



Department
for Education

Foundation years

**Guidance on implementing the new HE
tuition fee cap for classroom-based
subjects**

May 2024

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Summary

This publication provides non-statutory guidance from the Department for Education. It has been produced to help English higher education (HE) providers with the implementation of the new lower tuition fee cap for classroom-based foundation years that was announced on 17 July 2023 as part of the government's response to the HE Reform consultation. The full response is available here: [Higher education policy statement and reform](#).

These changes will reduce maximum tuition fees and tuition fee loan limits for foundation years in classroom-based subjects (such as business and social sciences) to £5,760, with maximum fees and loans for foundation years in other (higher cost) subjects remaining at the fee cap applicable to the relevant academic year (currently £9,250 at an Approved (fee cap) Provider).

The government intends to deliver these changes for new students starting courses from the beginning of the 2025/26 academic year, subject to Parliamentary approval of the necessary amending legislation. This guidance has been issued to assist HE providers in understanding how this legislation would operate and affect them.

The approach to determining the fee limit for a foundation year will not change following the introduction of the Lifelong Learning Entitlement (LLE), from 1 January 2026. All students who start a foundation year before 1 January 2026 will receive tuition fee loan funding for their foundation year through the current HE student finance system. New students who start foundation years from 1 January 2026 will receive tuition fee loan funding through their LLE. This guidance includes information for providers on how this policy will work with the LLE from 1 January 2026.

These changes apply to UK-domiciled home-fee students only. International foundation years that only accept applications from international students are outside the scope of this policy.

Review date

This guidance will be reviewed during the 2025/26 academic year, after these changes have been introduced.

Who is this publication for?

This guidance is for:

- HE providers in England offering foundation years
- Higher Education representative bodies and mission groups
- The Student Loans Company (SLC)

- The Office for Students (OfS)

Main points

This document provides technical guidance to help HE providers prepare for and comply with these changes. It includes:

- Clarification on the key features that distinguish foundation years from other forms of HE provision.
- The specific subjects that are within scope of the new reduced tuition fee cap.
- Guidance on how HE providers can determine whether a foundation year tuition fee should be capped at the new lower rate.
- Details of the foundation year tuition fee cap for providers with or without Access and Participation Plans (APPs) and Teaching Excellence Framework (TEF) ratings, and information about living cost support.
- Information on the interactions between this policy and the LLE, from 1 January 2026.

What is a foundation year?

Foundation years can offer a valuable entry point to HE, particularly for students from under-represented backgrounds, mature students or those who lack the right combination of A-level subjects or prior attainment needed to gain entry to an undergraduate pathway.

The government is aware that there are different approaches to delivering foundation years across the HE sector, in terms of programme content and structure. To ensure that the sector shares a common understanding of the provision within scope of these changes, the government has worked with HE stakeholders to develop a definition that captures the key features of foundation years that distinguish them from other forms of sub-degree level provision, such as Certificates of Higher Education.

This definition is set out and explained below. It is intended for use by HE providers when designing courses with foundation years, and for the SLC in determining whether students are eligible for additional student loan funding to help cover the cost of studying a foundation year.

How to identify a foundation year

Provision can be considered a foundation year if it meets all of criteria 1 to 5:

1. It is an additional year of study (120 credits under the LLE) and is integrated at the start of an undergraduate course in a way which extends the overall length of the course.

A foundation year can be studied full-time, part-time or in an accelerated format, but should always be equivalent to 1-year – (or 120 credits and 1,200 notional learning hours) of full-time study.

2. It is integrated with an undergraduate course, such that a student does not typically enrol for the foundation year alone, but for an entire undergraduate course.

A student who enrolls on a foundation year that is integrated with a single undergraduate course may decide to move between undergraduate pathways after starting or completing a foundation year. It is at the discretion of a HE provider to decide whether a student can move between courses, and whether a foundation year has adequately prepared a student for study on a different undergraduate course (that the foundation year was not integrated with). The fee limit for any foundation year will be determined by the foundation year and undergraduate course the student originally enrolled on (see pages 9-12 for further detail).

