shows that the outcome does not reflect what students wanted.

- 5.3 When comparing what students deemed to be important to them and what was actually spent, we can make a few points (see appendix 1 and 2):

- a) When asking students where they wanted their levies to go, 26% was towards 'Careers and Employment Advice'; however, there was only a 5% spend. There is a difference of 21% LESS spending being put into 'Careers and Employment Advice' than what students have deemed important. This shows that a significant increase in the proportion of the levy needs to be put towards this category.
- b) 'Clubs, Societies, Sports and Recreation' is also underspent; however, less significant than 'Careers and Employment Advice'.
- c) There is an 11% spend on 'Building Levies' but there is no indication of what this category is.

- 5.4 It is believed that there are certain departments that clearly lack funding needed to provide good quality services to students. Or even to be able to provide the supply to meet the student's demands.

5.4 ASA believes services offered by students, for students, has value as it allows students to act in their best interest.

\* <https://ako.ac.nz/knowledge-centre/the-student-voice/>

## 6. Access to student information

ASA proposes additional changes to the ministerial directive, such that:

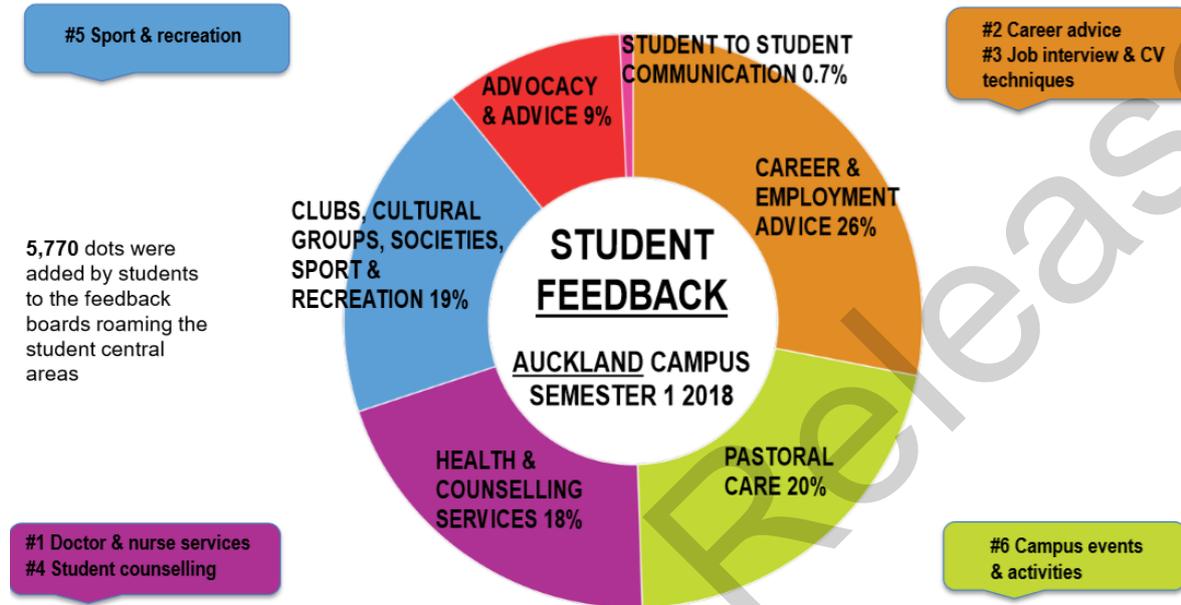
- 6.1 There is a change to voluntary student membership so that it works as an opt out model rather than in its current opt in form.
- 6.2 At the very least, institutions should be obliged to add a tick box to the enrolment form that allows students to opt into the student association on campus. The university should then pass on the students' contact information to the association.
- 6.3 Currently, student associations are not provided with student numbers or information and are unable to directly contact the students who could potentially become members. This impedes students' knowledge of and access to services provided by the association and is a drain on the association as it must spend considerable time "marketing" the association to students, rather than concentrating on core services.

## 7. Conclusion

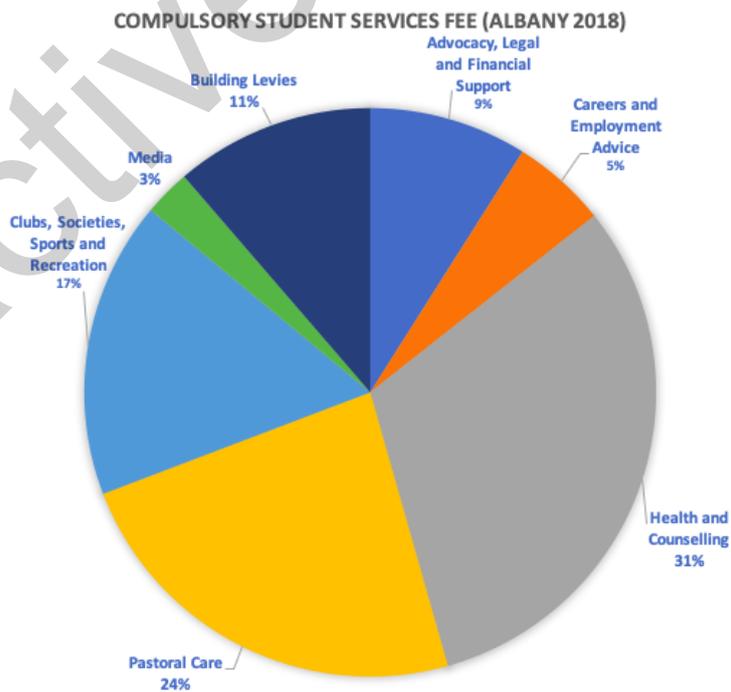
ASA welcomes and supports the changes proposed but states that they do not go far enough as has been pointed out in this submission. Students as users of the support services need to be empowered to have a voice in the distribution of the CSSF funds across services. Information provided by the institution must be readily accessible and *meaningful* consultation with students and the students' association needs to occur. The institution should make it clear which services are outsourced to the students' association and should facilitate student membership of the campus students' association.

