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Student support for undergraduates across the UK

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Summary

Higher education is a devolved matter and each region has created its own higher education finance arrangements and its own student funding system and organisation. Very different systems therefore exist across the UK and the picture for students is rather complicated.

In all of the UK regions students are charged tuition fees and loans are available to cover the cost of fees – Scotland is unique in that tuition fees for Scottish students are paid for by the Scottish government. Regional student funding bodies also provide living cost support in the form of loans, grants or bursaries. Funding is also available to help with particular situations such as childcare costs and for students with disabilities.

Tuition fee amounts and student funding arrangements vary significantly in detail across the regions. The type of student support available and eligibility requirements are set out on the websites of the various regional student funding bodies.

The governments of Northern Ireland, Scotland and Wales have chosen to subsidise the fees of their own students who study at home. This situation may however be different if Scottish, Welsh or Northern Irish students chose to study outside their region - only Wales subsidises students wherever they study.

Students receive student support from the funding body in the region where they live. This complicated system of student funding has led to a situation where students studying on the same course may receive different amounts of funding depending on where they come from.

Higher education and student finance is a highly debated subject in all of the UK's regions and there has been much discussion about rising fee levels, student debt and low levels of living cost support.

The Welsh and Scottish governments have recently carried out reviews of higher education funding and student support: the [Diamond Review](#) in Wales reported in July 2017 and the [Independent Review of Financial Support for Students in Scotland](#) reported in November 2017. In 2015 the Northern Irish government consulted on higher education funding in a [Big Conversation](#).

On 19 February 2018 the English government launched a [Review of Post-18 Education and Funding](#). The review will last a year and will consider how to make the tertiary education system accessible and ensure that it provides value for money for students and taxpayers.

The following library briefing papers contain statistics on student support in England: [Tuition fee statistics](#) 19 February 2018, [Student loan statistics](#) 13 December 2017, and [The value of student maintenance support](#) 28 June 2017.

Background: Devolution of student support

Higher education is a devolved matter and each region has its own higher education finance arrangements and its own student funding system and organisation. Very different systems therefore exist across the UK.

1.1 Student support arrangements

Student funding follows the same principles in all of the UK regions with tuition fees being charged and fee loans being available to cover the cost of fees – Scotland is unique in that the Scottish government pays the fees for Scottish students. All regions also provide support for living costs in the form of loans, grants or bursaries. Tuition fee amounts and student funding arrangements however vary significantly in detail across the region. The type of student support available and eligibility requirements are set out on the websites of the various regional student funding bodies.

The governments of Northern Ireland, Scotland and Wales have chosen to subsidise their own students who study at home. Students domiciled in these regions, who chose to study within their region pay lower fees than they would outside the region.

This situation may however be different if Scottish, Welsh or Northern Irish students chose to study outside their region - only Wales subsidises students wherever they study, the Scottish and Northern Irish governments do not subsidise students who study outside their region and these student will pay the fees required in the region in which they chose to study.

Students receive student support from the funding body in the region where they live. This complicated system of student funding has led to a situation where students studying on the same course may receive different amounts of funding depending on where they come from.

1.2 Higher education reviews

Higher education and student finance is an area of much debate across the UK. In all regions there has been much discussion about rising tuition fees, student debt, the level of living cost support, the impact of fees on widening participation and the sustainability of the student loan system.

The Welsh Government recently conducted a consultation on higher education and student funding – the [Diamond Review](#) reported in July 2017 and changes will be brought in for students starting courses in 2018/19. Scotland is currently conducting an independent review – the findings of the review were published in November 2017 - [Independent Review of Financial Support for Students in Scotland](#) and the government has yet to respond. In 2015 the Northern Irish government consulted on higher education funding in a [Big Conversation](#).

On 19 February 2018 the English government launched a [Review of Post-18 Education and Funding](#). The review will last a year and will consider how to make the tertiary education system accessible and ensure that it provides value for money for students and taxpayers.

2. Student support in England

Students domiciled in England receive funding through Student Finance England (SFE).

Students are eligible for a package of support which includes: **loans for tuition fees and maintenance** and **grants to help with specific costs** such as childcare grants and disabled students' allowances.

Some funding is means-tested.

General information on student support is available on the GOV.UK website at [Student finance](#) and in an SFE booklet, [Student finance -new full-time students 201718](#).

2.1 Tuition fees

Students may apply for a loan to cover the cost of tuition fees. These loans are not means tested and for students starting courses in 2017/18 loans will cover fees of **up to £9,250 per year at public providers** and **£6,165 at a private provider**.