3. It enables students who meet the progression requirements to proceed directly to an integrated undergraduate course.

Like any year of undergraduate study, a student must meet the progression requirements of a foundation year to progress to the next year of an undergraduate course (in this case, year 1). But, unlike standalone qualifications – such as Access to HE Diplomas and Certificates in HE – a student should not have to submit another application to the HE provider to progress to an undergraduate course that their foundation year is integrated with.

If a student wishes to move between providers after completing a foundation year, they will need to reapply to their new provider, and it will be for that provider to determine whether the student's foundation year is acceptable for entry onto an undergraduate course.

4. It is not a standalone course, and does not typically result in a standalone, recognised qualification.

A foundation year can be described as “sub-degree level” provision, or “level-less” study. It often contains a mixture of taught modules that can range from functional skills at Level 2, to Level 4 provision, but typically contains content between Levels 3 and 4. While some providers offer an award or qualification to a student who completes a foundation year, the variation in levels of provision within foundation years would typically make them unsuitable for the awarding of a recognised qualification (such as a CertHE).

Differences between a foundation year and a Certificate of Higher Education (CertHE)

Foundation years and CertHE qualifications both provide foundational skills and knowledge for an undergraduate course. However, there are key differences between these two forms of provision:

Foundation Year

- **Qualification** - does not typically result in a recognised qualification but is integrated with an undergraduate degree.
- **Level of study** - is a “level less” period of study, containing study that can sit between Levels 3-4, that enables students to progress to year 1 of an undergraduate course.

CertHE

- **Qualification** - is a Level 4 qualification that is either awarded as a standalone qualification or awarded to students who choose not to progress beyond year 1 of an undergraduate degree.
- **Level of study** - course content is at Level 4 and is equivalent to year 1 of an undergraduate course.

5. It is designed to equip a student with the skills and knowledge needed to be successful in an integrated undergraduate course.

A foundation year may include modules such as study skills, academic research or functional numeracy, alongside modules that are directly related to the content of a student's chosen undergraduate course.

6. It may be undertaken at an institution (which may or may not be a registered higher education provider) that is different from the registered HE provider to which the student applied and with which the student has enrolled, through a franchising arrangement.

Differences between foundation years and foundation degrees

Foundation years are not the same as foundation degrees. The key differences between these two types of provision are summarised below:

Foundation Year

- **Length** - equivalent to a year of study (or 120 credits under the LLE or 1,200 notional learning hours).
- **Qualification** - is not a standalone course and does not typically lead to a recognised qualification but is integrated with an undergraduate course.
- **Level of study** - can be described as a "level less" period of study, containing study that typically sits between Levels 3-4.

Foundation Degree

- **Length** - 2-year undergraduate course. But not to be confused with an *accelerated* undergraduate degree (also a 2-year course).
- **Qualification** - is a standalone course that leads to a Level 5 qualification.
- **Level of study** - course content is at Level 4 (year 1) and Level 5 (year 2).

International foundation years

Many HE providers offer foundation years that are only available to international students. These foundation years often include additional support – compared with foundation years for students with English-domiciled home-fee status – to help international students prepare for HE in England (such as English language support).

International students do not receive funding from the UK Government through student loans, and their tuition fees are not capped. An international foundation year programme will only be affected by these changes to fee and loan limits if it is available to UK-domiciled home-fee students.

Application of the lower tuition fee cap

Tuition fees for foundation years (at Approved (fee cap) Providers) that start before 1 August 2025 will be capped at £9,250 across all subjects. Fees for foundation years that start from 1 August 2025 will be capped at either £5,760 or the maximum fee limit for the 2025/26 academic year (currently £9,250). Annual fees for foundation years that start from 1 January 2026 under the LLE will be calculated using the credit-based method, but annual fees will be capped in the same way as those for foundation years starting from 1 August 2025.

