



Llywodraeth Cymru
Welsh Government

To:

Local Authorities in Wales
(For the attention of Student Finance Officers)
Higher Education Institutions in Wales providing designated
Higher Education courses
Further Education Institutions in Wales providing designated
Higher Education courses
The Student Loans Company
UCAS
The Open University in Wales
Student Finance Wales Stakeholder Group
NUS Wales
Higher Education Funding Council for Wales

January 2012

Dear Colleague

HIGHER EDUCATION STUDENT SUPPORT IN 2012/13:

THE ASSEMBLY LEARNING GRANTS AND LOANS (HIGHER EDUCATION) (WALES) (No. 2) REGULATIONS 2011

The Assembly Learning Grants and Loans (Higher Education) (Wales) (No. 2) Regulations 2011 that will govern higher education student support for academic year ('AY') 2012/13 came into force in April 2011.

These regulations are due to be amended in the early part of 2012. The sections in this document relating to private institutions, full-time distance learning, support for prisoners, part-time support, and the Table relating to graduate entry medical and dentistry courses, are therefore still subject to amending regulations.

Electronic copies of The Assembly Learning Grants and Loans (Higher Education) (Wales) (No.2) Regulations 2011 are available to download from the OPSI website at <http://www.legislation.gov.uk/wsi/2011/886/contents/made>

Those organisations needing paper copies of the Regulations and Explanatory Memorandum should phone, email or write to the Stationery Office (please see contact details below).



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ENQUIRIES

If you have any queries about the Student Support Regulations or this Information Notice, please contact, in the first instance, the Higher Education Division, Welsh Government - email studentfinancedivision@wales.gsi.gov.uk

ORDERING COPIES OF THE STUDENT SUPPORT REGULATIONS

The Regulations can be ordered from the Stationery Office at:

TSO Orders/ Post Cash Dept
PO Box 29
Norwich
NR3 1GN

Telephone: 0870 600 5522

Email: customer.services@tso.co.uk



2012/13 Student Support Regulations: summary of changes

Background Note:

On 30 November 2010 the Minister for Education and Skills announced that Welsh universities would be allowed to charge a maximum of £9,000 course tuition fee from academic year 2012/13 but that a new grant would be created to offset the increased fees. Welsh higher education institutions (HEIs) can only charge above the baseline tuition fee of £4,000 if they demonstrate a commitment to widening access and meet other strategic objectives by means of a fee plan submitted to the Higher Education Council for Wales (HEFCW). HEFCW and the Student Loans Company (SLC) will oversee the new payment mechanism and Welsh local authorities will continue to assess students' eligibility for support.

Basic student support package for 2012/13

New full-time students who are ordinarily resident in Wales, including those who decide to take a 'gap year' in 2011 and take up their university place in 2012, will be subject to the following package of student support for courses from 1 September 2012:

- a non means-tested tuition fee loan up to £3,465 (a 2.7% up rating);
- a non means-tested new tuition fee grant to cover the difference between the maximum tuition fee loan available and the tuition fee actually charged by the UK university (a maximum grant of £5,535 if a tuition fee of £9,000 is charged);
- a means-tested Assembly Learning Grant (maintenance grant) of up to £5,000 depending on household income (re-set to the 2010/11 rate);
- a means tested maintenance loan (up to £3,673 if living at parents' home, up to £4,745 if living away from parents' home, and up to £6,648 if studying in London) and,
- a partial cancellation of maintenance loan up to £1,500 once repayment has begun.

Summary of Full-Time support changes

Application

A student must complete an application for student support in order to prove eligibility for tuition fee support products. No New Fee Grant (NFG) will be paid unless the student completes an application, although the student will not have to request the NFG specifically on the application.



Eligibility

Students will only be eligible for the AY 2012/13 package where their course commences on or after 1 September 2012. Thus, any student commencing a course prior to 1 September 2012 will be assessed under the AY 2011/12 cohort support package.

Payment of support

From AY 2012/13 there will be three separate points of tuition charge liability. HEIs will be required to confirm a full-time student's attendance at 3 separate census points, one at the start of each term, before an instalment of Tuition Fee Loan or New Fee Grant is released.

The tuition fee support payable for the AY will be released in a ratio of 25%, following confirmation of the student's liability at the first term liability point (first day of term), a further 25% following confirmation of the student's liability at the second term liability point, and the remaining 50% following confirmation of the student's liability at the third term liability point.

An additional *statutory* duty has now been placed on institutions to inform local authorities when students cease to attend their courses. This is required to safeguard public funds and ensure that payments are not released for students who have withdrawn or transferred from the course they were originally undertaking.

