

EXPLANATORY MEMORANDUM TO
THE EDUCATION (STUDENT FEES, AWARDS AND SUPPORT) (AMENDMENT)
REGULATIONS 2017

2017 No. 114

1. Introduction

- 1.1 This explanatory memorandum has been prepared by the Department for Education (DfE) and is laid before Parliament by Command of Her Majesty.
- 1.2 This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Purpose of the instrument

- 2.1 This instrument amends the Education (Student Support) Regulations 2011 which prescribe the amount of support for tuition, living and other costs for students taking designated higher education courses.
- 2.2 It also makes amendments to (i) the Education (Fees and Awards) (England) Regulations 2007 which determine that persons who do not have a specified connection with the UK can be charged higher fees than those who do, (ii) the Student Fees (Qualifying Courses and Persons) (England) Regulations 2007 which set out the persons and courses to whom maximum fee caps apply and (iii) the Education (Student Support)(European University Institute) Regulations 2010 which provide support for a small number of students taking designated postgraduate courses at the European University Institute in Florence, Italy.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments.

- 3.1 This instrument corrects two errors from earlier regulations. In accordance with SIP paragraph 3.4.13, the Department has discussed whether to use the free issue procedure with the SI Registrar. The SI Registrar is content that the free issue procedure is not applied in this instance given the nature of the correcting provisions and the proportion that they represent of the whole instrument.
- 3.2 The errors are correcting S.I. 2011/1986, S.I. 2007/778 and S.I. 2007/779, and are responding in part to the JCSI Fourth Report of Session 2016–17.

Other matters of interest to the House of Commons
- 3.3 This entire instrument applies only to England.
- 3.4 The instrument applies only to England because it applies only to the maximum amounts of tuition fees that apply to higher education students in England and provision of support to higher education students domiciled in England.
- 3.5 In the view of the Department, for the purposes of House of Commons Standing Order 83P the subject-matter of this instrument would be within the devolved legislative competence of the Northern Ireland Assembly if equivalent provision in relation to Northern Ireland were included in an Act of the Northern Ireland Assembly as a transferred matter and the Scottish Parliament if equivalent provision in relation

to Scotland were included in an Act of the Scottish Parliament and the National Assembly for Wales if equivalent provision in relation to Wales were included in an Act of the National Assembly for Wales.

- 3.6 The Department has reached this view because it considers that the primary purpose of the instrument relates to education which is within the devolved legislative competence of each of the three devolved legislatures: the primary purpose of the subject matter of the instrument is not within Schedule 5 to the Scotland Act 1998 and is not otherwise outside the legislative competence of the Scottish Parliament (see section 29 of that Act); the primary purpose of the subject matter of the instrument is not within Schedules 2 or 3 to the Northern Ireland Act 1998 and is not otherwise outside the legislative competence of the Northern Ireland Assembly (see section 6 of the Act); the primary purpose of the subject matter of the instrument is within paragraph 5 of Schedule 7 to the Government of Wales Act 2006 and is not within one of the exceptions listed therein nor is it otherwise outside the legislative competence of the National Assembly for Wales (see section 108 of that Act).

4. Legislative Context

- 4.1 This instrument amends the Education (Student Support) Regulations 2011 (“the 2011 Regulations” (S.I. 2011/1986)). The 2011 Regulations are made under section 22 of the Teaching and Higher Education Act 1998, which provides for the Secretary of State to make regulations to provide financial support for students in Higher Education. Student Support Regulations are made annually by the Secretary of State to provide support to eligible students in connection with their undertaking designated higher education courses.
- 4.2 This instrument also amends the Education (Fees and Awards) (England) Regulations 2007 (“the 2007 FA Regulations” (S.I. 2007/779)). The 2007 FA Regulations are made under sections 1 and 2 of the Education (Fees and Awards) Act 1983 and determine that persons who do not have a specified connection with the UK can be charged higher fees than those who do.
- 4.3 This instrument amends the Student Fees (Qualifying Courses and Persons) (England) Regulations 2007 (“the 2007 QCP Regulations” (S.I. 2007/778)). The 2007 QCP Regulations are made under sections 24(6) and 47 of the Higher Education Act 2004 (“the HE Act 2004”), and set out the persons and courses that the fee controls in sections 24 and 25 of the HE Act 2004 apply to.
- 4.4 This instrument also amends the Education (Student Support)(European University Institute) Regulations 2010 (“the 2010 EUI Regulations” (S.I. 2010/447)). The 2010 EUI Regulations are made under sections 22, 42(6) and 43(1) of the Teaching and Higher Education Act 1998 and set out the financial support available for students taking designated postgraduate courses at the European University Institute in Florence, Italy.
- 4.5 This instrument introduces a revised fee loan and living costs support package for new and continuing students in respect of an academic year beginning on or after 1 August 2017. It increases the maximum fee loan for new and continuing full-time and part-time students attending or undertaking their courses in the 2017/18 academic year. This instrument increases the maximum loan for living costs and long courses loan for new and continuing full-time students attending their courses in 2017/18. It also increases maximum maintenance grants and special support grants in 2017/18 for full-time students who started attending their courses before 1 August 2016.

