



## BRIEFING PAPER

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# Coronavirus: implications for the higher and further education sectors in England

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## Summary

On 20 March 2020 colleges and universities were closed in response to the Covid 19 pandemic.

The closure of post 18 education institutions has created significant issues for providers and students. The main concerns of providers are the size of the drop in income from next academic year due to a fall in international student fees and future volatility in student recruitment. In 2018-19 there were almost half a million international students at UK universities; 20% of all students. The greatest number were from China: just over 120,000. Total income from overseas student fees was £7.0 billion in the same year. This was 17.3% of all income, more than the total income from research grants and contracts.

A report by the Institute for Fiscal Studies has suggested that if no new international students enrolled next academic year the higher education sector would lose around 10% of income, assuming no changes in domestic students.

Students are concerned about accommodation charges, arrangement for examinations in 2020 and adequacy of student support in the light of loss of income from part-time work.

The further education sector is also concerned about the impact of a loss in funding following a sustained period of cuts in funding.

This paper gives an overview of some of the main areas of concern.

Information on these issues is available on the following websites:

- Office for Students, [Provider guide to coronavirus](#) and [Student guide to coronavirus](#),
- Universities UK, [Coronavirus \(COVID-19\) - information for universities](#)
- GOV.UK, [Coronavirus \(COVID-19\): guidance for schools and other educational settings](#)
- GOV.UK, [University students and COVID-19 FAQ](#)
- UK Council for International Student Affairs, [Coronavirus \(Covid-19\): info for international students](#)
- Association of Colleges, [COVID-19 Resource Hub \(Coronavirus\)](#)

Students should also look on their university or college websites for specific information.

**Readers should be aware that this is a fast moving issue and this briefing was correct at the time of writing, 16 April 2020. For later information readers should consult Government and stakeholder websites.**

# 1. Higher education

Universities are concerned about the impact that the Covid -19 pandemic will have on a number of areas including: funding, recruitment of home and international students and research.

## 1.1 Financial impact

On 10 April 2020 Universities UK sent a paper to the Government - [Achieving stability in the higher education sector following COVID-19](#), outlining the financial risks faced by the higher education sector:

The financial risks and impacts include:

- Immediate financial impacts in academic year 2019-20 including the **loss of income from accommodation, catering and conference** in the final term and Easter and summer vacations amounted to c£790 million in the UK.
- Major financial risks in academic year 2020-21
  - a) a **significant fall in international students** – undergraduate and postgraduate
  - b) a **rise in undergraduate home student deferrals**A 100% fall in fee income from international (Non-EU and EU) students would result in a **£6.9 billion loss of income** to the UK higher education sector.

The paper asked for a **£2 billion package of support**, Alistair Jarvis, Chief Executive of Universities UK, outlined the proposals:

“The package of measures we have proposed today will support universities across all four nations of the UK to ensure that they remain able to weather the very serious financial challenges posed by COVID-19. It will help to protect the student interest, to maintain research capacity, to prevent institutions failing and maintain the capacity to play a central role in the recovery of the economy and communities following the crisis.

“Universities have already made a huge contribution to the national effort to fight Covid-19 and moving forward will act collectively and responsibly to promote sector-wide financial stability in these challenging times and help the country to get back on its feet and people to rebuild their lives.”

The specific measures proposed in the UUK paper will:

- Ensure that universities can maintain the UK’s research excellence, capacity and training of PhD students.
- Provide protection from cuts for courses which help meet the national need for public sector workers (health professions, teaching etc) and provide targeted support for retraining/reskilling for people whose jobs are affected by coronavirus.
- Deliver transformation funds to support some universities over the next two to three years to significantly reshape to achieve longer-term sustainability and ensure high quality provision of skills to meet economic needs.

- Ensure applicants for 2020-21 have as much choice as usual about what and where they study. This would include the introduction of a one-year stability measure in the admissions process where institutions in England and Wales would this year be able to recruit UK and EU-domiciled full-time undergraduate students up to the sum of their 2020-2021 total forecast (plus 5% of the intake).
- Encourage and enable international and EU students to choose to study in the UK as planned.
- Mitigate immediate losses in income and cashflow and allow universities to keep operating.

UUK's paper also provides a commitment to universities doing everything they can to reduce costs and further increase efficiency through strong actions such as recruitment freezes and new tighter controls on spending. When paired with this package of Government support it will mean the higher education sector can maintain capacity to play its vital part in the difficult period ahead for the nation.<sup>1</sup>

Alistair Jarvis gave an overview of the issues involved in an article in the *Guardian*, [Universities face a financial storm – that's why we need Government help](#), 10 April 2020.

