



The Assembly Learning Grants and Loans

The Assembly Learning Grants and Loans (Higher Education) (Wales)
(No. 2) Regulations 2008

student finance wales

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Consultation

Consultation document No: 049/2008

Date of issue: 6 May 2008

Action required: Responses by 29 July 2008

The Assembly Learning Grants and Loans (Higher Education) (Wales) (No. 2) Regulations 2008

- Audience** Local Authorities; Higher Education Institutions; Further Education Institutions; National Union of Students; Student Loans Company; the Open University in Wales; other interested parties.
- Overview** This consultation seeks views on the proposed policy changes and technical amendments to the existing student support legislation to be contained in the forthcoming Assembly Learning Grants and Loans (Higher Education) (Wales) (No. 2) Regulations 2008.
- Action required** Any comments which consultees might have on the proposals should be sent to the Welsh Assembly Government by 29 July 2008. Comments can be made in writing to the address below. Comments can also be made by email to studentfinancedivision@wales.gsi.gov.uk.
- Further information** Further information about this consultation can be obtained by e-mailing studentfinancedivision@wales.gsi.gov.uk or by writing to:
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Funding and Student Finance Division
Welsh Assembly Government
Cathays Park
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Tel: 029 2082 3055
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- Additional copies** This consultation document is available on the internet and can be copied from: http://new.wales.gov.uk/topics/educationandskills/education_and_skills_consult/?lang=en
- Related documents** The Assembly Grants and Loans (Higher Education) (Wales) Regulations 2008.

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The Assembly Learning Grant and Loans (Higher Education)(Wales) (No. 2)Regulations 2008

Summary

To underpin the Higher Education student support system in Wales the Welsh Ministers are required to enact the appropriate secondary legislation in the form of Assembly Learning Grants and Loans (Higher Education) (Wales) Regulations for each academic year.

Enclosed is a schedule setting out the policy changes and technical amendments to the existing legislation which are proposed for the 2009/10 academic year.

Due to the compressed timetable to make legislation for 2009/10, actual draft regulations have not been enclosed and changes to the existing Regulations have been kept to an absolute minimum.

Consultation Period

The consultation will last for a period of 12 weeks and would request for responses to be submitted by the **29th July 2008**. A separate proforma for responses has been included and should be sent to:

Karen Morgan
HE Student Finance Team
Funding and Student Finance Division
Welsh Assembly Government
Crown Buildings
Cathays Park
Cardiff
CF10 3NQ

Or by e-mail to: studentfinancedivision@wales.gsi.gov.uk

Please note that responses may be made available for public inspection in the Assembly Library. The Welsh Assembly Government will assume that you do not object to this approach to openness unless notified otherwise. If you reply by email, any confidentiality clause automatically generated by your provider will not be taken into account unless you specifically request confidentiality. Consultation responses may also be included in a statistical summary and a summary of responses may subsequently be published on the Welsh Assembly Government's website.

THE ASSEMBLY LEARNING GRANTS AND LOANS (HIGHER EDUCATION) (WALES) (No.2) REGULATIONS 2008

Background

1. The Welsh Assembly Government took responsibility for the student support system in Wales from the 2006/07 academic year. To underpin the system the Welsh Ministers are required to put in place annual secondary legislation in the form of the Assembly Learning Grants and Loans (Higher Education) (Wales) Regulations.

2. In March 2006 the then Minister for Education, Lifelong Learning and Skills agreed in principle that Wales would adopt the proposal to align the student finance system with the UCAS timetable with effect from the 2009/10 academic year. This decision has been endorsed by the current Minister. Following the alignment, students will then be able to apply for student support at the same time as applying for their course. This facility will exist for Welsh students from February 2009 onwards meaning that students who have applied for courses before the UCAS January deadline will be able to use the online ready reckoner as now. However, the enhanced provisions will be totally operational for students applying from September 09 onwards for entry in 2010.

3. The proposal to align the systems formed part of the consultation exercise undertaken for the 2007 Regulations and the responses received have been taken into consideration in the process to be applied for 2009/10. The UCAS alignment means that household income will be assessed on Prior Year Tax (PYT) e.g. early applicants for 2009/10 entry are likely to be assessed on 2007/08 financial year figures. As a result of this change two particular aspects of the process are included in this consultation, and that is the changes relating to independent students and the change in the re-assessment rate from 15% to 5%.

