



Higher education student support across the UK regions from September 2012

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Higher education is a devolved issue so the costs of studying and the amount of financial support available to students varies according to where a student lives and where the student is studying.

From September 2012 the higher education student support system for students in England is changing. Students will be liable to pay tuition fees of up to £9,000 per year and a new system of support in the form of a National Scholarship Programme is being introduced in addition to loans and grants. Scotland, Wales and Northern Ireland have their own systems of higher education funding and student support so changes in England will not affect these regions, however the regional administrations have chosen to make alterations to their arrangements in response to the changes in England. This note sets out the differences in higher education tuition fees and student support across the regions of the UK from 2012.

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1 Summary

Higher education is a devolved issue in the UK and this has resulted in a complicated system in which the costs of studying and the amount of financial support available to students varies according to where a student lives and where they choose to study. Students living in England, Scotland, Wales and Northern Ireland apply to their own regional student support organisations for funding, and the amount they receive will depend on where they choose to study.

From September 2012 the higher education student support system for students in England is changing. Students will be liable to pay tuition fees of up to £9,000 per year and a new system of support in the form of a National Scholarship Programme is being introduced in addition to loans and grants. The changes in England will not directly affect the regional administrations, but Scottish Government, the Welsh Assembly Government and Northern Irish Government are all bringing in changes in their own arrangements for students in response the new system in England.

2 Student support for English students

2.1 English students studying in England

Details of the new higher education student support system in England which starts in September 2012 are set out in a library standard note SN/SG/5753 [Changes to higher education funding and student support in England from 2012/13](#).

From 2012 students in England will be liable to pay tuition fees of up to £9,000 per year depending on the course and university chosen. Students will be able to take out non-means tested loans to cover the cost of the fees. Students will also be able to take out loans for maintenance costs of up to £7,675 (for students living in London). These loans will be repayable by graduates when they are earning over £21,000 – this is an increase from the current income threshold of £15,000. From September 2012 a new variable rate of interest will be charged on loans. Interest is charged on loans from the time of receiving the loan and from September 2012 interest will be added at RPI + 3% while students are studying. When a student graduates and is earning under the threshold the interest rate will drop to RPI, and subsequently when the graduate earns over the income threshold a tiered rate of interest will be applied increasing from RPI, to RPI+3% when the graduate earns over £41,000 a year.

Means tested maintenance grants of up to £3,250 will be available (this is an increase from the 2011/12 level of £2,906). Institutional bursaries will be replaced by funding from a new [National Scholarship Programme](#).

Higher education institutions (HEIs) charging the highest fees must have access agreements in place which have been agreed by the Office for Fair Access (OFFA). These access agreements should set out the amount of support which the HEIs will provide for low income students in the form of fee waivers, a free first year, bursaries, or help with accommodation costs. Institutional access agreements are available on the OFFA website.

2.2 English students studying in Scotland

On 29 June 2011 the Scottish Education Secretary Michael Russell made an announcement on university fees which said that the government would pass legislation to allow Scottish universities to charge fees of up to £9,000 per year to students from the rest of UK and that Scottish students would continue to have free university education:

Universities will be able to set their own fees for students from the rest of the UK to ensure Scotland remains the best option, not the cheapest option for higher education, Education Secretary Michael Russell said today.

Responding to the increased tuition fees in England and Wales and outlining the first step in the new funding deal, Mr Russell launched a consultation on secondary legislation to allow universities to set their own fees for students from the rest of the UK from academic year 2012/13.

Primary legislation will follow to ensure that fees for these students cannot be set above £9,000 a year from 2013/14 onwards - in the interim, Universities Scotland has confirmed that universities will voluntarily comply with this upper limit until primary legislation is in place.

Universities will be free to set a range of potential fees for other UK students from £1,800 to £9,000. We would expect the average fee in Scotland to be lower than in England given that an average figure of £6,375 was used by the joint Scottish Government and Universities Scotland technical working group.

The announcement means university places for Scottish students will be protected. The Scottish Government has already committed to ensuring Scottish students will not pay tuition fees in Scotland.¹

¹ Scottish Government news release [Higher Education](#) 29 June 2011

Comment on this policy was given in a *BBC News* article "[Fee move for non-Scots university students](#)" 29 June 2011.