## 8. Appendices

### Appendix 1 – Massey Auckland student’s feedback on where they want their levy spent



### Appendix 2 – Where the levy was actually spent



<b>To</b>	<b>Hon Chris Hipkins, Minister of Education</b>
<b>From</b>	<b>LUSA President</b>
<b>Date</b>	<b>31 May 2019</b>
<b>Subject</b>	<b>Education (Compulsory Student Services Fees) Notice 2019</b>

Dear Mr Hipkins,

Thank you for the opportunity to make a submission on the proposed Education (Compulsory Student Services Fees) Notice 2019.

The Lincoln University Students' Association is the voice for students at Lincoln University, and we help to facilitate the compulsory student services fee process on an annual basis.

Point 4 titled "decision making" needs to be altered so that student input is non-negotiable. Having language such as "adequate" indicates there could be a sub-par process. Therefore, the language should be changed to read "providers must make decisions jointly with the students' Association, student council or representatives, following consultation with the students enrolled at the provider, on the following matters".

In regards to point 8 "publishing information online", we would like the regulations to be more specific in stipulating where the compulsory student services fee information is published on a provider's website. This type of information can often be hidden in the complexities of a website, and we therefore ask that it is displayed and labelled clearly, and is easily accessible from the home page of the website.

Under point 8a, we would like to see that there is a comprehensive breakdown of the fee so that students can be made aware as to what percentage of the fee goes to each service provider. For example, a pie graph is displayed on the Lincoln University website, and is attached at the bottom of this document. Having this graph allows our students to fully understand how their money is being spent, and also enables them to provide informed feedback during the consultation process about how they would like to see the fee distributed. It should also be stipulated clearly who provides each service, because this information is often very ambiguous and leaves students confused about where they can receive a service from that they are paying for.

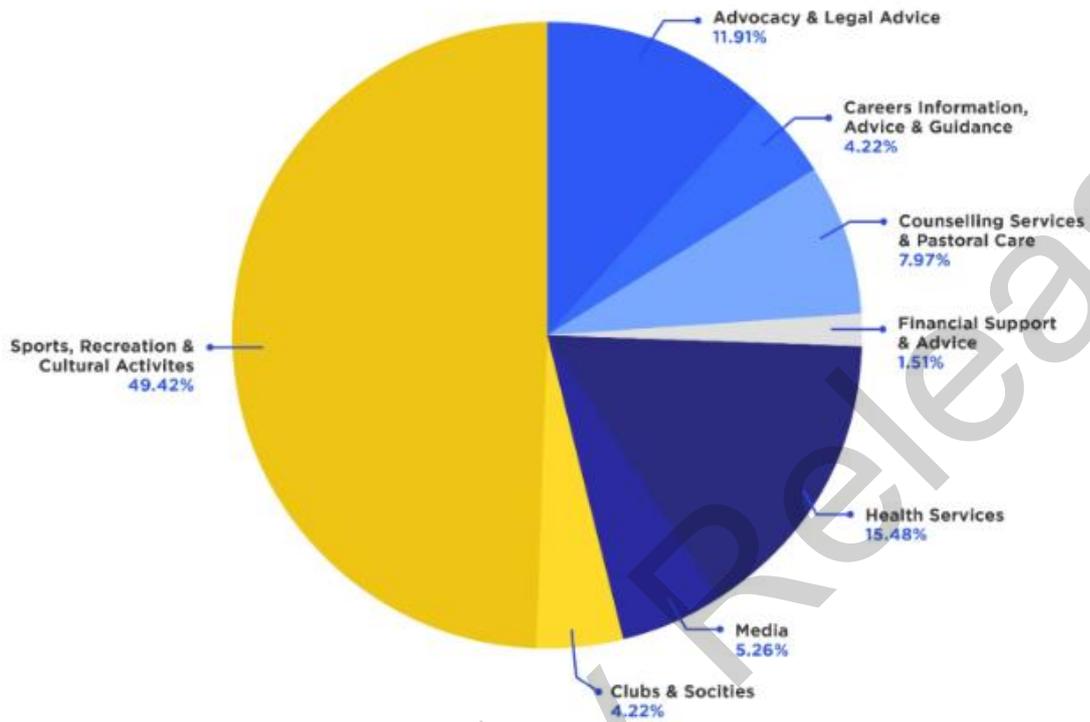
We also believe there should be elaboration on point 8b because it is still rather vague in this proposal. We think that it should read "how consultation with students *and student representatives* occurred", because the Student Association Executive (who represent the students) members are an integral part of the consultation process. An extra point should be made in regards to what the feedback was, because there needs to be transparency around what feedback the students and student representatives gave to the university to ensure that the provider acknowledged and received it. It then needs to be made clear how the final decisions were made and what the justifications for those decisions were.

Thank you for taking the time to read this, and we look forward to seeing the final changes.

Kristy Havill

LUSA President

## Student Services Fee Graph





**Submission**  
of the  
**New Zealand Union of Students'  
Associations**  
on the  
**Ministerial Directive**  
of the  
**Compulsory Student Services Fee**

Prepared by

**James Ranstead**  
National President  
**Sam Smith**  
Project Lead

Contact:  
*president@students.org.nz*  
0278684989

<b>To</b>	<b>The Ministry of Education</b>
<b>From</b>	<b>New Zealand Union of Students' Associations (NZUSA)</b>
<b>Date</b>	<b>31 May 2019</b>
<b>Subject</b>	<b>Education (Compulsory Student Services Fees) Notice 2019</b>

## **1. Introduction**

1.1. Thank you for the opportunity to make a written submission on the proposed Education (Compulsory Student Services Fees) Notice 2019. NZUSA recognises that many of the suggested changes to the CSSF Ministerial Directive are not possible in this instance, as a broader legislation change of the Education Act is required. Nonetheless, we hope that our suggestions can be used as a starting point to begin this crucial work that needs to be done.