- 4.6 This instrument increases maximum grants in 2017/18 for new and continuing full-time students with dependants and maximum disabled students' allowance for new and continuing full-time, part-time and postgraduate students with disabilities in 2017/18. It increases maximum fee loans in 2017/18 for full-time English domiciled students who started their courses before 1 September 2012 at institutions in Northern Ireland. This instrument also increases maximum fee grants and course grants in 2017/18 for part-time students who started their courses before 1 September 2012.
- 4.7 This instrument also contains provisions relating to the eligibility of persons granted humanitarian protection, persons with long residence and EU nationals; to student support for students starting courses in nursing, nursing and social work, midwifery, operating department practice and the allied health professions; to student support for members of the UK armed forces serving overseas and their families undertaking distance learning courses; to student support for part-time students starting a second honours degree course in agriculture and related subjects, biological sciences, mathematical sciences, physical sciences or veterinary sciences and to student support for English domiciled students studying at higher education institutions in Wales.
- 4.8 This instrument corrects an error in Regulation 137(10) of the Education (Student Support) Regulations 2011 in relation to the eligibility of part-time students. This Regulation currently duplicates the text in Regulation 137(11) in relation to persons granted humanitarian protection and their families. This instrument replaces references to a 'person granted humanitarian protection' with the correct references to 'refugee'.
- 4.9 This instrument also corrects a minor syntactical glitch in the wording of the Schedules to the 2007 FA Regulations, the 2007 QCP Regulations and the 2011 Regulations, which set out categories of students eligible for student support.

5. Extent and Territorial Application

- 5.1 The extent of this instrument is England and Wales.
- 5.2 The territorial application of this instrument is set out in Section 3 under (Other matters of interest to the House of Commons”.

6. European Convention on Human Rights

- 6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

What is being done and why

Increasing maximum fee loans for full-time and part-time students in 2017/18.

- 7.1 The Government is introducing a Teaching Excellence Framework (TEF) to provide clear information to students about where the best provision can be found and to drive up the standard of teaching in all higher education institutions. In Year One of the TEF (2016/17), all higher education institutions who have met the eligibility criteria set out in Annex A of the Government's White Paper – 'Success as a Knowledge

Economy: Teaching Excellence, Social Mobility and Student Choice'¹ - have received a rating of Meets Expectations. The TEF Year One list was published on GOV.UK on 01 September 2016².

- 7.2 This TEF award will carry financial incentives, as detailed below, for 2017/18 which will last for one year only. For all new students and eligible continuing students who started their full-time courses on or after 1 September 2012 and are undertaking courses at publicly funded higher education institutions that have achieved a TEF rating of Meets Expectations, maximum tuition fee caps will be increased by forecast inflation (2.8%) in 2017/18.
- 7.3 Students undertaking higher education courses at publicly funded institutions qualify for fee loans to meet the full costs of their tuition fees. For all new students and eligible continuing students who started their courses on or after 1 September 2012, this instrument amends the 2011 Regulations to increase the maximum fee loan by 2.8% (forecast inflation) to £9,250 for full-time courses and to £6,935 for part-time courses, in line with increases to maximum tuition fee caps.
- 7.4 Fees for courses at private institutions in 2017/18 are not subject to maximum fee caps. Students undertaking higher education courses at designated private institutions qualify for fee loans towards the costs of their tuition fees. For all new students and eligible continuing students who started their courses on or after 1 September 2012, this instrument amends the 2011 Regulations to increase the maximum fee loan by 2.8% (forecast inflation) to £6,165 for full-time courses and to £4,625 for part-time courses offered by designated private institutions that have achieved a TEF rating of Meets Expectations.