Payment of support for 'old system' (pre 2006 students) continuing in AY 2012/13

The existing attendance confirmation arrangements will continue in 2012/13.

Transitional Arrangements

- Students who transfer on or after 1 September 2012 from a course that started before 1 September 2012 to another course with the same mode of study will be assessed under the tuition fee and student support arrangements applicable to their first course (as continuing students).
- Students who transfer on or after 1 September 2012 from a course that started before 1 September 2012 to a course with a different mode of study will be assessed under the tuition fee and student support arrangements applicable to their second course (i.e. as per a new 2012 cohort student commencing study on or after 1 September 2012).
- Students starting an 'end on' course (which must have the same mode of study as the lower level course that preceded it) on or after 1 September 2012 after completing a lower level course which started before 1 September 2012 will be assessed as continuing students under the student support arrangements in AY 2012/13.
- Students who top up (not 'end on') from a lower level course which started before 1 September 2012 to a higher level course commencing on or after 1 September 2012 will be assessed under the new tuition fee and student support arrangements in AY 2012/13.
- Students enrolling at an HEI in AY 2011/12 but who subsequently withdraw and re-apply to a new HEI in AY 2012/13 will be assessed under the new tuition fee and student support arrangements in AY 2012/13.



Student transfer to another HEI charging higher/lower fees from AY 2012/13

Annex 1 provides some examples (Students **A- D**) showing how the apportionment of the Tuition Fee Loan (TFL) and New Fee Grant (NFG) is to be calculated for a student completing the year or following a student transfer during the year. SLC system constraints affect how the 75% of fee income will be distributed to the second HEI in terms 2 and 3 following a student transfer from the first HEI in term 1 (see example Student **B**).

Student withdrawal and liability

If a student withdraws in term 1 following confirmation of attendance, their maximum liability will be limited to the 25% of the total tuition fee payable in that term (50% if withdrawing in term 2).

Some HEIs may not wish to charge the student the maximum amount following an early withdrawal due, for example, to compelling personal reasons. Should the HEI decide to charge the withdrawing student a lower amount, it will be required to inform SLC/HEFCW via a Change of Circumstances form showing the reduced fee charged. SLC/HEFCW will claw back the balance (see example Student **F**).

Repayment

Full-time students will enter repayment at the start of the financial year following completion of or withdrawal from the course but no student commencing their studies on or after 1 September 2012 will enter mandatory repayment before 6 April 2016. See typical repayment amounts on the Student Finance Wales website flyer for 12/13 support at www.studentfinancewales.co.uk

Transfers between mode of study and repayment start date

The following rules apply where a student commences a course on or after 1 September 2012 and converts from a full-time course to a part-time course or vice versa:

- where a student commences study on a full-time basis and transfers to part-time study, all of the tuition loan taken out by the student (including payments made when the student was registered as full-time) should enter repayment in the financial year which commences after three years have elapsed since the course start date (i.e. financial year commencing 6 April 2016 if the student commenced study on 1 September 2012). [As a part-time student, the student's statutory repayment due date (SRDD) is determined by part-time repayment rules and using the start date of the period of study.]
- where a student commences study on a part-time basis and transfers to full-time study before the part-time SRDD, all of the loans taken (including payments made when the student was registered as part-time) should enter repayment status at the start of the financial year following the student's completion of or withdrawal from the course (as per other full-time students)
- where a student commences study on a part-time basis and transfers to full-time study after the part-time SRDD, all full-time loan payments made after the SRDD for this course of study will enter repayment status as soon as they are made (as would any PT payments made to the student after the SRDD date if the student had continued studying PT).



EU students

EU full-time students studying in **Wales only** will be eligible for the same fee loan and new fee grant package as full-time students ordinarily resident in Wales. Applications will continue to be handled by the Student Finance Services European team based in Darlington.

Prisoners' eligibility for support

Annex 2 summarises the proposed changes. These changes are due to be included in the Assembly Learning Grants and Loans (HE) (Wales) (No.2) (Amendment) (No.2) Regulations 2012, scheduled to be made in April 2012.

Distance Learning

From AY 2012/13, full-time students who are undertaking their courses by distance learning (FTDL) will be treated equitably, in terms of fee support, with their counterparts who attend the institutions in person.

Students ordinarily resident in Wales, commencing full-time distance learning courses in any UK administration (and EU students commencing full-time HE courses in Wales only) on or after 1 September 2012, can access a non-means tested tuition fee loan (TFL) to cover all or part of the first £3,465 charged, and a new fee grant (NFG) of up to £5,535 to cover any additional amount of fee charged above £3,465 per academic year. FTDL students will not be eligible for loans or grants for living costs, other than the same targeted grants which they can currently claim.