Additional information for HE providers – *Foundation Years and the Lifelong Learning Entitlement (LLE)* – can be found from page 13 onwards.

Subjects in scope of the lower tuition fee cap

The lower fee cap of £5,760 will apply to classroom-based foundation years from 1 August 2025 (subject to Parliamentary approval of the necessary amending legislation). The term “classroom-based” refers to subjects currently in OfS Price Group D (at the time of this publication).

In this guidance, these subjects will be referred to as “lower-fee” subjects, while subjects out of scope of the lower fee cap will be referred to as “higher-fee” subjects. A foundation year that has the lower fee limit of £5,760 will be referred to as a “lower-fee” foundation year, while a foundation year that has the higher fee limit (currently £9,250) will be referred to as a “higher-fee” foundation year.

The higher fee limit (currently £9,250) and lower fee limit of £5,760 are applicable to approved (fee cap) HE providers that have an Access and Participation Plan (APP) and a Teaching Excellence Framework (TEF) award and refer to foundation years that are studied at full-time intensity. A student may study a foundation year part-time. The lower and higher fee limits (including for part-time foundation years) are set out at page 12.

This guidance lists the subjects that are within scope of the £5,760 lower fee limit, alongside their associated Higher Education Classification of Subjects (HECoS) codes and Common Aggregated Hierarchy (CAH) level 3 codes¹. The full list of lower-fee subjects and codes can be found in the spreadsheet published alongside this document. Subjects not listed in this spreadsheet are not within scope of the lower fee limit (unless they form part of an interdisciplinary undergraduate course – see page 10).

¹ HECoS subject codes were introduced in 2019 (replacing the JACs system) to ensure consistent categorisation of the subject content of HE courses and modules. There are more than 1000 non-hierarchical HECoS subject codes, which are grouped using the CAH, at three levels.

How the lower tuition fee cap will be applied

The fee limit for a foundation year will be determined by using its associated HECoS subject codes. In most cases, a foundation year shares its HECoS codes with the undergraduate course that it is integrated with, and that a student enrolls for at the start of their studies. This is because a foundation year is not a standalone course.

Providers use HECoS subject codes to register courses with the SLC. The subject codes that HE providers choose should be used sparingly and represent directly (or relate very closely to) the qualification subject(s) and content of the undergraduate course, as prescribed by the HECoS Implementation Guide². This means that the tuition fee for a foundation year should reflect the subject(s) of the integrated undergraduate course, rather than the specific individual subject modules within the foundation year itself.

The SLC will then use these HECoS subject codes to determine whether the foundation year is a higher-fee foundation year or a lower-fee foundation year, and hence the level of tuition fee loan funding that foundation year students are eligible for.

The government will monitor whether this policy results in any significant or unusual changes to the usage of HECoS codes to register courses with foundation years. Whilst it is normal for some changes to occur to the usage of these codes from year-to-year, this policy should not result in significant changes to the HECoS codes that courses with foundation years are currently registered with, without corresponding changes to the qualification subjects and/or taught content of those courses.

Working out the fee limit for a foundation year

This section describes the steps HE providers need to take when determining the tuition fees for foundation years integrated with different types of undergraduate courses, including those registered with multiple HECoS subject codes. These steps are also set out in a step-by-step guide at Annex A.

Single-subject foundation years

Most undergraduate courses are assigned a single HECoS code, meaning that these foundation years will either be lower-fee foundation years, with the maximum fee limit of £5,760 (if the subject and HECoS code are listed in this guidance) or higher-fee foundation years, currently with the maximum fee limit of £9,250 (if the subject and HECoS code are not listed in this guidance).

² [HECoS implementation guide | HESA](#)

Interdisciplinary foundation years

Some undergraduate courses are interdisciplinary, including taught content that spans more than one subject area. These courses can be assigned more than one HECoS subject code at the point of registration with the SLC.