Changes to living costs support for 2016 cohort full-time students in 2017/18.

- 7.5 The maximum loan for living costs for new full-time students and continuing full-time students who started their courses on or after 1 August 2016, '2016 cohort students', will be increased by forecast inflation (2.8%) in 2017/18.
- 7.6 This instrument amends the 2011 Regulations so that the maximum loan for living costs for most 2016 cohort students living away from home and studying outside London will be £8,430 in 2017/18; for students living away from home and studying in London, £11,002; for students living in the parental home, £7,097 and for students studying overseas as part of a UK course, £9,654.
- 7.7 Different rates of loan for living costs apply to full-time students eligible for benefits. This instrument amends the 2011 Regulations so that the maximum loan for living costs for 2016 cohort students who are eligible for benefits and are living away from home and studying outside London will be £9,609 in 2017/18; for students living away from home and studying in London, £11,998; for students living in the parental home, £8,372 and for students studying overseas as part of a UK course, £10,742.
- 7.8 2016 cohort students aged 60 or over on the first day of the first academic year of their course qualify for a separate rate of loan for living costs. This instrument amends the 2011 Regulations so that the maximum loan for living costs for 2016 cohort

¹ <https://www.gov.uk/government/publications/higher-education-success-as-a-knowledge-economy-white-paper>

² <https://www.gov.uk/government/publications/teaching-excellence-framework-year-1-list-of-eligible-providers>

students aged 60 or over on the first day of the first academic year of their course will be £3,566 in 2017/18.

Changes to living costs support for 2009 and 2012 cohort full-time students in 2017/18.

- 7.9 The maximum loan for living costs for full-time students who entered higher education on or after 1 September 2012 but before 1 August 2016, '2012 cohort students', will be increased by forecast inflation (2.8%) in 2017/18. Part of the loan for living costs is based on a student's household income.
- 7.10 This instrument amends the 2011 Regulations so that the maximum loan for living costs for 2012 cohort students living away from home and studying outside London will be £6,043 in 2017/18; for students living away from home and studying in London, £8,432; for students living in the parental home, £4,806 and for students studying overseas as part of a UK course, £7,180.
- 7.11 2012 cohort students on lower incomes qualify for an income assessed maintenance grant, or for 2012 cohort students who are eligible for benefits, an income assessed special support grant. This instrument amends the 2011 Regulations so that the maximum maintenance grant and special support grant for 2012 cohort students will be increased by forecast inflation (2.8%) to £3,482 in 2017/18.
- 7.12 The maximum loan for living costs for eligible full-time students who entered higher education on or after 1 September 2009 but before 1 September 2012, '2009 cohort students', will be increased by forecast inflation (2.8%) in 2017/18. Part of the loan for living costs is based on a student's household income.
- 7.13 This instrument amends the 2011 Regulations so that the maximum loan for living costs for 2009 cohort students living away from home and studying outside London will be £5,440 in 2017/18; for students living away from home and studying in London, £7,611; for students living in the parental home £4,217 and for students studying overseas as part of a UK course, £6,475.
- 7.14 2009 cohort students on lower incomes qualify for an income assessed maintenance grant, or for 2009 cohort students who are eligible for benefits, an income assessed special support grant. This instrument amends the 2011 Regulations so that the maximum maintenance grant and special support grant for 2009 cohort students will be increased by forecast inflation (2.8%) to £3,197 in 2017/18.

Changes to elements of the living costs support package for new and continuing full-time students in 2017/18.

- 7.15 Full-time students attending courses that are longer than 30 weeks and three days in length during the academic year qualify for an income assessed long courses loan for each week or part week above 30 weeks and 3 days. Students attending their courses for 45 weeks or more in the academic year qualify for the same amount of long courses loan as students attending for 52 weeks.
- 7.16 This instrument amends the 2011 Regulations to increase the maximum long courses loan by forecast inflation (2.8%) for new and continuing students in 2017/18. For students living away from home and studying outside London, the maximum long courses loan will be £90 a week; for students living away from home and studying in London, £116 a week; for students living in the parental home £59 a week and for students studying overseas as part of a UK course, £125 a week.