## **2. Background**

2.1. The New Zealand Union of Students' Associations (NZUSA) is the national voice of students in tertiary education. We are proudly owned by students' associations from universities, institutes of technology and polytechnics around the country. Our vision is for a barrier-free education for all.

2.2. Our members are:

- Albany Students' Association (ASA)
- Association of Students at Universal College of Learning (AS@U)
- Auckland University Students' Association (AUSA)
- Lincoln University Students' Association (LUSA)
- Massey University Students' Association (MUSA)
- Otago University Students' Association (OUSA)
- Students' Association at Wintec (SAWIT)
- Unitec Student Council (USC)
- Victoria University of Wellington Students' Association (VUWSA)
- Younited Students' Association at Eastern Institute of Technology

NZUSA has found consensus amongst their members on this submission. Although some have provided their own submissions, each of our members has agreed to this submission, and have provided assistance in its development.

### 3. Submission on the Proposed Changes

- 3.1. Publishing CSSF information online is important, as it shows transparency. The proposed changes to the CSSF are useful, however do not go far enough to fully address the issues that have, and could potentially, arise.
- 3.2. NZUSA suggests the proposed change be altered to truly ensure the accountability features the change aims to produce are meaningful and robust. Our proposed alterations are displayed in red under 3.3, and then described in detail from then on.

**8. Publishing information online**—*Providers charging compulsory student services fees must, as soon as reasonably practicable each year, publish the following information on their website **clearly and in an accessible location**:*

- 3.3. NZUSA would like to stress that information must be placed in a location that the average student will easily be able to find.

*1. basic compulsory student services fee information for the year, including the amount charged per EFTS and a **comprehensive breakdown and** description of the student services the fee supports **and who the providers of those services are**; and*

- 3.4. There is a growing concern among students that no one really knows where their student service money is being spent. At best, providers release a pie graph showing the categories of spending, but there is no great detail about how much is being spent of services within those categories (see appendix 1 below).
- 3.5. Take 'sport and recreation' for example. Students cannot be certain that more money is spent on social sports that benefit large numbers of students, or highly competitive sports that benefit a few. Without the ability to see where money is being spend, students cannot give accurate feedback about student service spending.
- 3.6. Furthermore, many services are provided by external service providers, mainly students' associations. However, it is not clear to students the mass of

services that are provided by the students' association, rather it looks as though the provider is responsible for all student services. Therefore, a breakdown of spending should also show how much funding the students association receives.

2. *A description of the current year's compulsory student services fee decision-making process – including:*
  - a. *a description of how the current fee and services offered were determined;*
  - b. *how consultation with students and student representatives occurred;*
  - c. *what the feedback was;*
  - d. *how the decisions were made;*
  - e. *what the decisions were; and*
  - f. *justifications for those decisions.*

3.7. It should be made clear to students exactly what occurred throughout the decision making process, as it is their money that is being used. There is no use in knowing that students were consulted, but not knowing what the result of the consultation was.

3. a description of how students can be involved in compulsory student services fee decisions for the following year – how TEOs propose to consult with their students and work with their student representatives, and what issues might be considered.

3.8. It should be made clear to students and student representatives what the institution plans to do in the following year.

#### 4. Decision-Making

4.1. Since the introduction of voluntary student membership, students have lost their ability to decide which student services they want to see on their campus. Something that should inherently be determined by students, now rests in the hands of tertiary providers. Overtime, this has resulted in cuts to services, cuts to students' association funding, and a loss of student voice.

4.2. Changes to the CSSF reporting process are much needed to ensure students are able to hold their providers accountable, but ultimately the decision-making process is already flawed. Currently, we have a system where students are paying up to \$847.20 for student services, but they hold little control over how or where that money is spent.

4.3. Providers are required to follow section 4 of the Education Notice which states:

4. **Decision-making**—Providers must establish adequate arrangements for decisions to be made jointly, or in consultation with the students enrolled at the provider, or their representatives, on the following matters:

- a. The maximum amount that students will be charged for student services; and
- b. the types of services to be delivered (within the categories set out under paragraph 9 of this direction); and
- c. the procurement of these services; and
- d. the method for authorising expenditure on these services.

4.4. The main issue with this clause is that providers are making decisions about student service funding with minimal consultation with students, let alone joint decision making. By having the option to either make decisions jointly with students, or merely make decisions *in consultation* with students, providers are opting for the latter, and are doing a poor job at it.

4.5. The majority of providers opt for a student survey as their 'consultation', leaving students to answer a few vague questions about student services and a barely credible number of students actually participate. There may also be forums to discuss the CSSF, but the organisation and promotion of these forums are often passed on to the students' association, who have little capacity and resources to facilitate such events.

4.6. NZUSA proposes an amendment to the current decision making clause that would ensure students are at the heart of the student service decision making process, and not just a consideration that often goes unacknowledged. The proposed change is as follows:

4. **Decision-making**—Providers *must make decisions jointly, through a process that is comprised of at least 50% representation from the students' association, student council or representatives, following consultation with the students enrolled at the provider, on the following matters:*

- a. The maximum amount that students will be charged for student services; and
- b. the types of services to be delivered (within the categories set out under paragraph 9 of this direction); and
- c. the procurement of these services; and
- d. the method for authorising expenditure on these services.

- 4.7. This amendment would bring students back to the discussion table, and allow elected student representatives of the officially recognised students' association or council to have meaningful influence over how students' service money is spent. Student representatives have the first-hand knowledge of what services students want on their campus.
- 4.8. As the amendment highlights, any decision regarding the CSSF should come *after* robust consultation with the wider student body of the campus. That information should be the basis of any decision and will also ensure all students have genuine influence over how their money is spent.
- 4.9. To sum this point, students need to be at the heart of CSSF decision-making, and doing so would go some way in reducing the power of providers over student serviced since the introduction of VSM in 2012.