For these courses, the lower fee cap should be applied to the foundation year if **more than 50%** of the HECoS subject codes it is registered with are lower-fee subjects (listed in this guidance).

This means that the foundation year of an undergraduate course registered with two HECoS subject codes, where one is a lower-fee subject and the other is a higher-fee subject, will be subject to the higher (currently £9,250) fee cap because exactly 50% of the HECoS subject codes are lower-fee subjects. This should indicate that a significant proportion of the undergraduate course content is in a higher-cost subject area.

Some undergraduate courses with foundation years may be registered with **three HECoS subject codes** that include both lower and higher-fee subjects. For these foundation years:

- The *lower fee cap* of £5,760 will apply if 2/3 or 3/3 of the HECoS subject codes are lower-fee subjects (listed in this guidance).
- The *higher fee cap* (currently £9,250) will apply if 2/3 or 3/3 of the HECoS subject codes are higher-fee subjects.

HE providers can register courses with up to 5 HECoS codes (although this is uncommon and generally discouraged by the HECoS implementation guidance). Using the rule that **more than 50%** of the HECoS codes should be lower-fee subjects for the foundation year to be a lower-fee foundation year, the following will apply:

- For an undergraduate course with a foundation year that is registered with 4 HECoS subject codes, the *lower fee cap* will apply if 3/4 or 4/4 of the HECoS codes are in lower-fee subjects (listed in this guidance).
- For an undergraduate course with a foundation year that is registered with 5 HECoS subject codes, the *lower fee cap* will apply if 3/5, 4/5 or 5/5 of the HECoS codes are in lower-fee subjects (listed in this guidance).

Treatment of students studying on the same foundation year who could be charged different fees

Tuition fee limits specify the maximum fee HE providers can charge students. Providers are free to charge any fee rate up to the relevant limits for a course, or year of study. In situations where students could be charged different tuition fees for the same foundation year - due to a foundation year being integrated with multiple undergraduate courses across different subjects - HE providers are encouraged to consider whether all students

undertaking the same foundation year provision could be charged the lower fee limit for this year of study.

Examples

Foundation years with two HECoS subject codes:

- A **Maths and Economics** undergraduate course with an integrated foundation year is registered with two HECoS codes: Economics 100450 (lower-fee) and Mathematics 100403 (higher-fee). Mathematics is a higher-fee subject and accounts for 50% of the HECoS codes. Therefore, the provider can charge up to the higher (currently £9,250) fee for the foundation year.
- A **Physics and Philosophy** undergraduate course with a foundation year is registered with two HECoS codes: Physics 100425 (higher-fee) and Philosophy 100337 (lower-fee). Physics is a laboratory-based science subject and accounts for 50% of the HECoS codes. Therefore, the provider can charge up to the higher (currently £9,250) fee for the foundation year.

Foundation years with more than two HECoS subject codes:

- A **Finance and Mathematics** undergraduate degree with an integrated foundation year is registered with three HECoS codes: Accounting 100105, Mathematics 100403 and Economics 100450. Accounting and Economics are lower-fee subjects, while Mathematics is a higher-fee subject. The majority - 2/3 - of the HECoS codes are in lower-fee subjects. Therefore, the provider can charge up to £5,760 for the foundation year.
- A **Health and Social Care Management** undergraduate course with an integrated foundation year is registered with three HECoS codes: Health and Social Care 100476 (higher-fee), Health Studies 100473 (higher-fee) and Social Care 100501 (lower-fee). The majority - 2/3 - of the HECoS codes are in higher-fee subjects. Therefore, the provider can charge up to the higher (currently £9,250) fee for the foundation year.