The Scottish Government issued a consultation on university tuition fees on 29 June 2011, [Consultation on the Draft Student Fees \(Specification\) \(Scotland\) Order 2011](#), the consultation closed on 2 September 2011, an equality impact assessment was included in the consultation documents. Subsequently the [Student Fees \(Specification\)\(Scotland\) Order 2011](#) and the [Education \(Fees\)\(Scotland\) Regulations 2011](#) were passed in Scotland in November 2011. The broad effect of this secondary legislation is that Scottish universities will be able to set their own fees for students from the rest of the UK (RUK students). Scottish universities have voluntarily agreed to restrict fees to a maximum of £9,000 in 2012-13 and the Scottish Government intends to introduce primary legislation next year to set a fee cap in legislation.

A Scottish Government press release on 3 October 2011, [Student fees](#), stated that average fees for RUK students at Scottish universities would be £6,841:

All Scottish Universities have now announced their proposed fee levels for students from the rest of the UK. The figures give an estimated average fee of £6,841. Education Secretary Michael Russell said:

"Scottish students and their parents have long had the reassurance of knowing that undergraduate education in Scotland will remain free. To maintain opportunities for our students, and to protect our world leading universities' reputation and competitiveness, we had no choice but to respond to the increase in tuition fees to £9,000 south of the border.

"I am pleased that the majority of our universities have shown restraint and we estimate that the proposed average fee of £6,841 will be further decreased by packages of bursaries and fee waivers to around £6,375, one of the scenarios which the Joint Technical Working Group envisaged earlier this year.

"Of course, the Scottish Government has provided a generous settlement for our universities - which has been universally welcomed. I am confident that our universities are now on the best possible footing to continue to compete with the best in the world." The total English annual average is estimated as £8,509, which reduces to £7,881 after packages of bursaries and fee waivers etc.

A *BBC News* article on 3 October 2011 "[Universities set fees for non-Scots students](#)" contains a list of fees for students from England, Wales and Northern Ireland at each Scottish university.

A number of universities have introduced various bursaries for non-Scottish students. Despite fee rises for RUK students in Scotland there is no requirement on Scottish universities to support widening access measures as there is in England. It is expected that the primary legislation which will be introduced next year will include widening access requirements which will also apply to RUK students studying in Scotland.

2.3 English students studying in Wales

On 30 November 2011 Education Minister Leighton Andrews made a statement to the Senedd chamber in which he said that tuition fees in Wales would be between £6,000 and £9,000 per year. These provisions were enacted in [The Assembly Learning Grants and](#)

[Loans \(Higher Education\) \(Wales\) \(No. 2\) Regulations 2011](#) SI No 886. Students from outside Wales will be liable to pay the higher fees from September 2012.

Information on the final fee amounts agreed by Welsh universities is given in a *BBC News* article on 11 July 2011 "[Tuition fee increases agreed for Welsh universities](#)".

2.4 English students studying in Northern Ireland

On September 12 2011 Dr Farry the Minister for Employment and Learning made a statement to the Northern Ireland Assembly [Higher Education and Student Finance](#) in which he said that HEIs would be allowed to raise fees for students from the rest of the UK in line with the charges in England and Wales:

I turn now to students from Great Britain who wish to study in Northern Ireland. I believe that it is important that we have a diverse student population in Northern Ireland and that our local universities should be open to students from all jurisdictions. However, I want students coming here to do so for the right reasons: because of the quality of our institutions, the quality of the university life and the future opportunities that are open to them. I do not want the determining factor to be cost. For those reasons, I can confirm that my Department will shortly be bringing subordinate legislation to the Committee for Employment and Learning that will allow our universities and colleges to charge higher fees to students from other UK administrations. We want to avoid a parochial situation in which our universities service only a local market. Equally, we should not be seen as a cheap option.

Consequently, tuition fees for students from other parts of the United Kingdom will be higher than those for our own students, but they will be no higher than what our students would have to pay if they were studying in England or Wales.

Students from other UK regions studying in Northern Ireland will pay higher fees from September 2012 and these will vary by institution, fees will not be capped but the government anticipates that fees will not exceed the maximum being charged in other parts of the UK. As an example the [University of Ulster](#) is charging fees of £6,000 to GB students in 2012/13.