## 1.2 Loss of international students

The UK HE sector had almost **half a million international students in 2018/19**. This was **20%** of the 2.4 million students at UK universities. **China is by far the largest source of international students** with just over 120,000 in 2018/19. The next largest were India with just under 27,000 and the US with around 20,000.<sup>2</sup> The table below shows that some institutions have particularly large numbers of international students.

Which Unis have the most overseas students?						
Overseas students in UK universities 2018/19: Top 10						
Ranked by absolute numbers			% of students	Ranked by % of students		
	number				number	
1	University College London	19,635	48%	1	London Business School	76%
2	The University of Manchester	14,440	36%	2	Royal College of Art	71%
3	The University of Edinburgh	13,185	38%	3	LSE	68%
4	King's College London	12,385	38%	4	Imperial	53%
5	Coventry University	12,000	34%	5	London Sch. of Hygiene & Trop. Med.	52%
6	The University of Sheffield	10,080	33%	6	University of the Arts, London	51%
7	Imperial	10,075	53%	7	Royal College of Music	50%
8	University of the Arts, London	9,695	51%	8	University College London	48%
9	The University of Glasgow	9,685	31%	9	The University of St Andrews	46%
10	The University of Warwick	9,580	37%	10	Cranfield University	45%

Source: HESA, [Where do HE students come from?](#)

<sup>1</sup> Universities UK, [Package of measures proposed to enable universities to play a critical role in rebuilding the nation](#), 10 April 2020

<sup>2</sup> HESA, [HE student enrolments by domicile and region of HE provider 2014/15 to 2018/19](#)

There were around **116,000 overseas applicants by 15 January 2020**<sup>3</sup> to full-time undergraduate courses in the UK; 43,000 were from the EU and 73,000 were non-EU. **China was again the most important country with 21,250 applicants.** Applicant numbers from China were up by 34% compared to the 2019 cycle.<sup>4</sup>

Library briefing paper [International and EU students in higher education in the UK FAQs](#), (4 March 2020) gives more details of overseas students studying in the UK.

Universities are concerned about the loss of international students as a result of the Covid-19 pandemic and the impact that this will have on their finances and on the viability of some courses. A British Council survey of 10,000 Chinese students with places to study in the UK in September found that only **39% said they were 'very likely' to start their studies as planned.**<sup>5</sup>

### Closure of English language testing centres

International students wanting to study in the UK must complete English language tests prior to admission. At the start of the pandemic the **British Council closed English language testing in China and several other countries.** Other test providers have also shut and Governments have closed schools and colleges in many countries. Restricting access to tests in this way will impact on future enrolments and may reduce the number of international students starting courses in the UK for a considerable period.<sup>6</sup>

Vivienne Stern, director of Universities UK International (UUK), said:

"Coronavirus is likely to have a significant impact on this year's recruitment and admissions cycle for international students, including but not only from China."

Stern said UUK was working with organisations such as the British Council, which administers English language tuition and testing in China and other affected countries such as Vietnam, and the Government.

"Measures universities are considering will include greater use of online delivery and delayed start dates. Meanwhile we are engaging with Government on a wide range of issues affecting the student recruitment, admissions and visa application cycle,"<sup>7</sup>

### Financial impact of a decrease in international students

International (non-EU) students **pay higher fees than home students** – sometimes two or three times what home students pay and in some

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<sup>3</sup> This is the main 'equal consideration' deadline

<sup>4</sup> UCAS, [2020 applicant figures – 15 January deadline.](#)

<sup>5</sup> "Universities want £2bn bailout as foreign students stay away", *The Times*, 10 April 2020.

<sup>6</sup> *ibid*

<sup>7</sup> "[UK universities face cash black hole amid coronavirus crisis](#)", *The Guardian*, 6 March 2020

universities this income generates a surplus which may be used to cross subsidise 'loss making' activities such as research.

In 2017/18 **teaching of overseas students generated an estimated surplus of £1.4 billion<sup>8</sup> or around 40%**. This was a greater surplus than in any other activity. Other teaching income broadly covered its costs, but research costs were £3.7 billion (44%) above income.<sup>9</sup>

In 2018/19 **fee income from non-EU students was £5.8 billion or 14.4% of the total income of all UK universities**, making it more important than total income from research grants and contracts (£6.6 billion). This increases to £7.0 billion (17.3%) if income from EU students is included. Income from overseas students has increased in importance over time. It was around 4-5% of total income in the mid-1990s<sup>10</sup> and remained below 10% up to 2010.