- 7.17 Full-time students undertaking a work placement year of a sandwich course do not qualify for the full living costs support package unless they are undertaking an unpaid placement in the public sector, as defined in the 2011 Regulations. Instead, most students undertaking work placement years qualify for a reduced rate, non-income assessed loan for living costs.
- 7.18 This instrument amends the 2011 Regulations to increase the maximum reduced rate loan for living costs for full-time students undertaking a work placement year by forecast inflation (2.8%) in 2017/18. For students living away from home and studying outside London, the maximum reduced rate of loan for living costs will be £2,553, for students living away from home and studying in London, £3,585 and for students living in the parental home, £1,915. Students studying overseas as part of a UK course, qualify for the reduced rate of loan that applies to students living away from home and studying outside London.
- 7.19 These changes aim to maintain the real value of grants and loans for living costs for new and continuing full-time students in the 2017/18 academic year.

Changes to grants for full-time students with dependants.

- 7.20 Full-time undergraduate students with adult or child dependants qualify for income assessed dependants' grants. This instrument amends the 2011 Regulations to increase maximum dependants' grants by forecast inflation (2.8%) in 2017/18.
- 7.21 The maximum adult dependants' grant will be £2,834 and the maximum parents' learning allowance, £1,617 in 2017/18. The amount of childcare grant payable in 2017/18 will be based on 85% of actual childcare costs, subject to maximum grants of £159.59 a week for one child only or £273.60 a week for two or more children.

Changes to grants for full-time part-time and postgraduate students with disabilities.

- 7.22 Full-time and part-time undergraduate and postgraduate students with disabilities who are obliged to incur essential additional expenditure while undertaking a course of higher education as a result of their disability qualify for disabled students' allowances (DSAs) which are non-income assessed grants. Different rates of DSAs apply for full-time, part-time and postgraduate students. This instrument amends the 2011 Regulations to increase maximum DSAs by forecast inflation (2.8%) in 2017/18.
- 7.23 Maximum DSAs for full-time students in 2017/18 will be £21,305 for a non-medical helper, £5,358 for major items of specialist equipment (for all academic years of a course) and £1,741 for other disability related expenditure. Maximum DSAs for part-time students in 2017/18 will be £15,978 for a non-medical helper, £5,358 for major items of specialist equipment (for all academic years of a course) and £1,342 for other disability related expenditure. The single DSA for postgraduate students in 2017/18 will be £10,652.

Changes to support for students undertaking courses in nursing, nursing and social work, midwifery, operating department practice and the allied health professions.

- 7.24 Currently, tuition fees for students undertaking pre-registration courses in nursing, nursing and social work, midwifery, operating department practice and the allied health professions are paid directly to universities by the government via Health Education England (HEE). These students can apply for support for living costs in the form of a bursary from the NHS Business Services Authority (NHSBSA), who

administer the Bursary Scheme on behalf of the government, and should additional support be required for full-time courses, a reduced rate loan for living costs. Existing students undertaking pre-registration courses in nursing, nursing and social work, midwifery, operating department practice and the allied health professions, in addition, qualify for a reduced rate, non means-tested loan for living costs under the 2011 Regulations.

