Chapter 2

University Grants Committee funded institutions -General administrative services

Audit conducted a review to examine the systems and arrangements in the eight University Grants Committee (UGC) funded institutions to examine whether cost-effective administrative support was being provided.

2. At the Committee's public hearing, **Prof Hon Arthur LI Kwok-cheung, Secretary for Education and Manpower**, declared that he was the Vice-Chancellor of The Chinese University of Hong Kong (CUHK) during 1 August 1996 and 31 July 2002. He had participated in the management and policy formulation of the CUHK during the period covered by the Audit review.

Provision of senior staff quarters

3. The Committee had examined the problem of vacant senior staff quarters (SSQ) in UGC funded institutions in 1998 and had urged the Secretary-General of the UGC and the Administration to take actions to improve their usage. In response, the Government had set up a Task Force on Usage of UGC-funded Institutions' Surplus Staff Quarters (Task Force), chaired by the Secretary-General of the UGC, with representatives of the institutions and the Administration as members, to monitor the status of surplus SSQ and the return of these quarters to the Government at an appropriate time. However, over the years, the vacancy position of SSQ in some institutions had deteriorated rather than improved. The Committee considered that if the Task Force had handled the matter properly, the vacancy rates of SSQ should have dropped. In this connection, the Committee asked about the reasons for the high vacancy rates of SSQ and the actions taken by the UGC and the Administration to improve the situation.

4. **Mr Peter CHEUNG Po-tak, Secretary-General of the UGC**, explained that:

- the increase in the vacancy rates of SSQ was mainly caused by the introduction of the Home Financing Scheme (HFS) to the institutions from October 1998. Since then, a large number of staff eligible for SSQ had opted to join the HFS. This had significantly reduced the demand for SSQ, thus rendering a large number of these quarters vacant;
- some institutions had tried to lease out the vacant SSQ in the open market with a view to reducing the vacancy rates. However, they had encountered difficulties in leasing them out at market rentals due to the SSQ's less favourable locations and conditions. For example, some SSQ were built on campus and thus were less conveniently located. On the other hand, some institutions with SSQ in their campus area were unwilling to lease them out to outsiders due to security considerations; and

- the Task Force had been conducting regular reviews on the usage of SSQ in the institutions. Measures considered to be useful in reducing the vacancy rates had already been implemented, which included returning surplus SSQ to the Government, converting them into other uses, and selling or leasing them out in the open market. A possible way to help institutions secure more tenants was to allow them to determine the appropriate rental level flexibly.
- 5. The Committee noted the comments of the City University of Hong Kong (CityU) in paragraph 2.16(c) of the Audit Report that selling or leasing out institutions' SSQ to the private sector might infringe the land grant conditions and thus waiver had to be sought from the Government before the institutions could do so. The Committee asked about the problems the CityU had encountered in obtaining the Government's waiver for selling or leasing out its SSQ in the open market.
- 6. **Prof CHANG Hsin-kang, President of the CityU**, and **Mr Gabriel CHAN, Director of Finance of the CityU**, said that since the vacancy rate of SSQ in the CityU was not high all along, there was no imminent need to sell or lease them out in the open market. Thus, the CityU had not sought any waiver from the Government to enable it to do so. The CityU considered that even if it was granted the waiver, extra resources would be required to deal with day-to-day problems and disputes unless the SSQ, which were all built on campus, were sold or leased out in blocks with clear-cut liabilities and management responsibilities. Nevertheless, the CityU undertook to re-assess the current situation to ascertain if there was a need for it to sell or lease out its surplus SSQ in the open market. If such course of action was considered as necessary, the CityU would seek the Government's approval.
- 7. The **Secretary for Education and Manpower** informed the Committee that after the vacancy problem of SSQ was brought up by the Committee in 1998, some institutions had already applied for waivers to sell or lease out their SSQ in the open market as a measure to reduce their vacancy rates. Since such courses of action were not for profit-making purposes, all these applications had been approved by the Government. Based on this principle, he envisaged that similar applications by the CityU, if submitted, would also be approved.
- 8. According to paragraph 2.45(a) of the Audit Report, the Hong Kong Baptist University (HKBU) planned to return 21 SSQ to the Government. The Committee enquired about the timing of the HKBU implementing such a plan.