## 5. Categories of Student Services

- 5.1. This section is in direct answer to the question provided within the letter from the tertiary education commission dated 17/05/2019:

*“Categories of services - the notice specifies that tertiary providers charging a CSSF must ensure that the fee only supports the delivery of 10 specified categories of services. Are there more categories you think should be included, and if so, why? Are there categories that should be excluded, and if so, why?”*

- 5.2. **NZUSA is in support of the addition of a twelfth category; ‘Student Representation’.**

- 5.3. Student Representation is currently funded through category 1, however separating it allows for the expansion of the definition of what student representation constitutes, and gives its value greater weight.

*Student representation – Ensuring there exists an independent, elected student executive or council, providing training for student representative and facilitating an independent class representative system.*

- 5.4. Having Student Voice as a separate category gives greater legitimacy to its function, and follows the trend of other Western Nations that are giving greater importance (such as [Scotland](#)). As was highlighted in the report by Ako Aotearoa and NZUSA “Using the Student Voice to Improve Quality”, Student Voice is a valuable tool for institution decision making\*. Having a proper

representative body for institutions most important stakeholder is critical to ensuring effective and inclusive decision making, and a healthy student experience. It is proposed that this category includes the provision of funds for training and reimbursement (with the exception of fees for sitting on committees - such as tertiary councils). Second to the institutional benefits, student voice is 'representative learning'. It builds capacity in learners, and helps students grow as individuals, which is in accordance with the purpose of tertiary institutes.

- 5.5. Category 1 is currently framed around the traditional work of student advocates, and there shouldn't be any need to change it.
- 5.6. **NZUSA is in support of the addition of a thirteenth category; 'Public Transport'.**
- 5.7. Transport is a key service for tertiary students, for some their most important service, and by allowing it to be paid for or subsidised by the CSSF would be a useful addition to the current list. Student groups at UCOL and EIT have raised this as an issue in recent years, for example.

*“Public transport - Funding or subsidy for tertiary student fares on local public transport services, as defined under the Land Transport Management Act 2003, or TEI-chartered services.”*

- 5.8. Adequate public transport provision reduces the barriers students face in reaching their institution campus. Secondly, it encourages engagement in face-to-face learning, creates a vibrant campus culture, among other benefits.
- 5.9. For example, the EIT Students Association Younited (in partnership with the Hawkes Bay City Council, Hawke's Bay Regional Council and EIT) originally had plans to subsidise student bus fares. Unfortunately they could not match the institutes level of funding as the CSSF restrictions limited their ability to do so, and so the subsidy did not advance.

## **6. Quality of Services**

- 6.1. In direct answer to the question provided within the letter from the tertiary education commission dated 17/05/2019:

*Quality of services – how satisfied are students at your tertiary provider with the quality of student services offered? How do students at your tertiary provider rate the value for money of the student services offered to them?*

- 6.2. Student satisfaction of services is difficult to explain without carrying out a robust survey and analysis of student views. It is understood that many institutes carry out student satisfaction surveys upon graduation, but also while consulting with students on the CSSF. NZUSA recommends MoE uses this data.
- 6.3. NZUSA believes services offered by students, for students, has value as it allows students to act in their best interest.

## 7. **Directly funding Category #12: Student Voice**

- 7.1. An additional way of ensuring some level of stability within associations is to use the additional student voice category (category #12), and ensure that this portion of funding is provided straight to the association, without needing to be deliberated upon by the institute.
- 7.2. The key role of Students Associations is to provide the student voice, and this shouldn't need to be debated. NZUSA believes that each association should determine within their own constitution the level of funding required to support Category #12 Student Voice

## 8. **Alternatives to Voluntary Student Membership**

- 8.1. NZUSA views the above recommended changes to the CSSF (and Education Act out of necessity) as steps that would go a long way towards restoring the level of independence and resourcing that students associations throughout Aotearoa New Zealand once had. The changes can be seen as the first step, and other changes should also be analysed, such as how student membership works (perhaps mimicking that which occurs in the UK and Western Australia), and ensuring a sustainable, consistent level of resourcing (an option that can perhaps be explored with RoVE). Unfortunately, this is currently outside the mandate of this specific submission, however we look forward to future work on this.
- 8.2. The following describes the background of VSM in New Zealand, and the true impact VSM has had on students associations.

### *Introduction*

- 8.3. **Voluntary Student Membership** (VSM) is a model where tertiary students decide on an individual basis whether to be a member of their local students'

association. This is the opposite of 'universal student membership', the model pre-2011, whereby all students of a tertiary institution are automatically members of their students' association by virtue of being a student.

- 8.4. VSM rose to prominence again in 2009 when Roger Douglas' (later taken over by ACT MP Heather Roy) ' **Education (Freedom of Association) Amendment Bill** ' was drawn from the ballot which would abolish universal student membership nationwide.
- 8.5. Prior to 2011, students' associations charged a levy to students which was set by the student body. This levy was then collected by the institution and was given in its entirety to the students' association. This meant students' associations provided advocacy and services that their *students* wanted not what their *institution* wanted. In 2011, power was removed from students. Despite major pushback from students across Aotearoa, the Education (Freedom of Association) Amendment Bill was passed by Parliament the 28<sup>th</sup> September 2011, taking action in January 2012.
- 8.6. The Bill enforced VSM on all students' associations based on the ideology that students should be free to join their association if they wished to do so (despite the majority of associations having an opt-out option for their members). ACT's VSM Bill was supported by the National Party and United Future. The Labour Party, the Green Party, Mana and the Māori party stood with students and opposed the Bill. The introduction of VSM has resulted in two key consequences for students' associations across Aotearoa.

#### *Independence*

- 8.7. The most significant change was the shift in the balance in power. Tertiary institutes all of a sudden had all power over what happened with the Compulsory Student Services Fee, and the only requirement of them was that they consult with students annually. Service Level Agreements were established, the political nature of associations was diminished, and 'freedom of speech' was reduced, in fear of a reduction in funding.