There is no upper age limit on tuition fee loans.

2.2 Maintenance support

Students under the age of 60 at the start of their course may apply for a **maintenance loan** to cover their living costs; 28% of the full amount is means tested. The maximum loan available varies depending on where the student is living, in 2017/18 students may receive the following:

- Living with parents up to **£7,097 per year**
- Studying in London and not living with parents up to **£11,002 per year**
- Studying outside London and not living with parents up to **£8,430 per year**
- Living and studying abroad for at least one term as part of your course up to £9,654 per year

Help with other costs

Students with dependants

Students with dependants such as a dependant adult, or children, may be able to get funding to help with the costs in the form of a: [Childcare Grant](#), a [Parents' Learning Allowance](#), or an [Adult Dependants' Grant](#). These grants are paid on top of other student finance and do not have to be repaid.

Students with disabilities

Students with a long-term health condition, mental health condition, or a specific learning difficulty may apply for a [Disabled Students' Allowance](#) (DSA). The DSA is not means-tested and does not have to be

repaid. The DSA can help with the cost of specialist equipment, non-medical help and other necessary items.

Institutional funding

Individual universities or colleges may provide scholarships, bursaries or awards. These funds are allocated on criteria set by the institution, commonly used criteria include: high entry grades, particular subjects and local, or low income students.

Information on these awards is on individual universities' websites.

2.3 Part-time students

Information on funding part-time students is available in an SFE booklet, [Student finance - loans for part-time study 2017/18](#).

In 2017/18 students studying on courses of 25% full-time equivalent or more, may be eligible for a non-means tested income contingent tuition fee loan of up to £6,935 per year at publicly funded providers or £4,625 per year at private providers.

Students must follow a specified qualification aim – funds are not available for individual modules of study.

2.4 Repayment of loans

Interest on student loans

Interest is charged on student loans. When students apply for loans they are advised to read a SFE booklet, [Student loans - a guide to terms and conditions 2017/18](#). The booklet explains that students with Plan 2 loans (loans taken out by students starting courses after September 2012) have variable interest rates applied to their loans depending whether they are still studying, have just graduated, or are working and earning over the repayment threshold.

From 1 September 2017 until 31 August 2018 the following rates may apply:

- Whilst studying and until the April after leaving the course - RPI+, plus 3% (6.1%)
- From 6 April after leaving the course until the loan is repaid in full Variable rate dependent upon income - RPI (3.1%) where income is £21,000 or less, rising on a sliding scale up to RPI +3% (6.1%) where income is £41,000 or more

Repaying student loans

Student loans are repaid on an income-contingent basis. Graduates with post 2012 loans start to repay their loan the April after they graduate when they are earning above **£21,000 per year**. Graduates repay 9% of their salary over £21,000 per year. Loans are **written off after 30 years**.

On 6 April 2018 the repayment **threshold for post-2012 loans will rise to £25,000**.

2.5 Review of Post-18 Education and Funding

On 19 February 2018 the government launched a review into Post-18 education and funding. The [terms of reference](#) of the review are set out on the Department for Education website:

The review will focus on the following issues:

1. Choice and competition across a joined-up post-18 education and training sector:

- How we can help young people make effective choices between academic, technical and vocational routes after 18, including information on earnings outcomes and the quality of the teaching they receive.
- How we can support a more dynamic market in provision, taking into account reforms already underway, whilst maintaining the financial sustainability of a world-class higher education and research sector.
- How we can encourage learning that is more flexible (for example, part-time, distance learning and commuter study options) and complements ongoing Government work to support people to study at different times in their lives.
- How to ensure the market provides choice with higher-level degree apprenticeships and shorter and more flexible courses, in particular accelerated degree programmes, and supporting innovative new institutions that can drive competition.
- How we can ensure that there is world-class provision of technical education across the country including through the new Institutes of Technology.

2. A system that is accessible to all:

- How we can ensure that people from disadvantaged backgrounds have equal opportunities to progress to and succeed in all forms of post-18 education and training.
- How disadvantaged students and learners receive maintenance support, both from Government and from universities and colleges.

3. Delivering the skills our country needs:

- How we can best support education outcomes that deliver our Industrial Strategy ambitions, by contributing to a strong economy and delivering the skills our country needs.

4. Value for money for graduates and taxpayers:

- How students and graduates contribute to the cost of their studies including the level, terms and duration of their contribution, while maintaining the link that those who benefit from post-18 education contribute to its costs.
- Ensuring that funding arrangements across post-18 education and training are transparent and do not act as barriers to choice or provision, considering how best to promote institutional efficiency and value for money for students and taxpayers.