An overview of the new system is available on the Department for Employment and Learning website at [Tuition fees by location](#).

3 Higher education student support for Scottish students

3.1 Scottish students studying in Scotland

Information on student support for Scottish students is available on the [Student Awards Agency Scotland](#) (SAAS) website. The types of support available are set out on the webpage [What financial support can I get?](#) Scottish students studying in Scotland can apply to the SAAS to have their fees paid by the agency directly to their university; Scottish students do not therefore pay fees at Scottish universities. Scottish students may also apply for maintenance loans and either a Young Students' Bursary (YSB) of up to £2,640 or an Independent Students' Bursary (ISB) of up to £1,000 per year. Students receiving a YSB or a ISB may also be eligible for an additional loan.

Currently Scotland plans to keep the pre 2012 loan repayment system with the £15,000 income threshold and interest rates fixed at RPI.

3.2 Scottish students studying outside Scotland

Since 2006/07, when variable fees were introduced in England, students choosing to study outside Scotland have been liable to pay the fees required by their HEI. Students may apply to the SAAS for tuition fee loans on the same basis as English students but there is no other form of fee support available from public funds.

Currently students from Scotland studying outside Scotland may apply for a [Students' Outside Scotland Bursary \(SOSB\)](#) of up to £2,150. The Scottish Executive has published a table showing the current arrangements for Scottish students studying in all regions of the UK at [Financial help for students](#).

Information on funding for Scottish students studying outside Scotland from 2012 is on the website at [Update - Changes for 2012-2013](#), the webpage states the following:

Tuition fee arrangements for Scottish domiciled students studying in the rest of the United Kingdom

The level of tuition fee loans available to new Scottish domiciled students studying in the rest of the UK starting in session 2012-2013 have been set:

- For those attending a publicly funded Higher Education Institution in the rest of the UK - £9,000.
- For those attending a private funded Higher Education Institution in the rest of the UK - £6,000.

Continuing students studying at Higher Education Institutions in the rest of the UK, who started their course between 2006-2007 and 2011-2012 and who haven't had a break in study, will be eligible to apply for a tuition fee loan up to £3,465.

4 Higher education student support for Welsh students

Tuition fees in Wales from September 2012 will be between £6,000 and £9,000 per year, but the Welsh Assembly Government has said that it will meet the cost of extra fees for students from Wales attending **any UK university**. These provisions were enacted in [The Assembly Learning Grants and Loans \(Higher Education\) \(Wales\) \(No. 2\) Regulations 2011](#) SI No 886.

In 2012 Welsh domiciled students will be able to take out a tuition fee loan of £3,465 and they will be eligible for a new non repayable **fee grant** which will pay the balance of the tuition fees up to a maximum of £9,000. This policy was discussed by Education Minister Leighton Andrews in the National Assembly for Wales [Record of Proceedings 16 March 2011](#) on p28:

The Assembly Government's commitment to provide a non-means tested tuition fee grant and the balance of fees above current fee levels will ensure that Welsh-domiciled learners are not required to pay more from 2012-13 than they would in 2011-12. I would like to say to Bethan Jenkins that this has been costed as a policy to 2016-17, and has been approved by the Cabinet of the Welsh Assembly Government—by both parties and by all members.

However a recent article in the *Sunday Times* has suggested that there could be difficulties with this policy under EU law and that it might extend to cover EU students:

Loophole hands fee deal to EU students

THOUSANDS of European students could have their fees at English universities paid by the Welsh government because of an anomaly in European Union law. The loophole allows Europeans to exploit a decision by the Welsh government to pay any fees above £3,465 for students from Wales who attend courses in England from next year.

Under Brussels law, Wales is not permitted to offer a better deal to its own students than it offers to those of any EU state outside Britain. The anomaly emerged in advice provided to the Scottish government, which considered paying the fees of its own students at English universities but decided not to for fear of drawing claims from Europeans.

One source, who has discussed the problem with Scottish officials, said: "They were very concerned about what the Welsh may be letting themselves in for."