#### *Resource Reductions*

- 8.8. Many associations had their budgets severely reduced, resulting in the loss of services quality and quantity. Many students' associations have collapsed, unable to survive without the necessary funding used to provide services to their students.

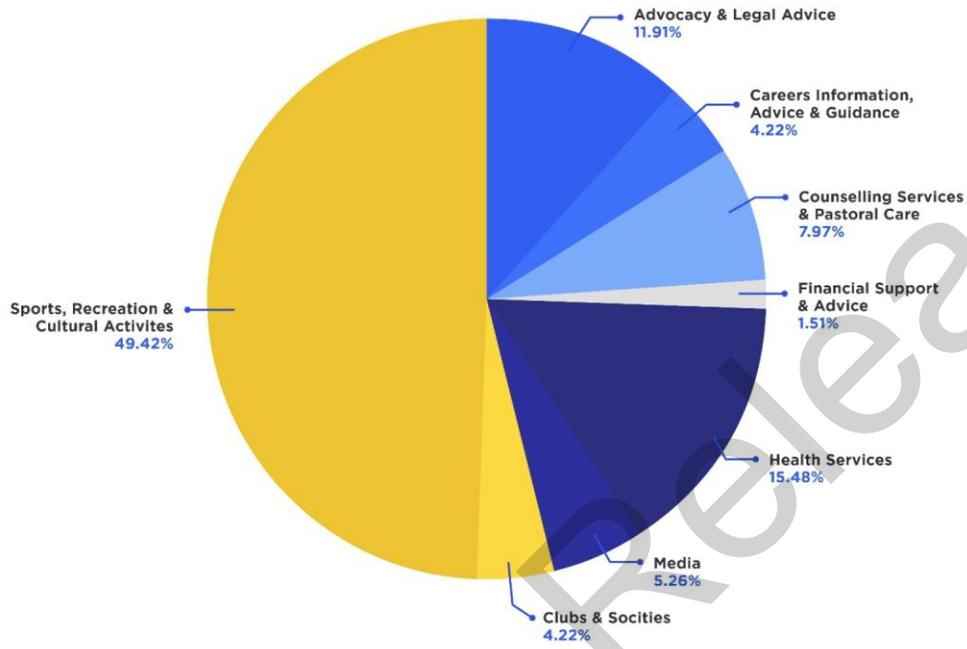
- 8.9. With the balance of power shifted, the resourcing of students associations was all of a sudden determined by the institute. The University of Otago, for example, who uses the student experience as a unique selling point, decided to retain reasonable levels of resourcing. For other universities, this was not the case. For the Polytechnic sector, which has been under significant financial pressure over the past decade, student association resourcing was severely reduced.

#### *Why Healthy Students' Associations are Important*

- 8.10. Student Unions have been an integral part of higher education for centuries. Students should have the ability to make decisions on their money. The 21<sup>st</sup> century is the age of student partnership, for example in [Scotland](#). Throughout the western world, students are increasingly being recognised as a valuable asset to have at the table.
- 8.11. A well resourced students association attracts engagement and involvement, and it builds student capacity, encourages representative learning, and helps students 'grow as people'. This educational basis is what tertiary institutes are about.
- 8.12. Students are the most important stakeholders of tertiary institutes, and their organisation should be allowed to be properly resourced, and to be driven independently of the institute.

#### *Appendix 1*

## Student Services Fee Graph



Proactively Released



otago uni **students'** association

**Submission**  
of the  
**Otago University Students' Association**  
on the  
**Education (Compulsory Student Services  
Fee) Notice 2019.**

Prepared by  
**Will Dreyer**  
Education Officer  
**Bonnie Harrison**  
Finance Officer

Contact  
**Will Dreyer**  
education@ousa.org.nz  
**Bonnie Harrison**  
finance@ousa.org.nz

To	<b>The Ministry of Education</b>
From	<b>Otago University Students' Association (OUSA)</b>
Date	<b>27/05/2019</b>
Subject	<b>Education (Compulsory Student Services Fee) Notice 2019</b>

## **1. Introduction**

- 1.1. OUSA would like to thank you for the opportunity to submit on the proposed Education (Compulsory Student Services Fee) Notice 2019 changes.
- 1.2. OUSA supports the proposed changes, but believes that additional changes should be made to ensure genuine accountability of Providers.
- 1.3. OUSA also believes that further changes should be made to the ministerial direction to ensure the ability for students to participate in the decision-making process surrounding the Compulsory Student Services Fees. This would allow students to help decide what their Compulsory Student Services Fee goes toward, ensuring that they are being delivered the services that they desire and need.
- 1.4. In addition, we support the New Zealand Union of Student Associations' submission on the Education (Compulsory Student Services Fee) Notice 2019.

## **2. Background**

- 2.1. The Otago University Students' Association represents the interests of 19,750 students of the University of Otago.

## **3. Submission**

- 3.1. We support the proposed changes to the Compulsory Student Services Fee ministerial direction. However, we believe that further changes are necessary to ensure genuine accountability of Providers. We believe that section 8 should be clarified to ensure that information published on website of the Provider is clear to understand and readily accessible.
- 3.2. We also believe that 8.1 of the proposal should be amended to mandate a specific breakdown of how the fee supports a service, and who provides the service that the fee goes towards (for example the Provider, a contractor or the Students' Association).