It has been suggested that "universities face **a black hole of hundreds of millions of pounds in tuition fees** from the impact of coronavirus as international students from China and other severely affected countries are forced to cancel or postpone enrolments".<sup>11</sup>

An [article](#) in the *Times Higher Education* said that a drop in international students would be the "**biggest single issue**" caused by the pandemic:

A large drop in international student numbers is still likely to be the biggest single issue for UK universities irrespective of any disruption in domestic admissions caused by the coronavirus pandemic, it has been suggested.

University finance data from the Higher Education Statistics Agency show that about a quarter of institutions in the UK rely on domestic students for at least two-thirds of all their income. At the same time, only about a dozen universities receive a third or more of all their income from non-UK students.

However, several studies have shown that tuition fee income from non-EU students can carry a huge surplus for universities, which then can be invested in areas such as research.<sup>12</sup>

A [blog](#) on the Wonkhe website published in early April 2020 looked at the income of individual institutions from international students to analyse which were most exposed to a drop in international students. A report by the Institute for Fiscal Studies said that higher **ranking universities would lose the most income**:

Universities that stand to lose the most tend to be those that are higher ranked in league tables, as well as universities in London and several specialist colleges (see Table 1 for a list of the 10 universities which would be most affected). Lower ranked

For nearly 90% of universities the loss in income would be 15% or less, but a minority of universities would lose 20% or more of their income.

[Institute for Fiscal Studies](#), 12 April 2020

<sup>8</sup> Non-publicly funded teaching which is primarily overseas students. Data is for universities in England and Northern Ireland only

<sup>9</sup> Office for Students, [Annual TRAC 2017-18: Sector summary and analysis by TRAC peer group](#)

<sup>10</sup> Non-EU only

<sup>11</sup> "[UK universities face cash black hole amid coronavirus crisis](#)", *The Guardian*, 6 March 2020

<sup>12</sup> "[International student hit 'core financial problem' for UK sector](#)", *Times Higher Education*, 7 April 2020

universities typically serve mostly UK students, leaving their finances less vulnerable to drops in international numbers (assuming domestic student numbers remain constant). For example, nearly 70% of the student body at the London School of Economics (ranked 4th in the Complete University Guide) were international students in 2018-19, while this was less than 5% at the University of Wolverhampton (ranked 124th).<sup>13</sup>

In 2018/19 there were more than 120,000 students from China studying in the UK as well as 17,000 from Hong Kong and Macau, and 8,000 from South Korea and Japan - a 10% fall in enrolments from those regions could cost higher education £200m or more in lost tuition fees alone.<sup>14</sup>

A Higher Education Policy Institute blog by Andrew Connors, Head of Higher Education at Lloyds Banking Group suggests that **some institutions could lose more than £100 million** through reductions in international students:

Many institutions are modelling reductions of between 80% and 100% in international student numbers. Every university we have spoken to expects to be impacted and for some the potential loss to income is projected to be greater than £100 million. And that is before you factor in that losing new students has a multi-year impact.<sup>15</sup>

A report by the Institute for Fiscal Studies has suggested that some providers **could go bust** if support is not provided by the Government:

A big drop in international student numbers would imperil university finances. If those most affected respond by taking more domestic students, many less prestigious institutions could go bust. Government might need to impose caps on domestic student numbers if it wants to avoid that outcome.<sup>16</sup>

The Universities UK package of support also makes proposals on EU students aimed at reducing any loss of income from this group of students. It recommends that the Government:

**Stabilise[s] demand from EU students** by delaying the introduction of the new immigration system for EU students for students starting in the 2021 calendar year. Hold[s] fee/ loan arrangements for EU students as they are for one further year.

## Viability of courses

Many courses, particularly masters' degrees, **rely on overseas students to make courses viable**. Students from China, Hong Kong and South Korea are particularly concentrated in a range of taught postgraduate courses and a reduction in students from these areas may

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<sup>13</sup> Institute for Fiscal Studies, [Drop in international students would imperil university finances](#), 12 April 2020

<sup>14</sup> ["UK universities face cash black hole amid coronavirus crisis"](#), *The Guardian*, 6 March 2020

<sup>15</sup> Higher Education Policy Institute blog, [Another perfect storm? The likely financial impact of Covid-19 on the higher education sector](#), 12 April 2020

<sup>16</sup> Institute for Fiscal Studies, [Drop in international students would imperil university finances](#), 12 April 2020



force some providers to cancel masters' courses because of lack of student numbers.<sup>17</sup>

### 1.3 HE regulation

The Office for Students (OfS) is the independent regulator of higher education in England. As part of its remit the OfS administers a register of higher education providers and oversees 24 conditions of registration that every registered higher education provider must meet. The register and the conditions of registration aim to ensure the quality of student's educational experience.