- 7.25 This instrument amends the 2011 Regulations so that full-time students starting pre-registration courses in nursing, nursing and social work, midwifery, operating department practice and the allied health professions (excluding courses in dental hygiene and dental therapy) from 1 August 2017 onwards will qualify for the same fee loan and living costs support as other undergraduate students starting full-time higher education courses in 2017/18. Students starting full-time courses in dental hygiene and dental therapy from 1 August 2017 onwards will continue to qualify for support from HEE and NHSBSA and, should additional support be required, through a reduced rate loan for living costs under the 2011 Regulations.
- 7.26 Full-time students starting pre-registration courses in nursing, nursing and social work, midwifery, operating department practice and the allied health professions at institutions in Scotland and Wales from 1 August 2017 onwards will qualify for the same fee loan and living costs support as other undergraduate students starting full-time higher education courses in 2017/18. Students committing to 2 years work in Wales after they have completed their course will continue to qualify for bursaries from NHS Wales. This group of students will continue to qualify for a reduced rate non means-tested loan for living costs under the 2011 Regulations. Northern Ireland will not be offering places on these healthcare courses for new students from England in 2017/18.
- 7.27 Part-time students starting pre-registration courses in nursing, midwifery, operating department practice and allied health professions (excluding courses in dental hygiene and dental therapy) from 1 August 2017 will qualify for the same fee loan as other undergraduate students starting part-time courses in 2017/18. Part-time students who are obliged to incur essential additional expenditure while undertaking a course of higher education as a result of a disability will qualify for DSAs.
- 7.28 Students starting full-time and part-time courses in dental hygiene and dental therapy from 1 August 2017 onwards will continue to qualify for support from HEE and NHSBSA. Students studying full-time will be eligible for a reduced rate non-income assessed loan for living costs under the 2011 Regulations.
- 7.29 This instrument amends the 2011 Regulations so that students already holding an equivalent or higher level qualification who want to start an ordinary degree or honours degree course in nursing, nursing and social work, midwifery and the allied health professions on a full-time or part-time basis (excluding courses in dental hygiene and dental therapy) from 1 August 2017 onwards will be able to apply for fee loans and, for a full-time course, living costs support.
- 7.30 This instrument also amends the 2011 Regulations so that students already holding an equivalent or higher level qualification who want to start a diploma, ordinary degree or honours degree in operating department practice on a full-time or part-time basis from 1 August 2017 onwards, will be able to apply for fee loans and, for a full-time course, living costs support.

- 7.31 Both full-time and part-time students who are obliged to incur essential additional expenditure while undertaking a course of higher education as a result of a disability will qualify for DSAs under the 2011 Regulations.
- 7.32 These changes will apply to new students starting full-time and part-time courses in the 2017/18 academic year from 1 August 2017 onwards.

Changes to fee support for students undertaking Erasmus study and work placements years as part of a course at a Scottish Higher Education Institution.

- 7.33 Currently, full-time English domiciled students undertaking a study or work placement (or combination of both) Erasmus year (European Region Action Scheme for the Mobility of University Students) as part of a full-time higher education course at a Scottish higher education institution are entitled to a fee waiver. The 2011 Regulations provide that this group of students are not entitled to apply for fee loans.
- 7.34 From 2017/18, new arrangements will apply to full-time English domiciled students undertaking courses at higher education institutions in Scotland who are taking an Erasmus study year or Erasmus work placement year abroad. Universities and colleges in Scotland will charge this group of students up to 15% of the maximum fee cap that applies to English domiciled students studying in Scotland in 2017/18. This instrument amends the 2011 Regulations to allow this group of students to apply for a fee loan of up to £1,385 to cover these costs.
- 7.35 This change will apply to students starting their full-time courses in the 2017/18 academic year or students who started their courses on or after 1 September 2012 who are continuing their courses in 2017/18.

Allowing students who already hold an honours degree or higher level HE qualification to apply for fee loans for a further part-time course leading to an honours degree in a science, technology, engineering or maths subject.

- 7.36 Most students who hold a higher education (HE) qualification are currently not entitled to apply for a fee loan for a second course if that course leads to a qualification that is equivalent or lower in level (ELQ) than their previous HE qualification. Part-time exceptions to this rule currently apply to students studying on a part-time course of initial teacher training (if completed in no more than 4 years) and students studying on a part-time honours degree course in engineering, technology or computer science.
- 7.37 This instrument amends the 2011 Regulations to allow students to apply for fee loans for a designated part-time honours degree course in agriculture and related subjects, biological sciences, mathematical sciences, physical sciences or veterinary sciences where that course leads to a qualification that is equivalent or lower in level than their previous qualification. Eligible students who incur essential additional expenditure while undertaking a course of higher education studying as a result of their disability will also be able to apply for part-time DSAs.
- 7.38 Students will be able to vary their intensity of study but must complete their course in no more than four times the period required to complete a full-time equivalent course (up to a maximum 16 years support for any honours degree courses in STEM subjects). Study must be at a minimum 25% intensity of a full-time course for each year of their part-time course.

- 7.39 This change will apply to students starting part-time courses in the specified STEM subjects in the 2017/18 academic year from 1 August 2017 onwards.