9. **Mr Alex SHUEN, Director of Finance of the HKBU**, advised that the HKBU Council supported in principle the plan to return 21 SSQ to the Government. However, as the proposal of delinking university pay had been made known to the institutions only recently and there would most likely be changes to the arrangements for the provision of housing benefits to university staff under a delinked environment, the HKBU would need to conduct a careful study to re-assess the future demand for SSQ. If such demand was anticipated to be large, the HKBU might need to retain the 21 SSQ for use by its staff.

10. The **Secretary-General of the UGC**, informed the Committee that:

- after the implementation of the delinking proposal on 1 July 2003, the mandatory requirement to offer the HFS as the only form of housing benefit to newly appointed staff would be removed. The institutions would be free to determine the form of housing benefits to be provided to new staff. He believed that with such flexibility, the institutions would make use of the vacant SSQ for their new staff and thus the problem of vacant SSQ would not persist; and
- against this background, those institutions which had originally planned to return some of their SSQ to the Government might choose to retain them for use by staff after re-assessing their future demand for SSQ. The UGC Working Group on Housing Arrangement After Deregulation of University Salaries, with the Director of Finance of The Hong Kong University of Science and Technology (HKUST) as Convenor, was working on the arrangements for the provision of housing benefits to staff of the institutions after the delinking proposal had taken effect.
- 11. Referring to paragraph 2.21(b) of the Audit Report, the Committee questioned why The Hong Kong Polytechnic University (PolyU) had not required its staff who were in receipt of Private Tenancy Allowance (PTA) or Home Financing Allowance (HFA) and were occupying SSQ to pay an extra amount equal to the difference between the market rents of the SSQ they occupied and their entitlements to PTA or HFA. The Committee queried whether the absence of such a top-up requirement had resulted in additional housing benefits being given to these staff.

12. **Prof POON Chung-kwong, President of the PolyU**, said that:

- the PolyU had commissioned a professional surveyor to conduct an evaluation on its SSQ located in Tsimshatsui East. According to the surveyor, the market rents of the SSQ were much lower than the rateable values assessed by the Rating and Valuation Department due to the age and poor condition of these quarters. The PolyU had also engaged private property agents to help lease out the SSQ, but these agents were also unable to offer assistance because of the poor condition of the SSQ;
- in view of the current economic climate and the changing education policy which might in turn have implications on the institutions' requirement for SSQ, it might not be opportune to spend a large sum of money on renovating the SSQ at this moment. Given the poor condition of the SSQ, he anticipated that the staff in receipt of PTA or HFA and were occupying SSQ would very likely move out if there was a top-up requirement; and
- an effective way to reduce the vacancy rates of SSQ was to adopt the market rents assessed by the surveyor in leasing out the SSQ.
- 13. According to paragraph 2.21(c) of the Audit Report, the HKBU, the CUHK and the HKUST had treated staff in receipt of PTA and HFA differently, i.e. the top-up requirement applied to staff in receipt of PTA only. The Committee asked about the reasons for the institutions adopting different treatments to these two categories of staff.

14. **Prof NG Ching-fai, President and Vice-Chancellor of the HKBU**, advised that:

- in the case of staff using PTA to rent SSQ, the HKBU had used the market rents as the basis for charging rental. After negotiation between the staff and the institution, the rentals charged were sometimes lower than the rateable values, whereas on some occasions the rentals were higher than the rateable values. The HKBU considered it an expedient way to reduce the vacancy rates of SSQ; and
- leasing out SSQ to outsiders might not be a desirable option as it might pose security problems. In his view, as long as the SSQ were used for education and research purposes, the institutions should be given a certain degree of flexibility in the allocation of their SSQ.

Acting President of the HKUST, said that at a meeting to discuss the proposed HFS held on 10 July 1998 between the Administration, the UGC and the institutions, their institutions were under the impression that the Administration had agreed that the HFA should be deemed as equivalent to the market rental and that staff should be allowed to contribute their HFA for renting on-campus university accommodation. Hence, they only applied the top-up requirement to staff receiving PTA but not staff receiving HFA. The Acting President of the HKUST added that as a great number of staff of the HKUST were currently using HFA to rent on-campus accommodation, the imposition of a top-up requirement on them might result in their moving out of the quarters, which would further aggravate the vacancy position of these quarters.