During the pandemic the OfS has **suspended some regulatory requirements** to minimise burden on institutions – the changes are set out in an OfS letter, [Regulatory requirements during the coronavirus \(COVID19\) pandemic](#), 25 March 2020. The changes to requirements set out in the letter will remain in place until further notice.

### Research Excellence Framework (REF)

The REF is a periodic assessment of the quality of research in UK higher education institutions – the process is a significant administrative undertaking which takes years to complete. Research funding is allocated to universities based on the results of the exercise.

Due to the pandemic many institutions have diverted research staff to other critical areas, particularly those working in clinical and health-related fields. This would impact on institutions' REF preparations.

The next assessment was scheduled for 2021 and the deadline for submissions was 27 November 2020 – this deadline no longer applies and the **exercise has been put on hold** until further notice.

Details are available on the REF 2021 website at [Further update on coronavirus \(COVID-19\) contingency planning](#).

### 1.4 Higher education admissions 2020-21

There were almost **570,000 applicants for places** on UK full-time undergraduate courses by the main deadline<sup>18</sup> in the 2020 cycle.<sup>19</sup> Applications made later in the cycle would normally be expected to increase the total to **more than 700,000 with around 75% accepted to a course in a typical year**.

Universities are concerned about the impact the pandemic may have on recruitment and it has been suggested that **an increased number of students may defer their places in 2020/21**.<sup>20</sup>

University and college admission of home students could be disrupted by the pandemic due to the **cancellation of school examinations** and

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<sup>17</sup> ["UK universities face cash black hole amid coronavirus crisis"](#), *The Guardian*, 6 March 2020

<sup>18</sup> 15 January, the 'equal consideration' deadline.

<sup>19</sup> UCAS, [2020 applicant figures – 15 January deadline](#).

<sup>20</sup> ["Forget freshers' week: universities prepare to teach new first years online"](#), *The Guardian*, 3 April 2020

the new grading process for A Levels and GCSEs. The changes could result in **alterations to the timing of the admission cycle and processes** around admissions. It has been suggested that the universities admissions service, UCAS, is to tell applicants that the deadline in early May for making decisions on courses is going to be **pushed back by two weeks** to give students more time to consider.<sup>21</sup>

The Office for Students has issued guidance for providers on admissions during the pandemic, [Higher education regulator urges fairness for students in admissions](#), 4 April 2020.

## Unconditional offers moratorium

Unconditional offers have been a controversial area of student admissions for the last few years and the Government has urged universities to reduce the number of these offers. It had been suggested that the number of unconditional offers had risen as a result of the pandemic as institutions reportedly began giving students unconditional offers to secure their undergraduate population.

On 23 March 2020 the Universities Minister and the OfS asked institutions to **pause all unconditional offer-making** until 6 April 2020. Following this, on 3 April 2020 the Minister sent a [letter](#)<sup>22</sup> to providers **extending the moratorium on unconditional offer-making until 20 April 2020**. The extended moratorium will **not** apply to unconditional offers for applicants who have already achieved their level-3 or equivalent qualification which means that unconditional offers in these circumstances can be made from 6 April 2020

## Return of a student numbers cap?

Providers may seek to **increase their income by admitting extra home students**. Increasing the number of students that they admit would have a knock-on effect on public finances as the Government provides students with loans for tuition fees and maintenance.

In 2015 the Government removed the cap on student numbers and allowed providers to admit as many students as they wished. In the present situation under this system the Government could face a large student loan outlay if most providers sought to increase their domestic intakes. It has been suggested that to avoid this situation the Government might **bring back some type of control on student numbers**.

“Martine Garland, a lecturer in marketing at [Aberystwyth University](#) who has studied financial diversification in UK universities, said there were also wider risks for the sector from a drop in international students.

The challenge will come when those institutions [that recruit a lot of overseas students] then try to plug their international student gap with domestic students, which will cause an even greater ‘scramble’ for [UK] students than usual,” she said.

