

Financial support

Developed by University of Navarra Team

According to the report of the National Student Fee and Support Systems in European Higher Education, universities in Europe mainly include fees and are supported through different systems including grants, loans, fees, tax benefits and family allowances, all those systems are heterogeneous, however Nordic countries provide the better economic support as they dispose of universal grants and tuition fees are low (*see figures 1, 2 and 3*) (European Commission, EACEA & Eurydice, 2018). HE in Europe is highly public founded, so challenges are related to the criteria for allocate students grants as most of the systems are not universal and specifically in England and Iceland, public grants are not available. Some systems encourage public loans which effects on HE students' wellbeing are discussed (Tran, et al, 2018).

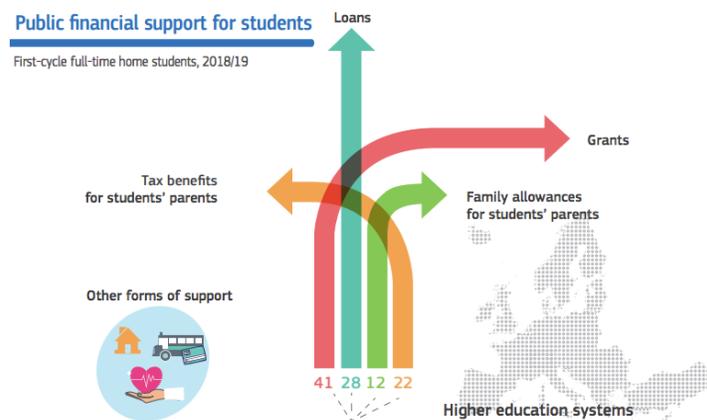


Figure 1. Public financial support for students in Europe.
Source: European Commission, EACEA & Eurydice (2018).

Higher Education had been facing challenges related to public funds, as they are becoming insufficient to sustain HE costs. Therefore, HEIs and policy makers had been implemented different ways to finance HE costs as tuition fees, grants and loans, creating a cost-sharing statement between HEIs and the economic resources of students and their families (Vossensteyn, 2009). Tuition fees have emerged as a way to support HE when economic crisis such as the one resulting from the current pandemic hit public budgets making them insufficient to cover education's costs (Civera, Cattaneo, Meoli, Paleari, & Seeber, 2020). However, there's a debate about the benefits and disadvantages of introducing tuition fees as it might arise social inequality while limiting the HE accesses of students with low-economic background. In

addition, according to Lepori, Benninghoff, Jongbloed, Salerno and Slipersaeter (2007), tuition fees are insufficient in covering HE costs, with the exception of UK where tuition fees are higher compared with other European countries.

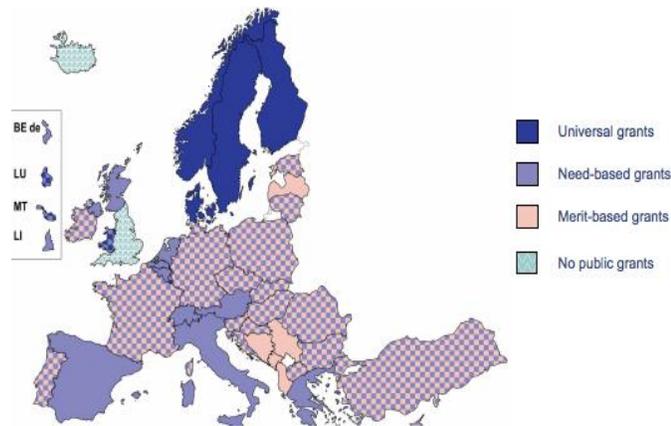


Figure 2. Main types of public grants to first-cycle full-time home students, 2018/19
Source: European Commission, EACEA & Eurydice (2018).

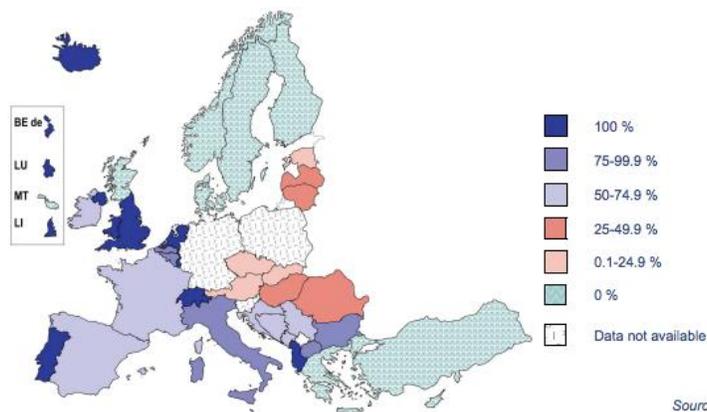


Figure 3. Percentage of first-cycle part-time home students paying annual fees above 100 EUR, 2017/18.
Source: European Commission, EACEA & Eurydice (2018).