Basic and higher fee caps

The new lower fee cap for OfS-registered providers in the approved (fee cap) category will vary depending on whether they have an Access and Participation Plan (APP) and/or a Teaching Excellence Framework (TEF) award. The taper rate for the new lower fee limit will mirror the rate that is applied to the current maximum £9,250 fee cap for Approved (fee cap) Providers.

For foundation years that are delivered through franchising arrangements, the tuition fee should reflect the status of the registered HE provider that the student has enrolled with.

Students undertaking foundation years in any subject at Approved (Fee Cap) Providers will continue to be able to apply for tuition fee loans to meet the full costs of their tuition (subject to eligibility).

Tuition fees for foundation years by provider status

Provider status	Higher-fee foundation year fee limits (full-time)*	Lower-fee foundation year fee limits (full-time)	Higher-fee foundation year fee limits (part-time)*	Lower-fee foundation year fee limits (part-time)
Higher amount (APP & TEF rating)	£9,250	£5,760	£6,935	£4,315
Floor (higher) amount (APP only)	£9,000	£5,605	£6,750	£4,200
Basic amount (TEF rating only)	£6,165	£3,835	£4,625	£2,875
Sub-level (basic) amount (No TEF rating or APP)	£6,000	£3,735	£4,500	£2,800

*Amounts are based on tuition fee limits for AY2024/25.

Loans for living costs

Support for living costs will not be affected by these changes to foundation year fee limits. A student paying £5,760 for a lower-fee foundation year will be eligible for the same support for living costs as they would if they were paying the higher fee of £9,250, or if they were entering year 1 of their undergraduate course.

Foundation years and the Lifelong Learning Entitlement (LLE)

The following section explains some of the key interactions between foundation years and the LLE, and addresses questions that have been raised by HE stakeholders in relation to these two policies.

What is the LLE

The Lifelong Learning Entitlement (LLE) will transform the post-18 student finance system in England. From January 2026, it will create a single funding system to help people pay for college or university courses, and train, retrain and upskill flexibly over their working lives.

The LLE will allow people to develop new skills and gain new qualifications at a time that is right for them. This could be through a full-time degree, or individual modules, or other courses such as [higher technical qualifications \(HTQs\)](#).

From January 2026, the LLE loan will be available for:

- full courses at [levels 4 to 6](#), such as a degree or technical qualifications.
- modules of high-value technical courses at level 4 and 5.

Under the LLE, eligible learners will be able to access:

- a tuition fee loan, with new learners able to access up to the full entitlement of £37,000 equal to 4 years of study in today's fees.
- a maintenance loan to cover living costs.

From January 2026 onwards, all HE provision funded by the current undergraduate student finance system will be funded by the LLE. This includes courses containing foundation years, integrated master's degrees, and teacher training.

More details on the amount of money students could borrow under the LLE are available at: [How much Lifelong Learning entitlement you could get](#).

Foundation years starting before January 2026

All students who start a foundation year before 1 January 2026 will receive tuition fee loan funding for their foundation year through the current HE student finance system. This includes students who start a foundation year from the beginning (or in the first

semester) of the 2025/26 academic year. These students will continue to receive funding through the current system of student loans for the duration of their course.

Foundation years starting in January 2026

New students who start foundation years from 1 January 2026 will receive tuition fee loan funding through their LLE and their tuition fees will be calculated using a credit-based method. Maximum annual tuition fees for a full-time foundation year (120 credits) will be £5,760, or the higher fee rate applicable to the 2025/26 academic year (currently £9,250), depending on the subject(s) of the undergraduate course the foundation year is integrated with.

Foundation years and levels of LLE funding

Previous funding for the study of a foundation year will affect a learner's LLE entitlement. For foundation years started between 1 September 2012 and 31 December 2025, a learner's LLE will be reduced by the exact amount of tuition fee loan used by them for that period of study. For foundation years started prior to 1 September 2012, a learner's LLE will be reduced by £9,250 for full-time years and £4,625 for part-time years, relating to the modern equivalent to the cost of study today.