16. Mr Stanley YING, Deputy Secretary for the Financial Services and the Treasury, said that:

- after further examination of the notes of the meeting on 10 July 1998, the Administration thought that the then Secretary for Education and Manpower had agreed with the then Secretary-General of the UGC that staff in receipt of PTA should be required to pay market rents for renting on-campus university accommodation. A representative of the former Finance Bureau said at that meeting that the Administration was prepared to allow the staff an option of using the HFA to rent on-campus university accommodation. The notional rental value would be deemed to be equivalent to the HFA rates in these cases and would be subject to sharing between the Administration and the institutions according to the 70:30 formula; and
- reading from these notes of meeting, the focus of discussion at that time was
 on the basis for determining the notional rental income for the purpose of
 income sharing, not the basis for determining the level of rent which the
 institutions should actually charge their staff who used the PTA or HFA to
 rent the SSQ.

Provision of guest quarters

17. The Committee was concerned that the average vacancy rates of guest quarters (GQ) in the eight institutions for the period from July 2000 to October 2002 were generally high, especially the Lingnan University (LU) and The Hong Kong Institute of Education (HKIEd) the vacancy rates of which stood at 63% and 62% respectively, as revealed in Table 10 of paragraph 4.4 of the Audit Report.

- 18. Referring to the response provided by the LU and HKIEd in paragraphs 4.12 and 4.14 of the Audit Report, the Committee enquired how these two institutions would improve the occupancy of their GQ.
- 19. **Prof Edward CHEN Kwan-yiu, President of the LU**, replied that since the demand for staff quarters was anticipated to increase after the implementation of the delinking proposal, the LU planned to convert at least half of its existing GQ to staff quarters to meet the greater demand and to alleviate the burden brought about by the vacant GQ.
- 20. **Mr Norman NGAI, Vice President (Resources & Administrative Services) of the HKIEd**, stated that at present, the supply of SSQ in the HKIEd was only slightly larger than its demand. In view of the anticipated increasing demand for SSQ after the implementation of the delinking proposal, the HKIEd was considering converting its existing GQ to SSQ in order to better meet the needs of its staff. With a reduced number of GQ after the conversion, the vacancy rate of GQ was expected to drop correspondingly.

Student hostels

21. In 1996, the Government endorsed a new policy on the provision of publicly-funded student hostel places. This represented the Government's efforts to enhance the quality of university education by fostering hostel life which would sharpen students' communication skills, nurture their leadership quality, encourage independent thinking and promote participation in community affairs. According to the findings in paragraph 5.7 of the Audit Report, as at 31 October 2002, of the 21,697 available hostel places, 1,821 (8.4%) were vacant. The Committee was concerned about the low occupancy rates of student hostel places, in particular the PolyU and the HKBU as their percentages of vacant places were 36.4% and 17.3% respectively.

22. The **President of the PolyU** said that:

- its student hostels had only come on stream in September 2002. At the time of construction of these hostels, the economy of Hong Kong was good and the hostel project was well received by students. The level of provision of student hostels in the PolyU (i.e. 3,004 places) was calculated in accordance with a set of criteria stipulated by the Government. Unfortunately, the economy was sluggish at the time the PolyU carried out its first round of admission exercise for the newly built hostels; and

- since the admission rate was not encouraging initially, the PolyU had taken a series of measures to attract students to apply for hostel residence. One of these measures was the implementation of a Hall Resident Service Award Scheme, under which students residing in hostel were awarded one-day hostel residence free of charge, up to a maximum of 30 days, for every hour of voluntary service they performed. With the various measures in place, the occupancy rates of student hostels had gradually climbed up to a higher level, now reaching approximately 70%.
- 23. The Committee referred to paragraph 5.10(d) of the Audit Report which indicated that 80% of the respondents of a survey conducted by the PolyU considered that lowering the hostel fee would attract students to apply for hostel residence. In this connection, the Committee asked whether the PolyU had considered lowering its hostel fee for the purpose of admitting more students. It also enquired about the level of hostel fee in the institution.
- 24. The **President of the PolyU** replied that the hostel fee in the PolyU was \$40 per day, i.e. around \$1,200 per month. In his view, lowering the hostel fee was only one of the measures to enhance occupancy of student hostels. As not all students had financial difficulties, the PolyU had not adopted this measure. Instead, the PolyU was making continuous efforts to promote the educational objective of hostel life, e.g. by encouraging students to take up voluntary service in exchange for free hostel residence or to engage in part-time jobs in the institution. This not only alleviated the financial burden on students but was also conducive to their learning and personal development.
- 25. The Committee referred to paragraph 5.32(a) of the Audit Report, which stated that the HKBU saw no difficulty with taking up the Audit recommendations on improving the occupancy rates of student hostels. However, no specific improvement measures were mentioned by the HKBU. The Committee enquired about the specific measures that would be or had been adopted by the HKBU.
- 26. The **President and Vice-Chancellor of the HKBU** informed the Committee at the public hearing and in his letter of 13 June 2003, in *Appendix 31*, that the HKBU was in the process of implementing or had already implemented the following measures to improve the occupancy position of student hostels:
 - actively promoting the value of hostel life by organising hall activities with participation from non-resident students;