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- How the Government and institutions communicate with students and graduates around student finance, ensuring this communication is as clear as possible (consistent with the relevant legal requirements) about the nature and terms of student support.

The review will run until 2019 and an interim report will be published:

The overall review will be led by the Department for Education and report to the Secretary of State for Education, Chancellor of the Exchequer and Prime Minister.

An independent panel, led by Philip Augar, will provide input in to the review on the issues above. The panel will comprise experts from across post-18 education and the business world, and consult with, among others, people currently or recently participating in post-18 education.

The panel will publish their report at an interim stage, before the Government concludes the overall review in early 2019¹

¹ Department for Education [Review of Post-18 Education and Funding Terms of Reference](#), February 2018

3. Student support in Wales

Student finance in Wales is administered by [Student Finance Wales](#).

3.1 Tuition fees

In 2017/18 publicly funded HEIs in Wales are permitted to charge full-time undergraduates [tuition fees](#) of up to **£9,000 per year** if they have an access agreement in place which has been approved.

The Welsh government subsidises Welsh students and in 2017/18 students who are domiciled in Wales receive a package of fee support which includes:

- **Tuition Fee Loan to cover the first £4,046** of tuition fees
- **Fee Grant of up to £4,954** to cover the difference in fees up to £9,000 per year.

Students studying on designated courses at private HEIs can apply for a maximum Tuition Fee Loan of £6,000 but are not eligible for a Fee Grant

The student package is available for eligible students wherever they chose to study in the UK. Students studying in England, Northern Ireland or Scotland, where tuition fees may be up to £9,250 are eligible for an increased tuition fee loan of up to £4,296 and a fee grant of up to £4,954.

3.2 Maintenance support

Students may apply for a non-income assessed **maintenance loan** or an income-assessed maintenance loan to help with living costs. The amount of loan varies depending on where the student is living:

Residence	Non Income - assessed	Non-income assessed
Living at home	£5,358	£4,019
Living away from home	£6,922	£5,191
Living in London	£9,697	£7,273
Living overseas	£8,253	£6,190

Other grants are also available help cover the costs of childcare, or adult dependants and funding is also available for students with disabilities.

Students may also be eligible for a **Welsh Government Learning Grant** if their taxable household income is £50,020 or below – the maximum grants is available to students from households with an income of £18,370 or less. The maximum grant is **£5,161**.

3.3 Part-time students

Part-time students studying at a Welsh university or college, or studying or at the Open University are eligible for a **tuition fee loan of £2,625**. Students studying outside Wales may receive loans of up to £6,935 or £4,625 at a private provider.

3.4 Repayment of loans

Repayment terms and income thresholds for Welsh students are the same as for English students.

Welsh Partial Cancellation of Maintenance Loan

Students taking out maintenance loans through Student Finance Wales in academic year 2016/17 or 2017/18 may have **up to £1,500 cancelled** from their student loan balance by the Welsh Government when they start repaying.

Box 1: Student support reform in Wales from 2018/19

Student funding in Wales is [changing from 2018/19](#) in response to recommendations in the [Diamond Review](#).

From 2018/19 students living in Wales will be liable for tuition fees of £9,000 and these can be paid by fee loans. **Fee grants will be abolished.**

Maintenance support will increase. Students from the lowest income household will be able to access **grants of up to £10,124** if they are living away from home and studying in London. **A minimum grant of £1,000 will be available to all students.**

Students will also be eligible for maintenance loans – students on the highest grant will be able to access a loan of £1,126 bringing the maximum amount of support available to £11,250.

Part-time undergraduates will receive similar support, on a pro-rata basis based on their course's intensity.

The reforms in Wales are discussed in an article "[Reforming higher education 'the Welsh Way'](#)" *Times Higher Education*, 1 December 2017.

4. Student support in Scotland

Information on student funding in Scotland is available on the [Students' Awards Agency for Scotland](#) (SAAS) website. Scotland has two different funding streams for undergraduates: students who are under 25 receive support from the **Young Persons scheme** and older students receive support from the **Independent Students scheme**.

4.1 Tuition fees

Eligible Scottish domiciled students studying full-time in Scotland are **not required to pay tuition fees** if studying for a first degree or equivalent. In 2017/18 fees for a first degree in Scotland are £1,820 (Fees for undergraduate courses and medical degrees are different – see table on SAAS website at Tuition fees - study in Scotland).