- 3.3. We further believe that 8.2 of the proposal should be amended to mandate that the Provider include a description of not just how current fee and services offered were determined, how consultation with student occurred, and what the decisions were, but also how consultation with student representatives (such as Students' Associations) occurred, what feedback arose from the consultation, and a justification for decisions made regarding the Compulsory Student Services Fee (including how feedback from consultation was taken into account).
- 3.4. Finally, we believe section 6 should be amended to specify that the Provider supplies the information outlined in 6(a) – (e) for each campus wherein the Provider charges a Compulsory Student Services Fee to ensure transparency in the provision of services.
- 3.5. Amendments to these four sections will create greater accountability of Providers around how the Compulsory Student Services Fee is spent, and how the decisions around what the services provided were made.
- 3.6. The changes to the reporting system of the decision-making process around Compulsory Student Services Fees is beneficial to students, but we believe that the current system itself is flawed. This is because students currently have little to no say in the decision-making process of what services are provided, and what the Compulsory Student Services Fee charged is.
- 3.7. As the ministerial direction is in the process of being amended, we believe it would be pertinent to further amend the direction to strengthen the ability of students to participate in the decision-making process around Compulsory Student Services Fees.
- 3.8. As one part of a fix of the system, students must be at the centre of the decision-making process, and must be at the decision-making table. To ensure this, we believe that section 4 of the proposal should be amended to mandate that decisions around the Compulsory Student Services Fee should be made jointly with the Provider's Students' Association, Student Council or Student Representatives, following consultation with the wider student body.
- 3.9. As a complementary measure to help fix the system we believe that an additional sub-clause of clause 9 of the proposal should be added, that allows Providers to charge Compulsory Student Services Fees to support the delivery of student representation. One aspect of this student representation should be specified that this student representation is to be independent from the Provider, and elected by the student body. We also believe that it would be beneficial for a secondary aspect to be included, that of a Class Representatives system, which allows for more immediate, lower level representation to occur in classes themselves – allowing for early identification of issues or concerns of students in papers.
- 3.10. We also believe that 9.6 of the proposal should be divided into two sub-clauses, the first being "Health services – providing mental and physical health care," and the second being "Wellbeing services – providing mental health support, disability

support, queer support, Māori support, Pasifika support, International support and chaplaincy services.” The division of 9.6, and the addition of the aforementioned support and services would be supremely beneficial to the well-being of many students.

#### **4. Conclusion**

- 4.1. OUSA supports the proposed changes to the Compulsory Student Services Fee ministerial direction.
- 4.2. OUSA believes that amendments (as suggested in 3.1, 3.2, 3.3, and 3.4) to the proposed changes would provide greater accountability of Providers.
- 4.3. OUSA further believes that changes to clauses 4 and 9 (as suggested in 3.8 and 3.9) should be made to ensure that students are at the heart of the decision-making process around Compulsory Student Services Fees and are joint decision makers when it comes to deciding what services are offered and how much the fee should be.
- 4.4. Finally, OUSA believes that clause 9 (as suggested in 3.9) should be amended to allow for the delivery of student representation and well-being services.

Office of the Chief Executive

Chris Gosling BA, CA  
MB: +64 27 703 9231  
Email: [chris.gosling@wandw.ac.nz](mailto:chris.gosling@wandw.ac.nz)

Submission of  
Whitireia Community Polytechnic (Whitireia)  
and  
Wellington Institute of Technology (WelTec)  
on the  
Compulsory Student Services Fees (CSSF)  
31 May 2019

1. Thank you for the opportunity to provide feedback on a minor update to the compulsory student services fees (CSSF) Ministerial Direction.
2. Whitireia and WelTec do not have any specific feedback on the update set out in the Gazette notice dated 9 May.
3. However, we note that feedback is also invited on “CSSF regulations generally”.
4. Whitireia and WelTec submit that consideration should be given to a change in the Specified Categories for which CSSF may be charged.
5. We submit that the Specified Categories should include support for subsidised or free travel for students between campuses and/or delivery sites organised by the training provider.
6. Support for transport services for students is not a core service which can be funded through standard provider funding mechanisms.
7. However, the cost of travel is a barrier to access and choice for prospective students, particularly where delivery sites are distributed over a wide geographical region and study options are limited to specific campuses.
8. Subsidised or free travel options for students is a non-core service which is a significant enabler of student access and choice. In this respect it is not dissimilar to childcare services which are currently provided for within the Specified Categories.
9. We would be happy to engage with the Ministry in any discussion and evaluation of this proposed addition.
10. Thank you for your consideration of this submission.



Chris Gosling  
Chief Executive

# younited



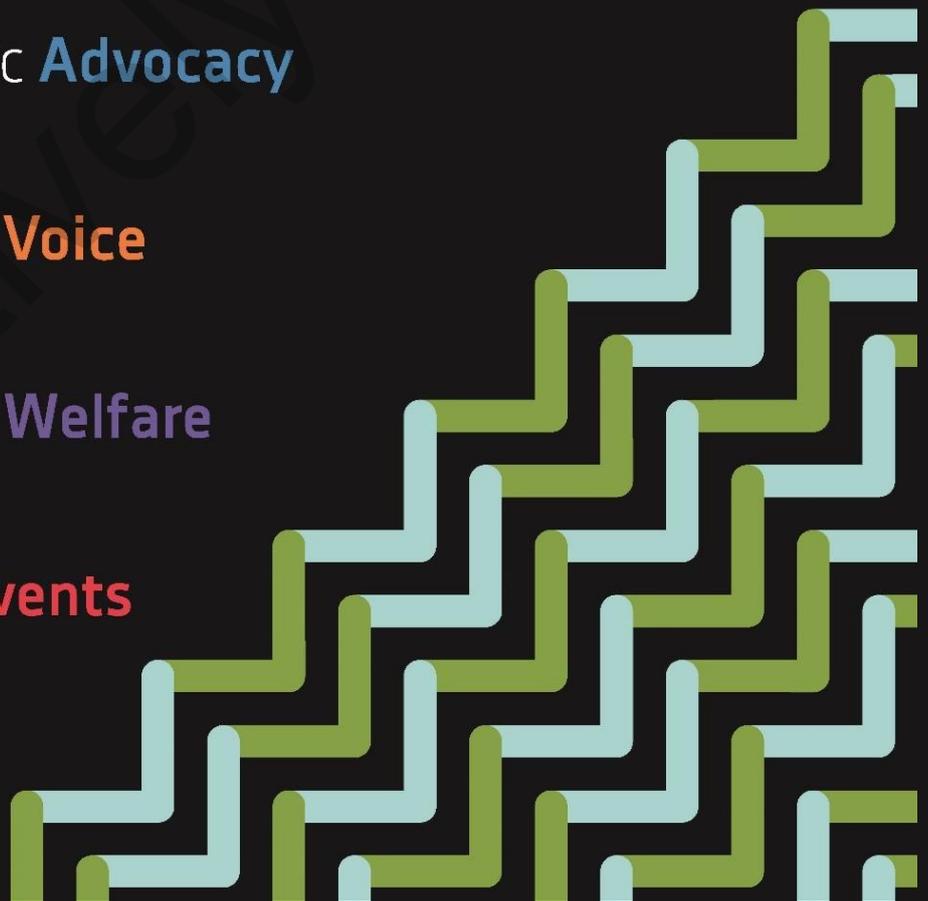
your student association  
te piringa taurira