Support for students who are members of the UK Armed Forces serving overseas or family members living with them who wish to undertake a full-time or part-time distance learning course.

- 7.40 Currently, all full-time and part-time students undertaking a distance learning course with a UK higher education institution must be undertaking the course in England on the first day of the first academic year of that course in order to qualify for fee loans. Those students who are obliged to incur essential additional expenditure while undertaking a course of higher education as a result of a disability qualify for DSAs for their distance learning course. However, if the student no longer resides in the UK, then their fee loan or DSA support for a full-time or part-time distance learning course will stop.
- 7.41 This instrument amends the 2011 Regulations to allow students who are members of the UK Armed Forces serving overseas or are family members living with these armed forces personnel to qualify for fee loans and, where applicable, DSAs for their full-time or part-time distance learning course.
- 7.42 This change is consistent with the underlying principle of the Armed Forces Covenant that serving members of the armed forces and their families, veterans and bereaved families, should face no disadvantage compared to other citizens in the provision of public and commercial services.
- 7.43 This change will apply to students starting or continuing full-time or part-time distance learning courses in the 2017/18 academic year from 1 August 2017 onwards.

Long residence eligibility category in regulations

- 7.44 A new long residency category of eligible students was added to the 2011 Regulations for the 2016/17 academic year to allow this group of students to qualify for support for tuition, living and other costs where applicable. Corresponding changes were made to the 2007 FA Regulations so that the new long residency eligibility category qualifies for home fee status and to the 2007 QCP Regulations so that the new category benefits from fee controls.
- 7.45 This instrument makes a technical amendment to the 2007 FA Regulations and 2007 QCP Regulations so that students satisfying the long residence eligibility criteria must be ordinarily resident in the UK on the first day of the first academic year of the course, rather than in England. This change will ensure that students in this category who have been living in Northern Ireland, Scotland or Wales and move to England after the start of their course qualify for home fee status for their course at an English higher education institution.
- 7.46 This instrument also amends the 2010 EUI Regulations to add the new eligibility category to these regulations.
- 7.47 This change will apply to all three sets of regulations from the date that these regulations come into force.

Humanitarian protection eligibility category in Regulations

- 7.48 The 2011 Regulations currently stipulate that persons granted humanitarian protection and their family members must be ordinarily resident in the United Kingdom on the

first day of the first academic year of the course to be eligible for student support. However, in line with other eligibility categories, persons granted humanitarian protection should be ordinarily resident in England on the first day of the first academic year of their course to be eligible for the student support package available in England.

- 7.49 This instrument makes a technical amendment to the 2011 Regulations from the date that these regulations come into force to clarify that persons granted humanitarian protection must be ordinarily resident in England on the first day of the first academic year of their course to be eligible for student support.

Five year residence requirement for living costs support for EU nationals.

- 7.50 The 2011 Regulations were amended for the 2016/17 academic year to extend the residency requirement for EU nationals undertaking higher education courses to qualify for grants and loans for living and other costs. This change has increased the requirement for these students to have been ordinarily resident in the United Kingdom and Islands from three years to five years in the period immediately before the first day of the first academic year of the course.
- 7.51 This instrument makes a corresponding change to the 2010 EUI Regulations for students starting their courses in the 2017/18 academic year from 1 August 2017 onwards.

Maximum fee loans for students undertaking full-time courses which started on or after 1 August 2012 at institutions in Northern Ireland and Scotland.

- 7.52 English domiciled students studying on courses at publicly funded institutions in Northern Ireland, Scotland or Wales can apply for a fee loan to meet the full costs of their tuition (up to £9,000 for a full-time course in 2016/17).
- 7.53 The Northern Ireland Assembly and Scottish Government are increasing maximum full-time fees for English domiciled students in 2017/18 to £9,250, in line with changes to fees for 2017/18 in England.
- 7.54 This instrument amends the 2011 Regulations to increase the maximum fee loan for English domiciled students studying at publicly funded institutions in Scotland and Northern Ireland by 2.8% to £9,250 in 2017/18 to enable these students to meet the full costs of their tuition.
- 7.55 Fees for courses at private institutions in 2017/18 are not subject to maximum fee caps. Students undertaking higher education courses at private institutions in Scotland and Northern Ireland qualify for fee loans towards the costs of their tuition fees. For all new students and eligible continuing students who started their courses on or after 1 September 2012, this instrument amends the 2011 Regulations to increase the maximum fee loan by 2.8% (forecast inflation) to £6,165 for full-time courses and to £4,625 for part-time courses offered by private institutions in Scotland and Northern Ireland in 2017/18 that have achieved a TEF rating of Meets Expectations.
- 7.56 These changes will apply to students starting or continuing full-time courses at Northern Irish and Scottish institutions in the 2017/18 academic year from 1 August 2017 onwards.