A Holyrood source said: "Our legal advice was that if we were to start paying for students from Scotland to study in England that would be considered a breach of EU law unless we paid for other EU students as well."

Bahram Bekhradnia, the director of the Higher Education Policy Institute, said: "It is totally barmy. Unless this is sorted out, the Welsh government will have to stop paying the fees of its students in England or it risks bankrupting itself."

A spokesman for the Welsh government said it believed that "in general, [we are] only responsible for EU students who choose to study in Wales", but added that the issue was "something people are discussing".²

A leaflet published by Student Finance Wales *Thinking of going to university in 2012/13? A quick guide* outlines the other types of support which will be available to Welsh students such as maintenance loans and Assembly Learning Grants of up to £5,000. The interest rates and repayment thresholds for loans will be the same as the new system in England.

5 Higher education student support for Northern Irish students

5.1 Northern Irish students studying in Northern Ireland

Dr Farry the Minister for Employment and Learning said in the [Higher Education and Student Finance](#) statement on 12 September 2011 said that fees would stay the same in Northern Ireland for students from Northern Ireland:

The decisions reached by the Executive last week mean that I can now confirm that higher education tuition fees for local students in Northern Ireland will be kept at current levels, subject only to inflationary increases, and that a funding package has been put in place to address the resultant budgetary pressures while ensuring the sustainable funding of the higher education sector.

[...]

I know that many of our young people want to study in Great Britain for a variety of reasons. The decision by the Executive means that I can confirm that we will continue to provide tuition fee loans for Northern Ireland-domiciled students who attend university in any part of the United Kingdom. Those loans will be available to cover the

² "Loophole hands fee deal to EU students" *Sunday Times* 9 October 2011

cost of a loan up to a maximum fee of £9,000. I am sure that that will allay the concerns of many young people hoping to enter higher education in September 2012. However, that decision does have a significant cost implication for my Department and is an issue that we will need to monitor carefully. If there are increased cost pressures from changes in student flows, the Department may have to review this decision for new students entering higher education in future years.

Fees for Northern Irish students in Northern Ireland will therefore be £3,465 in 2012/13. Students will also be able to access maintenance loans and means tested maintenance grants of up to £3,475.

The income threshold for the repayment of student loans will remain at £15,000 and interest rates at will remain at RPI.

An overview of the new system is available on the Department for Employment and Learning website at [Tuition fees by location](#) and in document referred to as [Student Finance FAQs](#).

5.2 Northern Irish students studying outside Northern Ireland

Students studying in another region will be liable to pay the fees charged in that region and there will not be a waiver or grant available to offset the higher amount of fees that will apply outside Northern Ireland.

6 Summary of fees for students across the UK

Region	Studying in England	Studying in Scotland	Studying in Wales	Studying in N. Ireland
Living in England	Fees up to £9,000	Fees up to £9,000, (average £6,841)	Fees up to £9,000	Fees up to £9,000
Living in Scotland	Fees up to £9,000	Fees paid by Scottish Government	Fees up to £9,000	Fees up to £9,000
Living in Wales	Fees over £3,465 paid by Welsh Assembly Government	Fees over £3,465 paid by Welsh Assembly Government	Fees over £3,465 paid by Welsh Assembly Government	Fees over £3,465 paid by Welsh Assembly Government
Living in N. Ireland	Fees up to £9,000	Fees up to £9,000 (average £6,841)	Fees up to £9,000	Fees £3,465

7 Issues

7.1 Alleged discrimination by the Scottish government against English students

It has been alleged that the Scottish policy of charging higher fees to English students than to Scottish students amounts to discrimination against English students. This policy has received particularly vocal criticism because provisions in EU law mean that European students from outside the UK have to be treated the same as Scottish students – so they

also do not pay fees. Only English, Welsh, Northern Irish and overseas students pay fees in Scotland.

In August 2011 Phil Shiner, a lawyer with Public Interest Lawyers, said that he intended to bring a class action against the Scottish government because he believed that the Scottish fees policy contravened the European Convention on Human Rights and was in breach of the Equality Act 2010. This was discussed in an article in the *Guardian* on 21 August 2012, [Does Scotland's university fees system breach human rights laws?](#)

The Scottish government has stated the policy is not discriminatory because it is based on residency and not nationality.