Higher Education had been facing challenges related to public funds, as they are becoming insufficient to sustain HE costs. Therefore, HEIs and policy makers had been implemented different ways to finance HE costs as tuition fees, grants and loans, creating a cost-sharing statement between HEIs and the economic resources of students and their families (Vossensteyn, 2009). Tuition fees have emerged as a way to support HE when economic crisis such as the one resulting from the current pandemic hit public budgets making them insufficient to cover education’s costs (Civera, Cattaneo, Meoli, Paleari, & Seeber, 2020). However, there’s a debate about the benefits and disadvantages of introducing tuition fees as it might arise social inequality while limiting the HE accesses of students with low-economic background. In

addition, according to Lepori, Benninghoff, Jongbloed, Salerno and Slipersaeter (2007), tuition fees are insufficient in covering HE costs, with the exception of UK where tuition fees are higher compared with other European countries.

Beyond HE costs, students need economical resources to attend their daily life needs and in some cases family needs, which may become a stressful factor, especially for students with low-economic background. Some studies had shown that economic difficulties as debt and the payment of tuition fees are related with poor mental health and lower academic performance among HE students (Richardson, Elliott, Roberts & Jansen, 2017; Pisaniello, et al., 2019; Berg, et al., 2009; Tran, Mintert, Llamas & Lam, 2018). According to the European report of the social and economic conditions of student life in Europe 2016-2018, financial difficulties are the main reason why European students without a HE background interrupt their studies, moreover, HE students living expenses are specially related to housing and food which costs in some cases become higher than tuition fees (Hauschildt, 2018). Regarding this, HEIs should improve the way they provide financial support not only to embed mental health, but also to guarantee academic success, decrease dropout rates and make affordable student's life expenses. As financial support is not only limited to tuition fees, it is important that HEIs develop financial systems able to support daily life expenses as accommodation, transport, food and indeed, financial knowledge.

Supporting HE Fees: Scholarships and grants. Different studies had shown that public grants are effective in affording HE students from low-income backgrounds. In Italy, grants reduce dropout, becoming a protective factor for students at risk of withdrawal (Facchini, Triventi & Vergolini, 2021; Mealli & Rampichini, 2012). Nonetheless, there's a discussion about which of the types of public grants are more effective in supporting students, those focused on students' needs or those affordable by academic merits. This question should be answered by HEIs and policy makers while making a continuous assessment of the positive and negative effects of grants on HE enrollment, graduation and dropout rates, as well as social inclusion and exclusion rates.

Supporting HE life expenses and services. As higher education in Europe is mainly publicly funded, students spend more money on living expenses than on tuition fees, especially those living in capital cities and those moving out of their parents' homes (Hauschildt, 2018). Food and housing insecurity are recent issues that some HE students have been facing, which are highly related with economic problems and the increase of life expenses, besides this, it has a negative impact on student's retention and academic performance (Hallett & Freas, 2018; Payne-Sturges, et al., 2018; Silva, et al., 2017; Phillips, McDaniel & Croft, 2018; Broton & Goldrick-Rab, 2018). Ensuring a proper housing in HE students have been associated with higher retention (Schudde, 2011). Housing and food security are key elements in ensuring student's academic success. Hence, HEIs should facilitate the provision of those basic needs that suppose a challenge

for some students, especially for those with low-income background. HEIs are a formal space where students spend the most of the time during their education. Therefore, another way to support students economically is through the provision of free services or at a low cost, this could include food, accommodation, transport, school material as computers, medical care, recreation and any other services and elements that represent an economical charge for students and their families.

Facilitating employability. As some students have part-time and full-time jobs, their time to focus on their studies could be challenging. It has been proven that academic performance is affected by work engagement especially when working hours arise of a part-time job (Salamonson, et al., 2020; Applegate & Daly, 2006; García-Vargas, Rizo-Baeza & Cortés-Castell, 2016; Broadbridge & Swanson, 2005). Some students report that flexibility with assignment dates, submission requirements and timetables would be a useful way to support them by encouraging them to study and work (Hall, 2010). HEIs are places where job offers are provided. Thus, HEIs should reinforce employment offers and helpful resources that encourage a balance between studies and work, aiming to support student's academic and personal goals. Provide part-time job offers, scholarships or internships, are some ideas of what HEIs are able to do, in order to attract students, bring them financial support while making affordable the balance of work and learning.

Some good practices

Emergency Social Fund. The University of Minho in Portugal, counts with an emergency fund for their students in order to attend specific situations related to economic and social constraints that are affecting students' academic performance and cannot be solved by the Social Action system for HE. It has been recognized as an example of a good practice by the International Sustainable Campus Network as it is coherent with the sustainable development goals related to the quality of education and inequality reduction. In Spain some universities also dispond of this kind of fund, as the Public University of Navarra, Alicante University, among others.