English domiciled students studying at Welsh Higher Education Institutions.

- 7.57 For 2017/18, the Welsh Government is replacing the distinction between publicly funded institutions and private institutions for fee charging purposes for full-time courses starting on or after 1 September 2017 with regulated and non-regulated institutions. Regulated institutions will have an approved fee and access plan in force with the Higher Education Funding Council for Wales (HEFCW) which will allow them to charge higher fees (up to £9,000 in 2017/18, the same maximum as in 2016/17) than institutions that are not regulated.
- 7.58 This instrument amends the 2011 Regulations by adding new definitions of regulated and non-regulated institutions in Wales in respect of full-time courses offered by such institutions that start on or after 1 September 2017. It also adds regulated institutions in Wales to the list of institutions offering full-time courses that are automatically designated for student support under the 2011 Regulations.
- 7.59 English domiciled students studying on full-time courses starting on or after 1 September 2017 at regulated institutions in Wales will be able to apply for a fee loan to meet the full costs of their tuition up to £9,000, the same fee loan cap that applies in 2017/18 to English domiciled students who started their full-time courses at publicly funded institutions in Wales before 1 September 2017.
- 7.60 English domiciled students studying on full-time courses starting on or after 1 September 2017 at institutions in Wales that are not regulated with HEFCW will be able to apply for a fee loan towards the costs of their tuition, the same fee loan caps that apply in 2017/18 to English domiciled students who started their full-time courses at private institutions in Wales before 1 September 2017. This instrument amends the 2011 Regulations to increase the maximum fee loan by 2.8% (forecast inflation) in 2017/18 to £6,165 for full-time courses offered by private and non-regulated institutions in Wales that have achieved a TEF rating of Meets Expectations and to £4,625 for part-time courses offered by private institutions in Wales that have achieved a TEF rating of Meets Expectations.

Converting European Union currencies into Pounds Sterling when calculating a student's household income.

- 7.61 The amount of full-time grants and loans for living costs support a student is entitled to depends on a student's household income. For students who are regarded as dependent on their parents, household income is based on their parents' taxable income which for student support is the total income charged to income tax as determined in Step 1 of section 3 of the Income Tax Act 2007.
- 7.62 Where a student's parents receive taxable income in the currency of another EU member state, the 2011 Regulations provide that it is converted into Pounds Sterling using the sterling value of that income in accordance with the rate for the month in which the last day of the financial year in question falls, as published by the Office for National Statistics (ONS).
- 7.63 This instrument makes a technical amendment to the 2011 Regulations to replace references to the ONS, which no longer publishes conversion tables from EU currencies into Pounds Sterling, with references to HMRC. Foreign exchange rate data produced by HMRC is used by the Student Loans Company to convert taxable income calculated in the currency of another EU member state into Pounds Sterling. This change will apply from the date that these Regulations come into force.

Consolidation

- 7.64 The Department is currently considering the feasibility of consolidating the relevant legislation.