Scottish domiciled students may apply to the SAAS to have their fees paid by the Scottish government. Information on support for Scottish students is on the SAAS website at Tuition fees - study in Scotland.

Scottish students who study outside Scotland are liable to pay the fees that apply at their chosen higher education provider, but fee loans are available to cover the cost.

4.2 Maintenance support

Students are eligible for a **maintenance loan** – students from households with an income between £18,999 per year are eligible for a maximum loan of **£5,750 per year**. Students from households with an income of over £34,000 per year are eligible for a loan of **£4,570 per year**.

- **Young Persons maintenance support**

Young persons are eligible to apply for a **Young Persons Bursary** (YPB) – this is a **means tested grant of up to £1,875** in 2017/18. Students from households with an income of less than £18,999 per year will be eligible for the full bursary. Students from households with an income of up to £34,000 per year may get a partial bursary.

- **Independent student maintenance support**

Independent students from households with an income of less than £18,999 per year are eligible to apply for a **bursary of up to £875** per year. Students from households with an income of over £18,999 per year are ineligible for a bursary.

This system will provide students from the lowest income households with total student support of £7,625 in 2017/18.

Additional help

Other grants are also available to help all students with specific circumstances or needs such as:

- the lone parents' grant

- the dependants grant
- the Disabled Students' Allowance
- the Care Experienced bursary

4.3 Part-time students

Part-time students in Scotland may be eligible for a [fee grant](#) to help each year towards the cost of tuition fees.

The level of tuition fee grant depends on the number of credits studied. The maximum fee grant is:

- £1,805 for publicly funded degree level courses,
- £1,820 for eligible 120 credit university courses which are not campus based,
- £1,274 for publicly funded Higher National awards (HNC, HND),
- £1,195 for all courses at private providers

4.4 Repayment of loans

The interest rate on student loans in Scotland is the **lowest of RPI or 1% above the Bank of England rate** (currently set at 1.25%). The **income threshold for repayment is £17,775** and loans are written off after **35 years**.

4.5 Debate on free fees and student support in Scotland

The free fees policy in Scotland has been discussed by many commentators most notably by academic Lucy Blackman Hunter who has suggested that free fees benefit middle-class students the most. Concern has also been expressed about the low level of maintenance support for students in Scotland:

"Free tuition in Scotland is the perfect middle-class, feel-good policy," Hunter Blackburn said. "It's superficially universal, but in fact it benefits the better-off most, and is funded by pushing the poorest students further and further into debt."

"The Scottish system for financing full-time students in higher education does not have the egalitarian, progressive effects commonly claimed for it."

The figures emerged in her detailed comparison of student funding across the UK for the Centre for Research in Education Inclusion and the Economic and Social Research Council. It found that for those from low-income families, Welsh students had the most generous funding packages.

[...]

She said middle-class families benefitted from several factors. The cuts in maintenance grants, which came into force for the first time last autumn, affected all eligible students and introduced a steep drop in grants for families earning more than £17,000, forcing students to stay at home or to take out larger loans to pay for their living costs.

A Scottish government spokesman did not dispute Hunter Blackburn's figures but insisted the funding package tried to make the costs of studying "more sustainable and easier to pay back in the longer term" and was the most straightforward of any in the UK.²

The table below shows the level of student support for low income higher education students living at home, by country of domicile (studying in home country, not in London)³:

	Maintenance grant	Maintenance loan	Total maintenance	Tuition fee grant	Tuition fee loan	Total fee	Total annual borrowing
Scotland (age under 25)	£1,875	£5,750	£7,625	£0	£0	£0	£5,750
Wales	£5,161	£2,778	£7,939	£4,954	£4,046	£9,000	£6,824
Northern Ireland	£3,475	£3,750	£7,225	£0	£4,030	£4,030	£7,780
England	£0	£7,097	£7,097	£0	£9,250	£9,250	£16,347

The table above shows that Scottish students have the lowest level of borrowing, but the lowest levels of student support.

It has also been suggested that the free fees policy is unsustainable and has led to the underfunding of Scottish universities.⁴

Independent review of support for students

The Scottish Government is currently conducting a review of student funding - [Independent Review of Financial Support for Students in Scotland](#). The review aims to:

- review of financial student support to ensure that the entire system is firmly focused on meeting the needs of all students in colleges and universities;
- consideration of how student support meets the needs of the students from the poorest backgrounds and the most vulnerable; and
- ensuring all students can access a fair and effective package of appropriate support.