4. Please note that the Welsh Assembly Government is also undertaking an internal review of the student support arrangements in Wales during 2008, with the aim of delivering a long term student support framework for Wales. The review will consider the lessons learnt from the introduction of the Tuition Fee Grant and the implications of the Department of Innovation, Universities and Skills (DIUS) announcement on major changes which were made to the student support system in England from 2008.

Legislation and consultation process

5. The Assembly Learning Grants and Loans (Higher Education) (Wales) (No. 2) Regulations 2008 will set out the provisions and eligibility criteria for students undertaking designated higher education courses in Wales for the 2009/10 academic year.

6. The effect of the move to the new cycle resulted in the legislation being brought forward to enable the regulations governing the 2009/10 academic year to be in place before December **2008**.

7. The compression on the timetable means that this consultation will be limited to a schedule setting out the proposed policy changes and technical amendments and will not include actual draft regulations. During this transitional period policy changes have been kept to an absolute minimum to help facilitate the change in the system.

9. The (No.2) 2008 regulations will consolidate the earlier changes and, subject to the outcome of the consultation, include the new changes set out below.

Changes applicable to Academic Year 2009/10

10. The following policy changes and technical amendments have been identified as required for 2009/10 and your views on these proposals are welcomed.

Proposed Policy Change	Impact / Reason for change
Independent Students	Currently, independent students without a partner are assessed on their current year's income, i.e. their income in the academic year for which they apply for support. This will continue, and therefore will be an exception to the application of prior year tax. Independent students with a partner are currently assessed on their partner's income for the financial year immediately preceding the relevant academic year. From 2009/10 onwards they will be assessed on their partner's prior year tax.
Change in re-assessment rate from 15% to 5%	There will be a longer gap between the tax year information on which student support is assessed and the point when students start their course, meaning that there will be a greater chance of some families' financial position changing for the worse during that time period (although for most families, wage inflation exceeds price inflation) therefore the re-assessment threshold will be changed to 95% or less of assessed income rather than 85%.

Proposed Technical Amendments	Impact/ Reason for change
Uprating for inflation - to be applied to the Tuition Fee Grant, all loans, and grants	<p>The Regulations to reflect an inflationary uplift of 2.6% on the levels of grants, and loans</p> <p>To note this results in the following key changes for 2009:</p> <ul style="list-style-type: none"> • Tuition Fee Grant of £1,940; • Maximum maintenance grant of £2,909.
Residence in a House of Religious Order	<p>The Regulations will remove the 'House of Religious Order' provision for students starting their courses in 09/10 as it is considered to be a redundant provision. Many students claiming support under this provision by ticking a box on the student application form do not meet the original policy intent as they live in the parental home and study courses other than Religious Studies.</p> <p>Removing this provision will affect very small numbers of students. It will however remove a significant anomaly from the Regulations and also allow a question to be removed from the student application form. It will therefore enable us to provide clearer information to students on their likely entitlement to support and will mirror the change made in England. Transitional protection will be incorporated into the Regulations for current students assessed under the Residence in a House of Religious Order provision.</p>
No automatic re-assessment of remaining student if sibling withdraws and simplification of rules on spilt contributions	<p>There continues to be the need to ensure that families should not have to contribute more in any one academic year if they have more than one student in Higher Education (HE) at the same time than if they had just one student. This change, however, is essentially about simplifying the process and removing a fear within families that if one student withdraws in-year the other students would face re-assessment and reduced support.</p> <p>Where a family has two or more students in HE at the same time and one of those students withdraws in-year from HE, this will not result in the automatic re-assessment of the student support given to the remaining family members.</p> <p>In addition, the family contribution in respect of</p>

	each student is to be assessed according to the student support system for which they are eligible, and the family contribution is then to be divided by the number of family members in HE.
Graduate Entrants	For 09/10 it is proposed to remove planning and landscaping courses from the list of post graduate courses eligible for support because there are accelerated postgraduate routes available which negate the need to undertake further lengthy, unnecessary undergraduate level study. These changes are proceeding in England for 2009/10.