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<sup>21</sup> “[Unis must stop unconditional offers in virus confusion](#)”, *BBC News*, 23 March 2020

<sup>22</sup> Office for Students, [Moratorium on unconditional offer making](#), 3 April 2020

This is where a return to a cap on domestic undergraduate numbers at individual institutions “could be a good thing” for some post-92 universities that might be “least well placed to compete” for UK applicants, she added.<sup>23</sup>

Some vice-chancellors have asked for the return of **student number controls to stabilise funding and ensure that they have a viable number** of first year students in 2020-21.<sup>24</sup>

The package of support which Universities UK has requested includes a measure on student number controls for 2020-21:

Institutions in England and Wales in 2020-21 would be able to recruit UK and EU-domiciled undergraduate students up to the sum of the 2020-2021 total forecast for UK and EU-domiciled full-time undergraduate students (plus 5% of the intake), submitted to the Office for Students (OfS) and HEFCW.<sup>25</sup>

The report by the Institute for Fiscal studies says that a student numbers cap may be the “**most cost effective way to keep the sector afloat**”:

One way of avoiding that might be to cap domestic student numbers for each university at last year’s levels. While overall drops in revenue would still be large, we would expect to see fewer universities with the most dramatic losses (more than 15%). If Government could step in to soften the blow for these institutions, it might be the most cost-effective way to keep the sector afloat.<sup>26</sup>

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<sup>23</sup> [“International student hit ‘core financial problem’ for UK sector”](#), *Times Higher Education*, 7 April 2020

<sup>24</sup> [“Bring back student number controls, VC says”](#), *Times Higher Education*, 30 March 2020

<sup>25</sup> Universities UK, [Achieving stability in the higher education sector following COVID-19](#), 10 April 2020

<sup>26</sup> Institute for Fiscal Studies, [Drop in international students would imperil university finances](#), 12 April 2020

## 2. Student issues

Students are concerned about the impact that the pandemic will have on their studies and on their finances and they are particularly concerned about accommodation costs during university closures and increasing student debt during the lockdown.

A GOV.UK webpage, [University students and COVID-19 FAQ](#), 9 April 2020 gives information on some of the main issues affecting students.

### 2.1 Accommodation charges

The majority of students live away from home during term time in either university owned, or privately rented accommodation. The Government lockdown and the closure of campuses resulted in many students leaving their rented accommodation and returning home. A poll of 1,000 students reported by the Higher Education Policy Institute found that **over half of students had moved away from their term-time accommodation:**

The majority (55%) of students are living away from their normal term-time residence as a result of the Coronavirus crisis. However, another 45% of respondents said they are still living in their term-time residence.<sup>27</sup>

In many cases students have left their accommodation before their letting contracts had expired and students were **left liable for rent on their empty accommodation.**

Liability for rent on student accommodation during this period is different depending on the type of accommodation lived in.

Commons Library briefing, [Student accommodation FAQs](#), 2 March 2020, gives general information on the subject including how many students live away from home, types of accommodation and costs.

### Accommodation provided by universities and colleges

The Government has issued guidance for providers of residential educational, [Coronavirus \(COVID-19\): guidance on isolation for residential educational settings](#). This guidance discusses social distancing and other issues but it does not give any advice on the treatment of contractual obligations by providers.

**Many university-owned halls of residence and privately run Purpose-Built Student Accommodation (PBSA) have allowed students who have left university accommodation due to the coronavirus to terminate contracts early without any charges - see [University of Kent](#), [University of Sheffield](#).**

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<sup>27</sup> Higher Education Policy Institute, [New poll finds almost one-third of applicants feel less confident they will get into their chosen university since the Coronavirus pandemic](#), 7 April 2020

The National Union of Students is calling on all PBSA providers to release students from contracts and refund certain rents and deposits:

As such the Government must instruct all PBSA providers – both university owned and privately owned – to offer the option of a no-penalty release from contract to their tenants. If a student wishes to be released from their contract and rent has already been taken for forthcoming months, it must be refunded along with their deposit. We're calling on all providers – university and private – to do this voluntarily now. (Wonkhe, [We can avert a crisis for student renters – but only if we act fast](#), 24 March 2020)

## Private rented accommodation

Students who live in private rented housing are **treated in the same way as all other tenants in privately rented property**. As a rule, having entered into a contract where payment is required as a term of the contract, if one party defaults it would be open to the other party to sue for breach of contract.

The Government's non-statutory guidance, [Coronavirus \(COVID-19\) Guidance for Landlords and Tenants](#) applies to all landlords and tenants. It outlines tenants' responsibilities with regard to paying rent during the current situation:

### **As a tenant, should I stop paying rent during the outbreak?**

- Tenants should continue to pay rent and abide by all other terms of their tenancy agreement to the best of their ability. The Government has a strong package of financial support available to tenants, and where they can pay the rent as normal, they should do. Tenants who are unable to do so should speak to their landlord at the earliest opportunity.
- In many if not most cases, the COVID-19 outbreak will not affect tenants' ability to pay rent. If your ability to pay will be affected, it's important to have an early conversation with your landlord. Rent levels agreed in your tenancy agreement remain legally due and you should discuss with your landlord if you are in difficulty. [Page 7]