Designation of distance learning courses

Full-time distance learning courses are currently required to be designated on an individual basis. It is proposed that distance learning courses provided by publicly funded institutions will no longer be required to be specifically designated. They will be subject to the same designation criteria for student support as other full time courses provided by publicly funded institutions, as listed in Schedule 2 of these Regulations. However, FTDL courses at private institutions will still require specific designation in respect of students ordinarily resident in Wales.

Period of eligibility

An amendment to Regulation 6(9) (b) is being considered (subject to Ministerial approval) to allow Welsh Ministers slightly more flexibility in applying this rule. The proposal is to allow a second additional support year to be added (following withdrawal from the latest previous course for compelling personal reasons) at the discretion of the Welsh Ministers.

Part-time support

There will be no changes to part-time support in 2012/13 for Welsh part-time students.

Following consultation with stakeholders, the Minister for Education and Skills has agreed to delay implementation of the fee grant/loan package for new part-time students. Part-time provision will be reinstated in the 2012/13 amending regulations for new students on the same basis as for continuing part-time students.



Studying outside Wales

Welsh students studying part-time at a HE institution outside Wales are not eligible for the existing fee grant, but eligibility for other support remains the same. Part-time fees charged by English institutions in 2012 could be significantly higher than the fee levels set for previous academic years.

Extension of the application deadline for part-time students

Part-time students are currently required to submit their application for support 'within a period of six months beginning with the first day of the academic year of the course in respect of which it is submitted.' It is proposed (subject to Ministerial approval) to extend this deadline to 9 months to bring it into line with the full-time application process.

Private Institutions

Students starting courses at private institutions after 1st September 2012 will be eligible for a non-means tested tuition fee loan of up to £6,000. Any additional amount of tuition fee charged by a private institution will need to be self funded.. There will be no New Fee Grant support available(see example Student **E**).



Support for NHS courses

TABLE : SUPPORT AVAILABLE TO GRADUATE ENTRY MEDICAL AND DENTAL STUDENTS IN 2012/13 (SUBJECT TO AMENDING REGULATIONS EXPECTED TO COME INTO FORCE ON 1 FEBRUARY)

Medicine (4 year compressed graduate entry course)

	Current position			Proposed position for new students commencing their studies on or after 1 September 2012		
Year of Study	NHS pay tuition fees	Self- fund tuition fees	Maintenance Loan	NHS pay tuition fees	Tuition fees	Maintenance Loan
1	No	Yes	Full rate	No	Self fund up to £3465; loan offered for remainder	Full rate
2	Yes	No	Reduced rate	Yes – up to £3465	Loan available for up to £5535	Reduced rate
3	Yes	No	Reduced rate	Yes – up to £3465	Loan available for up to £5535	Reduced rate
4	Yes	No	Reduced rate	Yes – up to £3465	Loan available for up to £5535	Reduced rate

Nurses, midwives and Associated Health Professionals -AHP- (including occupational therapists, speech therapists, physiotherapists etc –full list available from NLIAH.)

Please note that fee support is not referenced in the table below as this is commissioned and paid for directly by the NHS for the duration of such courses.

	Current position			Proposed position for new students commencing their studies on or after 1 September 2012		
	Non means tested bursary	Means tested bursary	Maintenance loan	Non means tested bursary	Means tested bursary	Maintenance loan
Nursing/midwifery	£6701	Nil	Nil	£1000	Up to £4395	Up to £2324
AHP	Nil	Up to £3534	Up to £2324	£1000	Up to £4395	Up to £2324



Medicine (5 year course)

	Current position			Proposed position for new students commencing their studies on or after 1 September 2012		
Year of Study	NHS pay tuition fees	Self- fund tuition fees	Maintenance Loan	NHS pay tuition fees	Tuition fee support available	Maintenance Loan
1	No	Yes	Full rate	No	Yes	Full rate
2	No	Yes	Full rate	No	Yes	Full rate
3	No	Yes	Full rate	No	Yes	Full rate
4	No	Yes	Full rate	No	Yes	Full rate
5	Yes	No	Reduced rate	Yes, for the 12/13 cohort; policy for future years not yet confirmed.	No	Reduced rate

Dentistry (5 year course)