- expanding the scope of eligible applicants to include part-time undergraduate students, taught postgraduate students and Associate Degree students;
- increasing the number and amount of scholarships (through donations) on hall fees to outstanding undergraduate students;
- increasing the number and amount of bursaries (through donations) to undergraduate students with genuine financial difficulties;
- at the time of admission, offering to first year undergraduate students with good academic results or other achievements guaranteed hall places for the whole period of undergraduate study; and
- introducing shorter term residency, e.g. one semester or one month, though not encouraged.
- 27. The Committee enquired whether the HKBU would consider lowering the hostel fee in order to attract more students to apply for hostel residence. The **President and Vice-Chancellor of the HKBU** said that the HKBU considered it more appropriate to provide financial assistance to needy students in the form of scholarships and bursaries rather than reducing the hostel fee across the board as some students did not have genuine financial difficulties in taking up hostel residence.
- 28. The Committee noted from Tables 11 and 12 in paragraphs 5.4 and 5.7 of the Audit Report that the number of vacant hostel places in The University of Hong Kong (HKU) was 110, and there were 900 new places currently under construction and would be completed in early 2005. The Committee was concerned whether the vacancy position of student hostels in the HKU would worsen when the 900 new places became available in 2005. The Committee also asked whether the HKU would consider lowering its hostel fee to attract more students to live in hostels.
- 29. **Prof TSUI Lap-chee, Vice-Chancellor of the HKU**, informed the Committee that in view of the great demand for student hostels in the HKU, the current supply of hostel places, even including the 900 new places, was still short of the actual demand by some 600 places.

30. As regards the reasons for having 110 hostel places vacant, the Vice-Chancellor of the HKU and Mr Philip LAM, Director of Finance of the HKU, explained that the vacancy position taken in early October 2002 was not an accurate indicator for the whole residential year. From experience, it was a norm that more students, especially first year students, would withdraw from their hostels at the beginning of the school year due to various reasons. Such withdrawals would not create financial burden on the HKU as the hostel fees collected would not be refunded unless there was another student taking up the returned hostel place. Normally, all the student hostel places in the HKU would be taken up.

31. The **President of the LU** stated that:

- the low occupancy rates of student hostels in many institutions were attributed to the lack of financial assistance provided by the Government. Although the Government had endorsed that hostel life was an integral part of higher education, there was no corresponding policy to help achieve this objective. Under the existing policy, the level of grants and loans for students was based on the living conditions of students. Hostel accommodation was not a factor for consideration in determining the level of grants and loans. He noted that a student living in Tseung Kwan O was able to obtain government financial assistance to subsidise his travelling expenses, but those who lived in student hostels were not given any financial support by the Government; and
- the existing policy on students' grants and loans should be reviewed to ensure that it matched the Government's objective to enhance the quality of university education by fostering hostel life.
- 32. The **President of the CityU** also considered that the lack of means of students was one of the reasons for the low occupancy rates of student hostels. He learned from family visits that a lot of the students of the CityU were from low-income families. He hoped that the Government would provide financial assistance to enable students to live in hostels.
- 33. According to Table 12 in paragraph 5.7 of the Audit Report, the vacancy rate of student hostels in the CityU was not serious (only 1.1%). However, there were 1,401 places under construction and some 600 under planning, as revealed in Table 11 of paragraph 5.4 of the Audit Report. The Committee was concerned whether these new places, once available, would exert pressure on the occupancy position of student hostels in the CityU.

