



5 March 2025

J Tamu

By email: [fyi-request-29897-0e2edccc@requests.fyi.org.nz](mailto:fyi-request-29897-0e2edccc@requests.fyi.org.nz)

Tēnā koe J Tamu

### **Official information request regarding Commerce Cost per point and Student Services Fees**

I refer to your request for information under the Official Information Act 1982 (the Act) dated 27 January 2025:

1. *“The factors determining the current cost of \$64.16 per point for an undergraduate commerce paper, and a breakdown of associated overheads as a percentage of the total cost, provided in Excel format if possible.*
2. *The reasoning behind the recent increase in student services fees for 2025, including all relevant documentation, reports, meeting minutes, or decisions that explain the justification for this increase.*
3. *Has there been any consultation with students regarding the increase in student services fees? If so, which student organisations do they represent, what feedback was received, and how was it incorporated into the decision-making process?”*

### **The factors determining the current cost of \$64.16 per point for an undergraduate commerce paper, and a breakdown of associated overheads as a percentage of the total cost, provided in Excel format if possible**

The University’s revenue and expense budgets are set separately and independently from each other. Tuition fees are considered within the context of the overall funding environment. The fees charged for course papers are not determined simply by the costs (direct and overhead) of providing that paper i.e. that the direct costs of providing an undergraduate Commerce paper is calculated and then overhead and necessary margin are included to arrive at the total cost of providing an undergraduate commerce paper.

Rather, tuition fees are determined as the result of a number of factors, including:

- The University’s forecast cost base, including people costs, occupancy costs and operating expenses, including depreciation and financing (interest) cost.
- The University’s forecast revenue from sources including government funding, tuition revenue (from both domestic and full fee students), research revenue, philanthropy, and other revenue including commercial revenue.

- The desire by the University's Council to run a modest surplus to allow for some growth in capital expenditure relative to depreciation and to provide headroom against unforeseen contingencies. The FY25 budget is for a surplus of 0.4% of revenue.
- The **Annual Maximum Fee Movement (AMFM)** regulations which limit how much tuition fees can be increased each year, relative to fees for the prior year. Since its introduction, cumulative increases in AMFM have been less than cumulative CPI increases.

These factors are used to determine the percentage of increase necessary which is then applied to the previous year's cost for each paper. Overall each faculty makes a positive contribution towards the surplus, which is expected and needed to cover the central costs of the University, such as the Library.

Whilst we have a budget for each Faculty, including the Wellington School of Business and Government, for budgeting purposes we do not separately break down and allocate costs within this Faculty to undergraduate and post-graduate courses.

As such, the University does not hold a breakdown of associated overheads as a percentage of the total cost of commerce papers. Therefore, this aspect of your request is refused in accordance with s18(e) of the Act as the information does not exist. However, we have attached a paper considered by the University Council at its 9 September 2024 meeting that contains the supporting rationale for fee increases for 2025.

**The reasoning behind the recent increase in student services fees for 2025, including all relevant documentation, reports, meeting minutes, or decisions that explain the justification for this increase.**

An increase to the Student Services Fee was approved by the University Council at its meeting held on 9 September 2024. The report and minutes from this meeting that explain the rationale for the increase are attached. Also attached are documents from meetings of the Advisory Committee on the Student Services Fee (ACSSF), the University's Finance Committee and Te Hiwa (the University's Senior leadership Team) which considered the matter.

**Has there been any consultation with students regarding the increase in student services fees? If so, which student organisations do they represent, what feedback was received, and how was it incorporated into the decision-making process?**

The University is required to consult with students when setting Student Services Fees (SSF). The University works in partnership with students through the Advisory Committee on the Student Services Fee (ACSSF), an oversight advisory group made up of staff and student representatives which typically meets monthly. The student representatives are from VUWSA and Ngāi Tauira who, via the Student Assembly, consult with the student body on any changes to the SSF. The Student Assembly is a forum led by students for students and includes a diverse range of student communities. It provides a platform for students to receive the relevant SSF information and have an opportunity to shape the rate of the SSF and how the money raised is spent.

Results from the 2023 Student Voice-Have Your Say were also used to inform the recommendations of the ACSSF. This survey ran in Trimester 2 between 31 July 2023 – 20 August 2023 and included questions about awareness, use, and satisfaction of SSF funded services. These results are attached.

You have the right to seek an investigation and review by the Ombudsman of the decisions made regarding this request. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or freephone 0800 802 602.

If you wish to discuss this decision with us, please feel free to contact me at [oiarequests@vuw.ac.nz](mailto:oiarequests@vuw.ac.nz).

Ngā mihi nui

Blair Doherty  
Senior Advisor, Official Information and Privacy  
Legal Services  
**Te Herenga Waka—Victoria University of Wellington**