	Current position			Proposed position for new students commencing their studies on or after 1 September 2012		
Year of Study	NHS pay tuition fees	Self- fund tuition fees	Maintenance Loan	NHS pay tuition fees	Tuition fee support available	Maintenance Loan
1	No	Yes	Full rate	No	Yes	Full rate
2	No	Yes	Full rate	No	Yes	Full rate
3	No	Yes	Full rate	No	Yes	Full rate
4	No	Yes	Full rate	No	Yes	Full rate
5	Yes	No	Reduced rate	Yes, for the 12/13 cohort; policy for future years not yet confirmed.	No	Reduced rate



Annex 1

STUDENT FINANCE WALES – PAYMENT EXAMPLES for AY 2012/13**Tuition fee loan (TFL) and new fee grant (NFG) payments where the student completes the year**

Student A commences a course in September 2012, for which the tuition fee is £6,000. Student A requests a tuition fee loan of £3,465 and is awarded a New Fee Grant of £2,535.

Student A's attendance for the 1st term is confirmed and the 1st tuition support instalment of £1,500 (25% of £6,000) is paid as follows:

TFL 1st instalment: £866.25 (25% of 3465)

NFG 1st instalment: £633.75 (25% of 2535)

Student A's attendance for the 2nd term is confirmed and the 2nd tuition support instalment of £1,500 (25% of £6,000) is paid as follows:

TFL 2nd instalment: £866.25 (25% of 3465)

NFG 2nd instalment: £633.75 (25% of 2535)

Student A's attendance for the 3rd term is confirmed and the 3rd instalment of £3,000 is paid as follows:

TFL 3rd instalment: £1732.50 (50% of 3465)

NFG 3rd instalment: £1267.50 (50% of 2535)

Total TFL paid: £3,465

Total NFG paid: £2,535

Total tuition support paid: **£6,000** (TFL: £3,465, NFG: £2,535)

Tuition fee loan and new fee grant payments following a course transfer –same fee charged by both HEIs

Student B commences a course in September 2012, for which the tuition fee is £6,000. Student B requests a tuition fee loan of £3,465 and is awarded a New Fee Grant of £2,535. Student B's attendance for the 1st term is confirmed and the first instalment of £1,500 (25% of £6,000) is paid as follows:

TFL 1st instalment: £866.25 (25% of 3465)

NFG 1st instalment: £633.75 (25% of 2535)



Student B transfers during the 1st term to a new course at a different HEI, which has the same annual tuition charge of £6,000. The new HEI can charge 75% of the full academic year fee, i.e. £4500, payable in a ratio of 33% / 67% [an SLC systems' constraint]. The new HEI cannot charge any further fee for the 1st term.

Student B's attendance is confirmed by the new HEI for the 2nd term and the second instalment of £1,485 (33% of £4,500) is paid as follows:

TFL 2nd instalment: £857.58 (33% of 2598.75)

NFG 2nd instalment: £627.42 (33% of 1901.25)

Student B's attendance is confirmed for the 3rd term and the third instalment of £3,015 (67% of £4,500) is paid as follows:

TFL 3rd instalment: £1741.17 (remainder of TFL up to £3465)

NFG 3rd instalment: £1273.83 (balance of 3rd instalment)

Total tuition support paid: **£6,000** (TFL: £3,465, NFG: £2,535)

Tuition fee loan and new fee grant payments following a course transfer – lower fee charged by second HEI

Student C commences a course in September 2012, for which the tuition fee is £9,000. Student C requests a tuition fee loan of £3,465 and is awarded a New Fee Grant of £5,535. Student C's attendance for the 1st term is confirmed and the first instalment of £2,250 (25% of £9,000) is paid as follows:

TFL 1st instalment: £866.25 (25% of 3465)

NFG 1st instalment: £1383.75 (25% of 5535)

Student C transfers during the 1st term to a new course at a different HEI, which has an annual tuition charge of £4,000. The new HEI can charge 75% of the full academic year fee, i.e. £3,000, payable in a ratio of 33% / 67%. The new HEI cannot charge any further fee for the 1st term.