- 34. The **President of the CityU** responded that the CityU already had effective measures to help students take up hostel residence, e.g. the introduction of shorter term residency. It would continue to explore measures to promote hostel residence and was confident that there would not be a drastic drop in the occupancy rate of its student hostels in future.
- 35. According to paragraphs 5.12 and 5.17 of the Audit Report, the costs of the vacant hostel places, based on the total construction cost, were \$211 million and \$48 million for the PolyU and the HKBU respectively. The Committee asked if the institutions agreed that the total construction cost was relevant.
- 36. The **President of the PolyU** said that he did not agree with the method used by Audit for calculating the cost of vacant hostel places. **Mr Chris MONG, Associate Vice President & Director of Finance of the PolyU**, added that the PolyU had not commented on the way Audit presented its findings in the Audit Report, unless the information contained in the Report was factually incorrect.
- 37. The **President and Vice-Chancellor of the HKBU** said that the HKBU had offered its views, in paragraph 5.32(b) of the Audit Report, that it did not see the relevance of Audit bringing up the construction cost when calculating the cost of vacant hostel places.
- 38. **Mr Dominic CHAN Yin-tat, Director of Audit**, responded that Audit might include all its findings in the Audit Report as long as they were facts. He considered that the construction cost was relevant.
- 39. The Committee understood that the yearly hostel fee for each student was only approximately \$10,000, which was relatively small when compared to some \$200,000 of subsidy being provided to each student for a year of university education. Given that hostel life had great educational value, the Committee asked whether the Administration would provide subsidy to give needy university students an opportunity to experience hostel life.
- 40. The **Secretary for Education and Manpower** stated that the policy on the provision of publicly-funded student hostel places, as promulgated in 1996, clearly stipulated that the institutions were required to operate the student hostels on a self-financing basis. The level of hostel fees had to be determined by the institutions themselves, having regard to the recurrent operating costs of the student hostels.

41. The **Secretary-General of the UGC** added that it had been a long-standing agreement between the Government and the institutions that hostel accommodation was not a factor for consideration under the grants and loans schemes. In view of the self-financing nature of the operation of student hostels, the institutions might consider raising funds from other sources for the provision of financial assistance to students in this regard.

42. In his letter of 10 July 2003, in *Appendix 32*, the **Secretary for Education and Manpower** supplemented that:

- students studying at UGC funded institutions might apply for financial assistance under the Local Student Finance Scheme (LSFS) and the Nonmeans Tested Loan Scheme (NLS). The LSFS provided financial assistance to eligible students for their tuition fees, academic expenses, compulsory union fees and general living expenses. In addition, NLS provided assistance to students for the difference between the maximum financial assistance under LSFS and the actual amount received by students, subject to the NLS loan maximum (equivalent to tuition fees payable) not being exceeded. In determining the level of grants and loans for students, hostel accommodation was not a specific factor for consideration; and
- the Administration constantly reviewed its policy on students' grants and loans, taking into account new developments in the sector and comments from relevant parties. Students' need for assistance in respect of accommodation would be considered in this context as appropriate.

43. **Conclusions and recommendations** The Committee:

Provision of senior staff quarters

- expresses serious concern that:
 - (a) although the Public Accounts Committee had examined the problem of vacant senior staff quarters (SSQ) in University Grants Committee (UGC) funded institutions in 1998 and had urged the Secretary General, UGC and the Administration to take actions to improve their usage, the vacancy rates of SSQ in some institutions had deteriorated rather than improved; and

(b) some institutions did not require their staff who were in receipt of Private Tenancy Allowance (PTA) or Home Financing Allowance (HFA) and were occupying SSQ to pay an extra amount equal to the difference between the market rents of the SSQ they occupied and their entitlements to PTA or HFA. The absence of such a top-up requirement resulted in additional housing benefits being given to these staff:

- urges:

- (a) the institutions with SSQ to take urgent action to make beneficial use of the vacant SSQ;
- (b) the institutions with SSQ to partner with private property agents with a view to leasing out the vacant SSQ more efficiently;
- (c) the institutions with SSQ, after the implementation of the delinking proposal, to expeditiously devise a system to reduce the number of vacant SSQ and address the problem of surplus SSQ; and
- (d) the Task Force on Usage of UGC-funded Institutions' Surplus Staff Quarters (the Task Force) to closely monitor the status of all surplus SSQ and take all necessary actions to ensure that the institutions make optimal use of them, having regard to the observations in the Audit Report;