The review reported in November 2017 and made the following recommendations:

² "[Free tuition in Scotland benefits wealthiest students the most – study](#)" *The Guardian* 29 April 2014

³ Table from Independent Review of Financial Support for Students in Scotland, A [New Social Contract for Students](#), November 2017

⁴ "[Can Scotland carry on with its free-tuition policy?](#)", *Times Higher Education*, 15 December 2016

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- Entitlement to the **Minimum Student Income of £8,100** in both further and higher education
- Delivered through bursaries and, for those who wish, student loans
- Means-testing of bursaries to target support for those from the poorest backgrounds
- Harmonisation of the means-testing process between further and higher education over time.⁵

The Scottish Government has not yet responded to the review.

The review is discussed in a *BBC News* article, "[Review recommends student income of £8,100 a year](#)", 20 November 2017.

⁵ Scottish Government, [A New Social Contract for Students](#), November 2017

5. Student support in Northern Ireland

Student funding in NI is administered by [Student Finance NI](#).

5.1 Tuition fees

In 2017/18 full-time undergraduate tuition fees for N Irish students studying in NI are **£4,030 per year** – students who chose to study elsewhere in the UK are liable for fees of up to £9,250 per year. Tuition fee loans are available to cover the cost of fees.

5.2 Maintenance support

Maintenance support is available in the form of loans and grants.

- Loans: Maintenance loans are also available – in 2017/18 students living at home may apply for a maximum loan of **£3,750 per year**, students living away from home may apply for a loan of up to **£4,840** and students living in London may apply for a loan of up to **£6,780**.
- Grants: Students from households with an income of £19,203 per year or less, are eligible for a full grant of **£3,475 per year**. Students from households with an income of between £19,203 and £41,065 are eligible for a partial grant – over this limit students are not eligible for a grant.

Other grants are also available help cover the costs of childcare, or adult dependants and funding is also available for students with disabilities.

5.3 Higher education debate in Northern Ireland

In September 2015 the Northern Irish government launched a [consultation](#) on higher education funding – the [Higher Education Big Conversation](#). The Options Paper published as part of the review stated that the higher education funding model was 'unsustainable':

The existing model of higher education funding in Northern Ireland is not sustainable.

Under it, our universities are heavily reliant on funding from the NI Block, currently paid through the Department for Employment and Learning, which has not been sustained in recent years at the level required to protect current levels of provision, much less to support the expansion required to prepare for a lower corporation tax environment.

This paper has identified the nature and scale of the funding deficits facing Northern Ireland's higher education system and has outlined a range of options to address them. It has also outlined the additional funding required to support expansion to the scale required to meet our skills needs under a lower rate of corporation tax.

Some of the options entail significant lead-in times and all require political consensus regarding the prioritisation of resources during the course of the next Comprehensive Spending Review period. Securing a sustainable solution for higher education funding will be a key challenge during that period, and this document is intended to aid consideration of these issues by a new Executive after the 2016 Assembly election and inform a decision on what is the preferred way forward.⁶

The Options paper considered increasing public investment and student contributions.

Reform of the funding system in Northern Ireland was discussed in an article, "[Universities in Northern Ireland: 'fix unsustainable funding'](#)", *Times Higher Education*, 4 May 2016.

⁶ Department for Employment and Learning, [Securing a Sustainable Solution for Higher Education in Northern Ireland: An Options Paper](#) p38

Summary of student support

The table below summarises student support systems in the UK regions in 2017/18:

	Welsh students	Scottish students	N Irish students	English students
Fees	<p>Wales £9,000: fee loan £4,046 Fee grant: £4,954</p> <p>UK fees up to £9,250 – fee loan increased to £4,296</p>	<p>Scotland: Fees paid by Scottish Government</p> <p>Outside Scotland: fees up to £9,250</p>	<p>N I: £4,030</p> <p>Outside NI: fees up to £9,250</p>	£9,250 (max)
Maintenance loans	<p>Home: £5,358 (max)</p> <p>Away from home: £6,922 (max)</p> <p>London: £9,697 (max)</p>	<p>Young students: £5750 (max)</p> <p>Independent students: £6,750 (max)</p>	<p>Home: £3,750 (max)</p> <p>Away from home: £4,840 (max)</p> <p>London: £6,780 (max)</p>	<p>Home: £7,097 (max)</p> <p>Away from home: £8,430 (max)</p> <p>London: £11,002 (max)</p>
Maintenance Grants	£5,161 (max)	<p>Young students bursary: £1875 (max)</p> <p>Independent students bursary: £875 (max)</p>	£3,475 (max)	None

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