With regard to landlords charging rent during the pandemic the guidance recommends that landlords should be flexible:

### **As a landlord, should I stop charging rent during the outbreak?**

- Landlords are not required to do this. Most tenants will be able to pay rent as normal and should continue to do so, as they will remain liable for the rent during this period.
- There is no 'one-size fits all' approach, as each tenant's circumstance is different and some will be worse affected in terms of their ability to pay than others. It is important for landlords to be flexible and have a frank and open conversation with their tenants at the earliest opportunity, to allow both parties to agree a sensible way forward. [Page 9]

The guidance also gives information on collecting rent arrears.

A tenant will remain liable to pay rent if they don't end their tenancy properly - even if they move out. The housing charity Shelter provides the following [advice on ending a tenancy early](#):

**Can I leave my tenancy early because of coronavirus?**

You can only end a fixed term tenancy early if either:

your contract has a break clause

you negotiate an early end to the agreement with your landlord

If you want to leave as soon as possible you'll probably have to negotiate.

Your landlord may be sympathetic to your request to leave if they understand your reasons. For example, if you need to move urgently because you or a family member are sick or need support.

Read more information about:

- [how to end a fixed term tenancy early](#)
- [what happens if you leave without ending your tenancy](#)

## Sources of advice for students on accommodation issues

Shelter can provide free, expert housing advice to members of the public based on their individual circumstances – students should look at the [Get help](#) and [Housing advice: coronavirus \(COVID-19\)](#) webpages.

Some university websites are providing students with advice, including on accommodation issues, during the coronavirus pandemic. For example, the [University of Newcastle's website](#) has the following advice for students in private accommodation:

**Private accommodation**

If you are living in private accommodation in Newcastle, we advise you to monitor Government guidance about the support that is available to protect you. You may also want to speak to your landlord and, if you are at risk of eviction or in hardship, contact our financial support team.

## 2.2 Student support funding

Student loan payments are paid in three instalments, normally at the start of each term. Exact payment dates are based on individual term start dates.

The Student Loans Company (SLC) webpage [Guidance for current students](#) 31 March 2020 answers questions related to the COVID-19 outbreak and gives the following information on loan payments:

**Will my payments be delayed?**

SLC can confirm that students will receive their scheduled or next instalment of their Maintenance Loan at the planned start of their summer term, regardless of whether their university or provider has made alternative arrangements for teaching.

## Students' loss of income

**A large proportion of students rely on income from part-time working and holiday jobs to pay their rent and other living costs.**

In the current pandemic this work supply has dried up and students are concerned about meeting their current and future costs.

Lucy Hunter Blackburn, an academic and former Head of Higher Education in the Scottish Government, has written an article on the Wonkhe website, [Student financial support in a time of social isolation](#), 19 March 2020, in which makes the case for an “**emergency extension of the student loan scheme**” to assist students who have lost income. In the article she makes the following comment on changes to student support:

A quick search just now doesn't bring up any announcements on student funding in any part of the UK yet, but that could change quickly. I'd be surprised if people in Government and higher education across the UK are not already looking at action in this area.

## Loan write off for fast-tracked nurses in England

Health Education England have said that around 15,000 student nurses in England have responded to a call by NHS England and taken paid placements in hospitals to assist during the coronavirus pandemic<sup>28</sup> A group of more than 80 Labour MPs have signed a letter organised by Sarah Owen MP calling on the Government to support these student nurses by cancelling their university debts.<sup>29</sup>

There are **no official estimates of the costs of such a policy**. The cost to government would be in the form of lost loan repayments, which would depend on the lifetime income of this group of nurses and the size of their loans. Assuming they all took out maximum loans<sup>30</sup> and that they would earn somewhat less than a 'typical' graduate, the costs could be in the region of **£200-250 million** in current prices.<sup>31</sup> This would be a one-off cost to the public sector. The actual cost could be different from this range if average loans were smaller and/or repayments different from the assumptions used here.

## Refund of tuition fees

Information on the GOV.UK website says that students “**should not ordinarily expect refunds of fees**”:

### **Will my tuition fees be refunded due to the changes?**

We are working with universities to make sure all reasonable efforts are being made to enable students to continue their studies to the best of their abilities. There are some fantastic and innovative examples of high-quality distance and online learning being delivered by institutions across the UK, and the sector is

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<sup>28</sup> Health Education England, [Incredible response from nursing and midwifery students](#), 15 April 2020

<sup>29</sup> “[Government urged to wipe debts for students in wake of Covid-19](#)”, Nursing Times, 9 April 2020

<sup>30</sup> Average loan for all students of £45,000

<sup>31</sup> Assumes that these nurses would repay 30-35% of their loans in net present value terms. The average for all student borrowers is around 50%.

already working hard to prepare learning materials for the summer and autumn terms.