8. Consultation outcome

- 8.1 There is no statutory requirement to consult on these amendment regulations. However, the Department of Health (DH) published a consultation on their website in April 2016: 'Reforming healthcare education funding: creating a sustainable future workforce' on how the proposed reforms on funding and financial support for nursing, nursing and social work, midwifery and allied health professionals could be successfully implemented.
- 8.2 The former Department for Business, Innovation and Skills (BIS) published a consultation as part of the Green Paper on higher education 'Fulfilling our Potential: Teaching Excellence, Social Mobility and Student Choice' in November 2015 on the GOV.UK website. This included proposals to allow higher education institutions offering high quality teaching to charge higher tuition fees. The consultation informed the Government White Paper on higher education, 'Success as a Knowledge Economy: Teaching Excellence, Social Mobility & Student Choice' which was published in May 2016. Alongside the White Paper, the Government published a technical consultation on Year Two of the TEF to ensure the higher education sector has the opportunity to shape the detailed proposals.
- 8.3 As part of a quality review process in Autumn 2016, the draft amendment regulations were sent to stakeholders in the Higher Education sector such as the Student Loans Company (SLC), the Higher Education Funding Council for England (HEFCE) and the Office for Fair Access (OFFA) to check that the amendment regulations met policy intent.
- 8.4 An Equality Analysis (EA) covering changes to student support for 2017/18 was published on the .GOV.UK website on 15 December 2016³. A supplementary EA is being published with the laying of these regulations. DH published a separate EA of the changes to support for new nursing, nursing and social work, midwifery and allied health profession students in 2017/18 in April 2016 on the GOV.UK website⁴. BIS published an initial EA as part of their November 2015 consultation which covered the impact of the TEF and increases to maximum fees on protected groups of students. A further EA for the Higher Education and Research Bill covering the impact of changes to fees and the TEF on protected groups of students was published by BIS on the GOV.UK website in May 2016 alongside a technical consultation on the TEF.

9. Guidance

- 9.1 The Minister of State announced proposed changes to student support in detail for 2017/18 in a Written Ministerial Statement (WMS) to Parliament on 21 July 2016.
- 9.2 Information setting out these changes was made available for universities, colleges and other HE stakeholders on Student Finance England's (SFE) practitioners' website

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https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/577420/Equality_Analysis_for_Student_Support_Regulations_2016.pdf

⁴ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/539777/health-ed-ea.pdf

when the WMS was laid before Parliament. Further information on changes to student support for 2017/18 will be published for students on GOV.UK and SFE websites.

- 9.3 Guidance materials are being produced by SFE for students intending to apply for full-time and part-time financial support for 2017/18 and these will be available in both hard copy and electronic formats.

10. Impact

- 10.1 The impact on businesses, charities or voluntary bodies is as follows: the Higher Education sector is expected to experience an average annual benefit of £1.3bn from the Introduction of the Teaching Excellence Framework and its link to undergraduate student tuition fees from 2017/18. The cost to higher education institutions including private institutions is assessed to be zero for TEF Year One. This is because no institution application was required for TEF Year One and Higher Education institutions including were automatically eligible for a 'Meets Expectation' award if they had a valid QA review (as defined in Annex A of the White Paper). For students starting nursing, nursing and social work, midwifery, allied health profession and operating department practice courses in 2017/18, replacing bursaries from NHSBA with the standard student finance arrangements will benefit Higher Education Institutions as tuition fee payments and teaching grant funding will on average be higher under the new system.
- 10.2 Initial estimates from the SLC indicate that the potential costs of administering the TEF will be £1.1m in 2016/17. Changes to student funding for students starting nursing, nursing and social work, midwifery, allied health profession and operating department practice courses in 2017/18 may result in additional administrative savings by having more students on one system of finance but these have not been monetised.
- 10.3 An Impact Assessment has not been prepared for this instrument but a full Impact Assessment assessing the introduction of the Teaching Excellence Framework was published in June 2016 and can be found on .GOV.UK⁵. An Impact Assessment on changes to support for students undertaking nursing, nursing and social work, midwifery, allied health profession and operating department practice courses was published by DH in July 2016 and can also be found on .GOV.UK⁶.

11. Regulating small business

- 11.1 The legislation does not apply to activities that are undertaken by small businesses.

12. Monitoring & review

- 12.1 The 2011 Regulations, the 2007 FA Regulations, the 2007 QCP Regulations and the 2010 EUI Regulations will be kept under review and in particular we will be monitoring the views of stakeholders. We will be monitoring the number of students who receive grants and loans. This information is published in the Student Loans Company's Statistical First Releases.

⁵ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/528005/bis-16-295-he-research-bill-detailed-impact-assessment.pdf

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https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/552197/NHS_Bursary_EIA.pdf

13. Contact

- 13.1 Mark Williams at the Department for Education Tel: 020 7215 1546 or mark.williams@education.gov.uk can answer any queries regarding the instrument.