 Academic **Advocacy**

 Student **Voice**

 Student **Welfare**

 Social **Events**



# Younited Students' Association submission on the Compulsory Student Services Fee Ministerial Directive

## Contents

Younited Students Association .....	3
Who we are - what we do.....	3
Introduction and background .....	5
New Zealand Union of Students Associations Submission .....	5
Proposed Changes to the Ministerial Direction .....	6
Accountability and Transparency. ....	6
Decision-Making .....	7
Tertiary Education Commission Questions.....	8
Categories of Student Services .....	8
Quality of services.....	9
Conclusion.....	9

## Younited Students Association

### Who we are - what we do

Younited Student Association, serves students by acting as the voice of the student body, advocating student issues, and promoting the social, cultural, recreational and educational interests of students on all Eastern Institute of Technology campuses including online students. We provide these services to the following areas; Taradale, Auckland, Tairāwhiti, Maraenui, Hastings, Ruatoria, Wairoa and Central Hawkes Bay. This service is contracted to the students Association by the Eastern Institute of Technology.

We have four key areas of focus as an association:

#### **Academic Advocacy:**

The Student Advocate assists students to resolve academic grievances, Study Link queries, enrolment issues, issues with EIT regulations and policies, and other concerns affecting their study at EIT.



#### **Student Voice:**

Younited provides a democratic voice for all students at EIT by representing them through working relationships with EIT and other outside organisations. We sit on a variety of EIT committees, from the Academic Board to the Sustainability committee.



#### **Student Welfare:**

Younited is here to support students to overcome academic or welfare challenges big or small which may arise during their tertiary journey. This includes, but is not limited to debt collection, tenancy issues and counselling support.

president@younited.ac.nz  
06 974 8946

younited.ac.nz  
facebook.com/younitedhawkesbay

501 Gloucester Street, Taradale, Napier 4112

**Student Events:**

To help students achieve the necessary study/life balance required to succeed Younited provides recreational activities/facilities. Younited also runs a variety of events throughout the student calendar to cater for the wide range of cultures, age groups, and interests in the student body. In 2018 we served over 13,000 meals to students at EIT.

The General Manager reports monthly to a Board made up of elected students and to the EIT Executive, Academic Boards and EIT Council.



president@younited.ac.nz  
06 974 8946

younited.ac.nz  
facebook.com/younitedhawkesbay

501 Gloucester Street, Taradale, Napier 4112

## Introduction and background

Since the introduction of the Compulsory Student Services Fee in the wake of Voluntary Student Membership, independent student voice has been significantly weakened. This loss of voice and representation has been particularly felt in the Institute of Technology / Polytechnic sector.

The implementation of VSM in 2012 has resulted in the closure of multiple student associations in the ITP space, with only 6 institutions retaining an association. For those still extant, funding has been a long-standing struggle, with budgets often slashed by tens or hundreds of thousands of dollars.

Where student associations have been lost, institutions have often filled the vacuum left by forming Student Councils. These councils are usually appointed by their institution and lack the funding and independent voice to lobby for meaningful changes. These councils are also seen as little more than consultation exercises, while their recommendations are routinely ignored.

As these councils' lack power, they cannot advocate for changes that will grow student support for them. Due to this lack of legitimacy their voice is diminished even further. This is a recursive and vicious cycle which has meant that most ITPs lack effective and strong student voice.

Younited feel that the Ministerial Direction should be used to facilitate and foster independent student voice, rather than simply as a tool to fund services. The independence of student voice is crucial to ensure its recognition and legitimacy.

We are aware that some of the changes we propose require amendments to the Education Act 1989 and may be considered outside the scope of this consultation. However, Younited view this consultation as an opportunity to meaningfully amend the Compulsory Student Services Fee system to meet the fundamental and disparate needs of students throughout New Zealand.

### New Zealand Union of Students Associations Submission

This submission should be read in conjunction with the submission from the New Zealand Union of Students Associations (NZUSA). Younited has contributed to this submission and we fully support the points and arguments that NZUSA raise.

## Proposed Changes to the Ministerial Direction

### Accountability and Transparency.

Younited fully supports the intention to strengthen the accountability and transparency within the Compulsory Student Services Fee process. The current reporting requirements for tertiary institutions are extremely lax, and the information that they provide is often far too vague to properly inform students. It is vital that students are informed where their CSSF money is spent, and the changes proposed will help ensure this happens.

Younited supports the New Zealand Union of Students Associations view that tertiary institutions should be required to properly break down where CSSF funding is distributed, and to include information on who provides services funded via the Compulsory Student Services Fee.

It is important that students are informed as to where their levy is spent and what organisations receive funding. The CSSF can cost students over \$800, and students have a right to be aware of where this money goes. We agree with NZUSA's proposed wording as below:

2. *basic compulsory student services fee information for the year, including the amount charged per EFTS and a comprehensive breakdown and description of the student services the fee supports and who the providers of those services are; and*

We agree with the proposal from NZUSA that information about the CSSF should be easily accessible by students, and that this information should also detail how consultation occurred. Tertiary institutions should also be required to justify why decisions were made and what feedback was received from students.

