

EXPLANATORY MEMORANDUM TO

EDUCATION (STUDENT SUPPORT) (No.2) REGULATIONS (NORTHERN IRELAND) 2009 No.373

1. Introduction

- 1.1 This explanatory memorandum has been prepared by the Department for Employment and Learning (“the Department”) to accompany SR 2009 No.373 which is laid before the Northern Ireland Assembly.
- 1.2 The statutory rule is made under Articles 3 and 8(4) of the Education (Student Support) (Northern Ireland) Order 1998 and is subject to the negative resolution procedure.
- 1.3 The rule will come into operation on 17 December 2009.

2. Purpose

This rule provides for support for students taking designated higher education courses in respect of the academic year beginning on or after 1 September 2010 and make amendments to the Education (Student Support) Regulations (Northern Ireland) 2009. The effect of the rule is to increase the amounts of grants for tuition fees (for those students who are still eligible for such grants), student loans for tuition fees and living costs and some grants for living costs in line with inflation and implement some policy changes.

3. Background

The rule revokes the arrangements for previous years and sets out support arrangements for the 2010/11 academic year. In addition to the inflationary increases the main policy changes effected by this rule are;

a) Raising income thresholds for (i) entitlement to Maintenance Grant and (ii) household contributions.

In Northern Ireland the maximum maintenance grant is £3,475, £569 more than the maximum grant in England. Students from households with an income of £19,203 (rising from £18,820 in 2009/10) or less will receive the maximum grant. Students from households with an income between £19,204 and £41,065 (rising from £40,238 in 2009/10) will receive a partial grant on a sliding scale basis.

b) Uprating Maintenance Grant levels.

The maximum maintenance grant will increase from **£3,406 to £3,475.**

c) Annual uprating of grants and loans by forecasted RPI figure of 2.04% for academic year 2010/2011.

The following will be increased from 1st September 2010:

- Fee loans and grants for fees and living costs for all students (with the exception of the Higher Education Bursary for continuing students who commenced higher education prior to the new system in 2006 which remains at £2,000 maximum);
- loans for living costs for all students; and
- allowances and disregards.

d) Support for part-time and full-time distance learning students who wish to ‘top-up’ their existing qualification to a higher level qualification.

From 1st September 2010, all new students starting a part-time or full-time distance learning course who already hold a lower level qualification such as a foundation degree will be eligible to apply for support to ‘top-up’ their qualification to a higher level (e.g. to an honours degree), regardless of where they are studying, the subject they are taking and whether or not there is a break in study.

This change aligns more closely the rules for part-time students and full-time distance learning students who wish to ‘top-up’ to a higher level qualification with those for full-time students. It removes a restriction in the Regulations which prevents students holding a first degree (such as a foundation degree) from a UK University or College from ‘topping-up’ their qualification to an honours degree, unless the second qualification is taken in the same subject at the same institution immediately after the first qualification. An amendment is made for the 2009 Regulations to ensure that the restriction remains in place for the 2009/10 academic year.

e) Removal of Provisions on Interest and Insolvency.

Provisions relating to the interest chargeable on the loans (in relation to England) and the consequences of the insolvency of a borrower (in relation to England and Wales and Northern Ireland) have previously been contained in the 2009 Regulations. As these provisions sit more logically within Regulations that deal with repayment of student loans, they have been removed from these Regulations and the 2009 Regulations and inserted within the Education (Student Loans) (Repayment) Regulations (Northern Ireland) 2009 (S.R. 2009 No. 128) taking effect from 1st September 2009. This is intended to increase clarity and simplicity.

f) Technical Amendment to ensure that full-time students who transfer courses or who wish to ‘top up’ their previous qualification to a higher level qualification will retain the package of support they received on their first course.

Currently, most students who started their course in the 2008/09 Academic Year, known as 2008 cohort students, are eligible for the same package of maintenance grant and loan support throughout their course. However, 2008 cohort students who started a course in 2008/09 and who are transferring to another course in 2010/11, or who started a course

in 2008/09 and who wish to 'top up' their first course to a higher level (e.g. to an honours degree) in 2010/11, will be eligible for the different package of maintenance support available for students starting their courses in 2010/11. This fails to meet the policy intention that transferring students or students going 'end-on' to a higher level course should retain the same support package as they had when they started their original course.

The definition of a 2008 cohort student in Regulation 2(1) is therefore being changed to ensure that 2008 cohort students transferring courses in 2010/11 or starting a higher level course in 2010/11 immediately after completing a preliminary course (such as a Foundation Degree) will remain as 2008 cohort students on their second course and will continue to be eligible for the same package of maintenance support as they had when they started their first course. The same change is being made to the definition of a 2008 Cohort Student in the 2008 (No.2) Regulations.

A similar change is also being made to the definition of a 2009 cohort student in Regulation 2(1), which covers most students who started their course in the 2009/10 Academic Year, to take account of students transferring their courses in 2010/11 or starting a higher level course in 2010/11 immediately after completing a preliminary course.

g) Technical Amendment to ensure that the Regulations reflect the policy intention for transferring students.

When a student transfers from one course to another, that student retains his or her entitlement to the same package of student support that was available when he or she started the original course. In 2009, new rules were introduced preventing a student holding an equivalent or higher level qualification from the UK or abroad from receiving support for a further course. An amendment is being made to Regulation 14(1) to ensure that students transferring to a course on or after 1st September 2009 from a course beginning before 1st September 2009 continue to be eligible for the same support arrangements which were in place when they started their original course. The same change is being made to Regulation 14(1) of the 2008 (No.2) Regulations with consequential amendments.

4. Matters of special interest to the Employment and Learning Committee

None

5. Consultation

There is no statutory requirement to consult on these Regulations as they do not give effect to policy changes but facilitate policy implementation.

6. Position in Great Britain

This rule is made in broad parity with the Statutory Instrument, the Education (Student Support) Regulations 2009 S.I 2009 No. 1555 which was made on 23rd June 2009, laid before Parliament on 1st July 2009 and came into force on 1st September 2009.

7. Equality Impact Assessment

A preliminary Equality Impact Assessment has been carried out and it is the Department's view that the proposals do not have an adverse impact on the Section 75 categories.

8. Regulatory Impact Assessment

A Regulatory Impact Assessment has not been prepared for this rule as it has no adverse impact on business, charities or voluntary bodies.

9. Financial Implications

The financial implications of the policy changes have been costed and funding secured through the Department's current student finance budget provision.

10. Section 24 of the Northern Ireland Act 1998

Departmental Solicitor's Office has confirmed that the making of this rule complies with Section 24 of the NI Act.

11. Contact

John Neill at the Department for Employment and Learning, Tel: 028 90 257712 or email: john.neill@delni.gov.uk can answer any queries regarding this Rule.