Students ordinarily should not expect any fee refund if they are receiving adequate online learning and support.

However, the Government has made it clear that if institutions are unable to facilitate adequate online tuition then it would be unacceptable for students to be charged for any additional terms – effectively being charged twice.<sup>32</sup>

An e-petition calling for the Government to refund this year's tuition fees, [Reimburse all students of this year's fees due to strikes and COVID-19](#), has received 326,174 signatures and will be debated in parliament.

## 2.3 Teaching and assessment

From 17 March 2020 most universities and colleges suspended face-to-face teaching and **moved to online delivery of courses** and remote support of students:

Dr Doug Clow, who spent 20 years at the Open University and is now advising higher education on the Coronavirus, says universities have delivered an “incredible” emergency response, moving all teaching online overnight with “next to no resource”.<sup>33</sup>

It has been reported that universities are preparing to teach online from September if necessary.<sup>34</sup>

Students have expressed concerns about how their studies will be assessed and the impact on degree results and graduations this year. A survey by the NUS [Coronavirus Student Survey 2020 Exam & Assessment findings](#), April 2020 found that **over half of students were very, or extremely concerned about the impact of coronavirus on their exams and assessments**:

The potential negative impact of the Coronavirus outbreak on coursework and exams is of great worry to the majority of students.

Not knowing how they will be graded or marked is highlighted by a number of students who would appreciate greater clarity on this. There's also the worry of a lack of consistency across the different institutions when it comes to grading and marking.

Many universities including Oxford and Cambridge have replaced this summer's exams with online assessments, but some students want to be allowed to opt out of doing their finals, or to restart their final year.<sup>35</sup>

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<sup>32</sup> GOV.UK, [University students and COVID-19 FAQ](#), 9 April 2020

<sup>33</sup> [Forget freshers' week: universities prepare to teach new first years online](#), *The Guardian*, 3 April 2020

<sup>34</sup> *ibid*

<sup>35</sup> ["Oxbridge to replace summer exams with online assessments due to coronavirus"](#),



The NUS is calling for a national approach to exams and assessments and for universities to adopt '**no detriment' policies** this year.<sup>36</sup>

Universities UK responded to the NUS in a [letter](#) saying that 'no detriment' was not a single policy and that each university would do what was **appropriate for its own students**:

Universities will be working within the framework of their regulations to consider what the most appropriate approach is for their provision and their students, one that balances fairness with rigour in academic standards, and communicating this directly to their study body.<sup>37</sup>

Students should consult their university or college websites for specific information on teaching and assessment procedures at their particular institution.

## 2.4 Mental health support for students

Many students have experienced increased levels of anxiety and stress as a result of the coronavirus and the changes to their studies and their finances during the pandemic and lockdown.

Universities and colleges have provided information on their websites on the procedures that they have put in place to keep students safe and on the types of support which are available. Institutions have disability, mental health and wellbeing advisers who can provide advice and help students. The charity Student Minds also has information on their [Resources Coronavirus](#) webpage.

Commons Library briefing, [Support for students with mental health issues in higher education in England](#), 2 March 2020 gives general information on sources of help for students with mental health issues.

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<sup>36</sup> NUS, [National approach needed to exams, assessment and 'no detriment' policies says NUS](#), 14 April 2020

<sup>37</sup> [Universities UK letter to NUS president](#), 14 April 2020

### 3. Further education

The FE sector is also concerned about the impact that the pandemic will have on funding. Any loss in funding would be particularly difficult for the sector coming on the back of a sustained period of funding cuts.

The Chief Executive of the Association of Colleges sent a [letter](#) to the Secretary of State for Education on 17 March 2020 saying that the closure of colleges would have significant costs and that institutions would need Government support:

It is difficult to put an accurate figure on the financial impact, but it would be fair to suggest that an average college might lose between £500k and £1million per month of temporary closure or reduced capacity; very few, if any, will be able to cope without Government support.<sup>38</sup>

The letter asks the Government for the following financial assurances:

- **Funding:** Colleges seek assurance that Adult Education Budget (AEB), study programme, apprenticeship and other DfE/ESFA income, wherever possible, can be guaranteed for the coming months;
- **Emergency financial support:** AoC are asking DfE/ESFA to provide simple, rapid and clear routes for colleges to be able to seek and secure cashflow support. Colleges with low cash balances, large student fee income or employer-funded training will be at particular risk;

On the 23 March 2020 the Government issued guidance, [Maintaining education and skills training provision: further education providers](#)<sup>39</sup> which stated that the “**Education and Skills Funding Agency (ESFA) will continue to pay grant funded providers their scheduled monthly profiled payments for the remainder of the 2019 to 2020 funding year**”.