Younited supports NZUSA's amendments to information requirements in the Ministerial Direction:

2. *A description of the current year's compulsory student services fee decision-making process – including:*
  - a. *a description of how the current fee and services offered were determined;*
  - b. *how consultation with students and student representatives occurred;*
  - c. *what the feedback was;*
  - d. *how the decisions were made;*
  - e. *what the decisions were; and*
  - f. *justifications for those decisions.*

## Decision-Making

While student consultation regarding the Compulsory Student Services Fee is done effectively at EIT, Younited is aware of many institutions where this is not the case. Students need to play a primary role in setting both the fee and deciding where it is distributed.

We feel that further changes should be made to the CSSF process as the amendments proposed by the Ministry fail to address the inequities and lack of accountability in setting the levy. Students should also have a greater say in where the funding is distributed as the services are funded by students, for the benefit of students.

The New Zealand Union of Students Associations has proposed an amendment to the Decision-Making section of the Education Notice. The current state of student consultation on the CSSF is often extremely poor. Institutions have the option of making decisions jointly with the student body, or simply consulting with them. Most tertiary providers opt for the later approach, and their implementations often leave much to be desired.

This consultation often consists of a vaguely worded and under-advertised student survey, which many students do not see the value of. There is little guarantee of student concerns being actioned, and a lack of student engagement robs the process of its legitimacy.

We agree with NZUSA that the voice of students and their representatives needs to play a primary role in decisions regarding the Compulsory Student Services Fee, and we support their proposed wording below:

3. *Decision-making—Providers **must make decisions jointly, through a process that is comprised of at least 50% representation from the students' association, student council or representatives, following consultation with the students enrolled at the provider, on the following matters:***
  - a. *The maximum amount that students will be charged for student services; and*
  - b. *the types of services to be delivered (within the categories set out under paragraph 9 of this direction); and*
  - c. *the procurement of these services; and*
  - d. *the method for authorising expenditure on these services.*

These amendments would ensure robust student voice in the Compulsory Student Services Fee decision-making process, and guarantees that the wider student body is adequately consulted.

## Tertiary Education Commission Questions

This section is a response to questions posed in a letter from the Tertiary Education Commission to the New Zealand Union of Students Associations on 17 May. Our answers are below.

### Categories of Student Services

*“Categories of services - the notice specifies that tertiary providers charging a CSSF must ensure that the fee only supports the delivery of 10 specified categories of services. Are there more categories you think should be included, and if so, why? Are there categories that should be excluded, and if so, why?”*

The existing Ministerial Direction significantly limits what services can be funded and supported by the CSSF. In addition, these categories were originally created with very little student involvement and often do not align with the needs and concerns of many students, especially in the Institute of Technology / Polytechnic sector.

As outlined above, the introduction of Voluntary Student Membership has crippled student voice. Younited feels that the Compulsory Student Services Fee should support and embolden student voice rather than hinder it, as can be the case under the current Ministerial Direction.

We propose, as does NZUSA, that a twelfth category, named Student Representation be added to the direction as part of these changes. Younited supports NZUSA’s proposed wording for the new Student Representation category:

*Student representation – Ensuring there exists an independent, elected student executive or council, providing training for student representative and facilitating an independent class representative system*

This category would help to build the student voice that is currently lacking within our tertiary system, particularly in the ITP sector. Such changes would also be complementary to the Reform of Vocational Education, as the Ministry of Education has not outlined how extant associations will be funded, or what the student voice model will look like.

As stated above, the CSSF is very restrictive regarding what can be funded, and these restrictions can prevent both institutions and associations from funding services that are required in their region. A prime example of this is that of public transport. Before the introduction of VSM, some associations and institutions jointly funded subsidies for tertiary students on local public transport services. When the Compulsory Student Services Fee was implemented, these programmes lost their funding as public transport is not a CSSF funding category.

To ensure that such services can be re-implemented, we agree with New Zealand Union of Students Association’s proposal to add another category to the Ministerial Direction titled Public Transport. Younited supports NZUSA’s wording for the new category, as below:

*Public transport - Funding or subsidy for tertiary student fares on local public transport services, as defined under the Land Transport Management Act 2003, or TEI-chartered services.*

## Quality of services

*Quality of services – how satisfied are students at your tertiary provider with the quality of student services offered? How do students at your tertiary provider rate the value for money of the student services offered to them?*

A significant concern with the individualised distribution of the Compulsory Student Services Fee is that the services funded can vary in quality between institutions and campuses. In the Institute of Technology / Polytechnic sector this is particularly felt, with some services receiving vastly different levels of support and funding.

At EIT, Younited is happy with the services that are provided to our students; however, we are cognisant of the fact that many institutions face poorer service provision. As the CSSF is individually set by each institution, the services provided are extremely variable. There are no requirements or Ministerial guidelines as to how the fund should be spent, and many institutions simply underfund vital services.

We feel that the Ministry should ensure minimum funding levels for CSSF categories. The categories that are in particular need of guaranteed funding are those provided by student voice organisations. Younited proposes that a minimum level of CSSF funding be guaranteed towards independent student voice organisations to strengthen their advocacy and stabilise their often-precarious financial position.

## Conclusion

We feel that while the proposed changes to the Ministerial Direction on the Compulsory Student Services Fee are a step in the right direction, more improvements need to be made to foster and support student voice. This is particularly urgent in the Institute of Technology / Polytechnic sector, with many associations facing financial difficulty.

Student voice in the ITP space was crippled by Voluntary Student Membership, and an alternative funding model needs to be implemented to strengthen and embolden students and their representative organisations.

Younited support the New Zealand Union of Student Associations call to develop this alternative model, and we are extremely interested in working with the Ministry of Education and the Tertiary Education Commission, along with other stakeholders, to design this much-needed alternative.

Until this wider change occurs, student voice in the ITP sector remain weak and disenfranchised. A minor amendment to a Ministerial Direction