More information:

<https://www.uminho.pt/PT/ensino/bolsasepremiosescolares/Paginas/fundosocialdeemergencia.aspx>

<https://www.unavarra.es/unidadaccionsocial/ultima-hora?contentId=254550>

University solidarity programme. The city council of Zaragoza and the University of Zaragoza, provides a housing programme for HE students in order to face housing problems and construct social cohesion. Students, who are enrolled, paid a low monthly amount as a rent (around 40Eu per month) in a shared flat with other students. They are also responsible to work as volunteers in social local affairs

almost 4 hours per week. With this programme, students receive an economical support that ease the economic burden of rental income while positively impacting the local community.

More information:

https://www.zaragozavivienda.es/M05_PROMOCION-DE-VIVIENDA/03%20ALQ_estudiantes/opcion2.asp#gsc.tab=0

Family Offices. In Germany, most of the universities dispose of a family office where advising and services for students related to family needs are provided. These services collate all the information about balancing studies, work and family obligations. Students and employees receive advice and counselling regarding all forms of care for elderly people and children. Some universities count with kindergartens, service of borrowed toy boxes, specific nursing and breed rooms, or last-minute childcare services and even emergency cares services for elderly people or dependency people. These services are free or have a low cost and ease the challenges of the familiar needs, as they are located within the campuses, making affordable the balance between studies and family needs. Thus, financial charges related to family care decrease while wellbeing is reinforced.

More information:

<https://www.uni-hamburg.de/en/familienbuero.html>

<https://www.studierendenwerk-hamburg.de/en/family-service>

<https://www.chancengleichheit.tum.de/en/family/care/>

Sustainable Catering. In Hamburg, Germany, all the public universities count with a similar catering service where variety options of food are provided. The costs of the food are the same in all the public universities, as they are based on the idea that all students should be able to afford a hot lunch every day. Therefore, prices are calculated on the basis of the costs of the ingredients and preparation. They manage three different categories of costs, a cheaper option for all students, another one for staff and guests. People are also able to provide take-away options. This service encourages sustainability, through the use of fair-trade ingredients and a plan to face food waste.

More information:

<https://www.studierendenwerk-hamburg.de/gastronomie>

Healthy University Scholarships. The Public University of Navarra has a scholarship programme that provides financial support to higher education students who enroll in on-campus health promotion and prevention activities. With this programme, students receive around 125 Eu per month as they get

involved and come up with ideas to spread health practices among HE students to ensure wellbeing. They participate around 20 hours per month, so their academic responsibilities are not interrupted. With this programme, students get awareness of health and wellbeing, earn some money and become an active part of the construction of a healthy campus.

More information:

<https://www.unavarra.es/unidadaccionesocial/programa-de-universidad-saludable/becas>

Student collaboration scholarships. Different universities across Europe, provide collaboration scholarships, aimed to involve students on research projects within different departments. These scholarships represent a great opportunity for students to get experience in their field of studies, while earning money that ease their financial responsibilities. These initiatives encourage retention and support students' personal needs.

More information:

<https://www.consumer.es/educacion/becas-de-colaboracion-para-estudiantes-universitarios-y-de-master-como-obtener-una.html>

Erasmus scholarships. One of the most successful programmes of Europe is the Erasmus exchange programme. Scholarships are available for students to support them financially while are taking their semester or year of studies abroad. Moving abroad could imply higher costs of life expenses; therefore these scholarships facilitate the economic charge, making affordable for all students to live the experience as an international student. International exchanges are an important experience in academic life, not only because it extends the knowledge, but also because people are able to live a cultural experience that enhances social cohesion and cultural diversity.

More information:

https://ec.europa.eu/programmes/erasmus-plus/opportunities/individuals/students/studying-abroad_es

Recommendations

1. Encourage grants and scholarships that make it possible to pay tuition fees.
2. Develop connections and networks with local entities and governments, aiming to develop collaborations and programmes that support students financially, through students' discounts, services and social benefits.

3. Given that there are different types of grants, it is important for universities to evaluate the effects of grants on dropout rates, minority student enrolment and other important variables aimed to show the effectiveness of such grants on student success and well-being.
4. Asses the economical needs and life expenses of students, aimed to identify priority challenges related to financial support. After that, implement an action plan where different forms or support could be implemented, especially those related with daily life expenses, which is commonly one of the higher costs.
5. As some students interrupt their studies for different reasons, including mental health problems, universities should be flexible in their permanence plans, as students are sometimes forced to pay a double amount of money to retake and continue their HE studies.
6. Rental housing and food can be expensive for some students, so it is important to have programmes that encourage access to more affordable rents for students, as well as healthy and accessible food to avoid food insecurity taking into account student's economy.
7. Reinforce paid works at university, making suitable with students' timetable. It could include paid internships, paid part-time jobs or scholarships where students can be involved in their field of study or campus activities.
8. HEIs can offer different services, therefore all of them could be provided at low cost, so that students can benefit of other forms of financial support (example: psychotherapy free or at low cost).
9. Develop flexible schemes of education for students who have full-time jobs, aimed to encourage students retaining and reduce dropouts.
10. Reinforce the social unit services as well as family services aimed to help students to face financial challenges and make a suitable balance between studies and family responsibilities.

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