Student C's attendance is confirmed by the new HEI for the 2nd term and the second instalment of £990 (33% of £3,000) is paid as follows:

TFL 2nd instalment: £857.58 (33% of 2598.75)

NFG 2nd instalment: £132.42 (33% of 401.25)



Student C's attendance is confirmed for the 3rd term and the third instalment of £2,010 (67% of £3,000) is paid as follows:

TFL 3rd instalment: £1741.17 (remainder of TFL up to £3465)

NFG 3rd instalment: £268.83 (balance of third instalment)

Total tuition support paid: **£5,250** (TFL: £3,465, NFG: £1,785)

Tuition fee loan and new fee grant payments following a course transfer – higher fee charged by second HEI

Student D commences a course in September 2012, for which the tuition fee is £4,000. Student D requests a tuition fee loan of £3,465 and is awarded a New Fee Grant of £535. Student D's attendance for the 1st term is confirmed and the first instalment of £1,000 (25% of £4,000) is paid as follows:

TFL 1st instalment: £866.25 (25% of 3465)

NFG 1st instalment: £133.75 (25% of 535)

Student D transfers during the 1st term to a new course at a different HEI, which has an annual tuition charge of £9,000. The new HEI can charge 75% of the full academic year fee, i.e. £6,750, payable in a ratio of 33% / 67%. The new HEI cannot charge any further fee for the 1st term.

Student D's attendance is confirmed by the new HEI for the 2nd term and the second instalment of £2,227.50 (33% of £6,750) is paid as follows:

TFL 2nd instalment: £857.58 (33% of 2598.75)

NFG 2nd instalment: £1369.92 (33% of 4151.25)

Student D's attendance is confirmed for the 3rd term and the third instalment of £4,522.50 (67% of £6,750) is paid as follows:

TFL 3rd instalment: £1741.17 (remainder of TFL up to £3465)

NFG 3rd instalment: £2781.33 (balance of 3rd instalment)

Total tuition support paid: **£7,750** (TFL: £3,465, NFG: £4,285)



Student studying at a private institution

Student E commences a course in September 2012 at a privately funded institution, for which the tuition fee is £10,000. Student E requests a tuition fee loan of £6,000 (the maximum tuition fee loan available for full-time study at a private institution). Student E's attendance for the 1st term is confirmed and the 1st instalment of tuition fee loan is paid as follows:

TFL: 1st instalment: £1,500 (25% of 6,000)

Student E's attendance for the 2nd term is confirmed and the 2nd instalment is paid as follows:

TFL: 2nd instalment: £1,500 (25% of 6,000)

Student E's attendance for the 3rd term is confirmed and the 3rd instalment is paid as follows:

TFL: 3rd instalment £3,000 (50% of 6,000)

Student liability following withdrawal if HEI decides to reduce the 1st term fee

Student F commences a designated full-time course at a publicly funded Welsh HEI in September 2012, for which the tuition fee is £8,000. Student F requests the maximum tuition fee loan of £3,465 and is awarded a New Fee Grant of £4,535.

Student F's attendance for the 1st term is confirmed and the first instalment of £2,000 (25% of £8,000) is paid as follows:

TFL 1st instalment: £866.25 (25% of £3,465)

NFG 1st instalment: £1,133.75 (25% of £4,535)

Student F withdraws from the course before the 2nd liability point.

The HEI decides to reduce Student F's fee liability to £500. SLC will claw back £1,500 of the fee that has been paid.

The claw back amount will be split in the proportions that the last termly payment was made, i.e. 43.3% TFL ((866.25 / 2000) x 100) and 56.7% NFG ((1133.75 / 2000) x 100).

Claw back of TFL = (43.3/100) x £1,500 = £649.50

Claw back of NFG = (56.7/100) x £1,500 = £850.50

£649.50 is clawed back from the tuition fee loan that has been paid for this AY, and £850.50 is clawed back from the New Fee Grant.

As the fee for the first term was changed to £500, and £866.25 of the original fee was TFL, which is then reduced by £649.50, the student's new liability or outstanding TFL is £216.75 (plus interest) once the claw back has occurred.



Annex 2

Summary of changes agreed (subject to amending regulations, expected to come into force in May 2012) in relation to prisoner education.

These are:

- To provide Welsh prisoners starting full-time distance learning (FTDL) courses after 1 September 2012 with access to fee support on the same basis as other FTDL students starting courses after this date.
- To remove the entitlement, where applicable, to a grant for disabled students living costs from prisoners on courses of higher education (full-time, part-time or FTDL) after 1st September 2012.
- To ensure that responsibility for prisoner student support should follow the country where the student is ordinarily resident prior to imprisonment, as opposed to the country where the prison in which the student is detained is located.
- For academic year 12/13, new prisoner-students will be able to access part time HE courses in the same way as current prisoner students. The OU has agreed, by exception, to enrol new Welsh students within English prisons with OU Wales, rather than OU England as is currently the case. This will mean that HEFCW will still be able to pay OU Wales for that service (in the same way as they do now).
- To restrict fee support (full-time, part-time (from AY13/14) and FTDL) to those prisoners with a release date that falls within 6 years of the start date of their course and who have the express permission of the prison authorities to pursue the course.