Provision of junior staff quarters

- expresses concern that:
 - (a) a large number of junior staff quarters (JSQ) were provided to staff of the institutions on operational grounds although, under their conditions of service, the junior staff are not entitled to quarters as a housing benefit; and
 - (b) in some institutions, there was a high percentage of vacant JSQ;
- urges those institutions which are still providing JSQ for operational reasons to:
 - (a) critically review whether there is still an operational need to provide JSQ;

- (b) closely monitor the vacancy position of JSQ; and
- (c) where necessary, draw up action plans to make optimal use of the vacant JSO;

Provision of guest quarters

- expresses concern that in some institutions, a high percentage of guest quarters (GQ) were vacant;
- acknowledges that, in order to improve the vacancy position of GQ:
 - (a) the Lingnan University plans to convert at least half of its existing GQ to staff quarters, after the implementation of the delinking proposal; and
 - (b) The Hong Kong Institute of Education is considering converting its existing GQ to SSQ, after the implementation of the delinking proposal;
- urges the institutions to:
 - (a) closely monitor the utilisation of their GQ, ascertain the reasons for the high vacancy rates and take effective measures to improve the utilisation of their GQ;
 - (b) critically review the future demand for the GQ, having regard to the high vacancy rates; and
 - (c) if the number of GQ is found to be in excess of their requirements, draw up action plans to properly dispose or make beneficial use of the surplus GQ;

Student hostels

- expresses concern that the vacancy rates of student hostels in The Hong Kong Polytechnic University (PolyU) and the Hong Kong Baptist University were 36.4% and 17.3% respectively. The high level of vacant hostel places not only resulted in the loss of substantial amounts of hostel fees, but could also adversely affect the effectiveness of fostering hostel life;
- acknowledges that as the provision of student hostels in the PolyU was a new initiative, the PolyU had implemented a Hall Resident Service Award Scheme to attract students to apply for hostel residence, and would continue to explore ways to admit more occupants;

- urges the institutions:
 - (a) in cases where the provision of student hostels is a relatively new initiative, to take appropriate measures to foster a strong culture of hostel life and enhance students' understanding of the educational objective of hostel life; and
 - (b) to critically review the operating costs of student hostels, in order to identify possible cost reduction measures;
- shares the concern of the President of the Lingnan University that hostel accommodation is not a factor for consideration in determining the level of grants and loans for students, and his view that the relevant grants and loans policy should be reviewed to ensure that it matches the Government's objective to enhance the quality of university education by fostering hostel life;
- recommends that the Secretary for Education and Manpower should consider reviewing the existing policy on students' grants and loans so as to enable students who have financial difficulties to live in student hostels;

Outsourcing of institutions' services

- expresses concern that although there would be substantial savings from outsourcing institutions' services, some institutions (e.g. The Hong Kong University of Science and Technology and The University of Hong Kong) had outsourced their services at a much slower pace than the other institutions and maintained relatively large teams of in-house staff to perform various estates management functions;
- acknowledges that the institutions will continue to consider further outsourcing opportunities, taking into account the costs and benefits;
- recommends that the institutions should devise a long-term strategy for progressively increasing the extent of outsourcing and draw up an action plan to implement the strategy; and

Follow-up actions

- wishes to be kept informed of:
 - (a) the outcome of the deliberations of the UGC Working Group on Housing Arrangement After Deregulation of University Salaries on the provision of housing benefits to staff of the institutions;

- (b) the occupancy position of SSQ held by the institutions six months after the implementation of the delinking proposal, i.e. in January 2004;
- (c) the actions taken by the institutions regarding improving the vacancy position of SSQ and the rent charging practices in respect of staff occupying SSQ while receiving PTA or HFA;
- (d) the actions taken by the Task Force to ensure optimal use of the vacant SSQ;
- (e) the results of the reviews undertaken by the institutions with regard to the operational need for JSQ and the actions taken to make beneficial use of them;
- (f) the actions taken by the institutions to improve the vacancy position of GQ;
- (g) the actions taken by the institutions to improve the vacancy position of student hostels;
- (h) the outcome of any review by the Secretary for Education and Manpower of the existing policy on students' grants and loans; and
- (i) the actions taken by the institutions to widen the scope for outsourcing their services.