It is possible that a student who is undertaking an integrated foundation year prior to January 2026 may undertake some or all of their integrated undergraduate course after January 2026. In this instance, the student will continue to be eligible for the same HE student finance funding for the year/s studied from January 2026 onwards as was available at the time they commenced their foundation year. Their future LLE entitlement will be reduced by the exact amount of tuition fee loan they undertake for this study.

Additional LLE funding for extended undergraduate courses

The government intends to make available an additional entitlement for priority subjects and longer courses (such as courses that include a year abroad) in addition to an individual's core four-year entitlement. We will soon be publishing further guidance to outline the courses eligible for additional entitlement alongside further announcements about LLE eligibility. This information will be made available at: [Lifelong Learning Entitlement overview - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/lifelong-learning-entitlement-overview)

Modular funding and foundation years

A foundation year is integrated with an undergraduate course and is typically designed on the premise that a student requires a full year of study and immersion at a HE provider to prepare for year 1 of the undergraduate course(s) the foundation year is integrated with. Foundation years are therefore out of scope for LLE funding on a modular basis.

The government is taking a phased approach to modular funding, focusing on higher technical courses which reflect employer need or where they address skills gaps to support learners into jobs which employers need. From January 2026 this will be initially targeted at:

- All Higher Technical Qualifications; and,
- Technical qualifications at Levels 4 and 5 currently funded through the Advanced Learner Loan system which have a clear line of sight to an occupational standard and employer support.

Modular funding will then be opened up from academic year 2027/28 for wider Level 4-6 provision where we can be confident of positive student outcomes. The Government intends to launch a technical consultation later this year, to specify how to determine funding for wider modules.

All LLE-funded modules must meet several designation criteria, as set out in the LLE Consultation response³. They must always form part of a designated full course and have a minimum funding size of 30 credits, and they must have a single assigned qualification level that is between Levels 4-6.

Students moving between HE providers after completing an LLE-funded foundation year

A foundation year is an integral part of an extended undergraduate course, with the aim of preparing a student to study a specific undergraduate course or pathway at their chosen HE provider. It does not typically lead to a standalone award or qualification, although some students may decide to apply to a different HE provider after studying a foundation year. HE providers have autonomy over their admissions, so it will be for them to decide whether a foundation year that is studied at a different provider is acceptable for entry to one of their courses.

³ [Lifelong loan entitlement - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Annex A - Step-by-step guide: How to determine the fee limit for a foundation year

A – Identifying a foundation year and its HECoS subject codes

7. Identify if an undergraduate course you are registering with the SLC includes an integrated foundation year, using the guidance set out on pages 5-7 here. If the course does not include a foundation year, you do not need to proceed to the next step.
8. Identify the most appropriate HECoS code(s) that the undergraduate course should be registered with, using the guidance here: [HECoS implementation guide | HESA](#).
9. Review the list of lower-fee subjects and codes attached to this guidance.
10. If the undergraduate course and foundation year includes a subject and HECoS code from the list, proceed to B below. If not, the tuition fee for the foundation year should be capped at the higher rate (currently £9,250 at Approved (fee cap) Providers).

B – Determining the fee for foundation years in lower cost subjects

11. If you are registering the undergraduate course and foundation year using a single HECoS subject code that is in the list of lower-fee subjects, the foundation year fee should be capped at the lower rate of £5,760 (at Approved (fee cap) Providers). If the undergraduate course is interdisciplinary and should be registered with multiple HECoS codes, proceed to the next step.
12. Identify the proportion of HECoS codes that are in the lower-fee subject list.
13. If more than 50% of the subject codes are listed as lower-fee subjects, the foundation year tuition fee should be capped at the lower rate of £5,760 (refer back to pages 9-12 if needed). You do not need to proceed to the next step.
14. If 50% or fewer of the HECOS codes are in the lower-fee subject list, the foundation year tuition fee should be capped at the higher rate (currently £9,250).



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