The Government’s approach to the FE sector was outlined in answer to a PQ on 7 April 2020:

**Education: Coronavirus:**Written question - 31437

**Mr Barry Sheerman:** 18 March 2020

To ask the Secretary of State for Education, what (a) advice and (b) support he is providing to (i) further education and (ii) sixth form colleges on the covid-19 outbreak.

**Gillian Keegan:** 7 April 2020

Holding answer received on 23 March 2020

We are providing a range of advice and support to further education (FE) and sixth form colleges on the Covid-19 outbreak. We recognise that this situation carries financial implications for many institutions, and we are working to mitigate the impact as much as we can.

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<sup>38</sup> Association of Colleges, [Colleges and Covid 19](#), 17 March 2020

<sup>39</sup> Department for Education, [Maintaining education and skills training provision: further education providers](#), updated 3 April

To help manage this pressure, we can confirm that the Education and Skills Funding Agency (ESFA) will continue to pay grant funded providers their scheduled monthly profiled payments for the remainder of the 2019/20 funding year.

ESFA allocations for 2020/21 were confirmed at the end of March, and payments will be made in line with the national profile which will be confirmed in the 2020/21 Funding Rules.

Officials in the ESFA FE territorial teams are in regular contact with colleges to update them and answer questions that they may have. In addition, through the FE Commissioner and his team and our pool of National Leaders of Governance, we have a range of experienced FE leaders and governors who are able to offer advice and support.

In addition, we know that colleges are looking at moving more learning on-line to allow students to continue with studies remotely. Jisc is providing practical advice to college staff and the Education and Training Foundation is running webinars for FE providers on how to make the most of online learning.

We are working hard to provide support to mitigate impact on the FE sector and we know that rules and funding arrangements will need to be adapted. We have set out more information in the operational guidance that is available at:

[www.gov.uk/Government/publications/coronavirus-covid-19-maintaining-further-education-provision](http://www.gov.uk/Government/publications/coronavirus-covid-19-maintaining-further-education-provision). We have also published apprenticeship guidance, which is available at:

[www.gov.uk/Government/publications/coronavirus-covid-19-apprenticeship-programme-response](http://www.gov.uk/Government/publications/coronavirus-covid-19-apprenticeship-programme-response).

My right hon. Friend, the Chancellor of the Exchequer, has also announced a series of wider measures to support employers and employees, recognising the significant impacts caused by COVID-19.

### 3.1 16-19 funding

The DfE guidance, [Maintaining education and skills training provision: further education providers](#), also set out arrangements for 16-19 funding and said that there should be “no disproportionate impact on funding”:

As we will use data from the 2019 to 2020 academic year to calculate 16 to 19 allocations for 2021 to 2022, the ESFA may need to apply a different approach to a number of elements within 16 to 19 funding. Where appropriate we will therefore use alternative data sources to calculate allocations for 2021 to 2022 to ensure as far as possible that there is not a disproportionate impact on funding.

#### **The retention factor**

If students are unable to complete their study programme as a result of COVID-19 and are recorded as withdrawn in end-year data this could impact on the retention factor used to calculate 16 to 19 allocations for 2021 to 2022. We will therefore review the data we use to calculate this as the impact of COVID-19 becomes clearer.

### **In year recruitment of students**

We currently use the profile of recruitment throughout the year to determine the lagged student numbers used in 16 to 19 allocations. For providers who recruit students later in the year rather than purely at the beginning of the academic year, and whose enrolment of new students in the summer term will have ceased, we will determine a way to ensure this does not have an unfairly detrimental impact on future allocations. For example, we could still apply the current approach of identifying what proportion of student numbers were recruited after we take the initial data return in the autumn but use full year data from 2018 to 2019.

### **Student prior attainment in English and/or maths GCSEs**

Three elements within the 16 to 19 funding formula use students' prior attainment in English and/or maths. These are:

- the condition of funding
- disadvantage funding - block 2
- level 3 programme maths and English payment

We anticipate that these will continue to be calculated as now following the alternative plans that have now been published to award grades to students in the absence of GCSE exams this summer, and so providers will still be allocated additional funding for young people with low prior attainment in GCSE English or maths. As further details are published for how the replacement for exams will work we will consider these elements in more detail.

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