



# HOUSE OF LORDS

Committee Office

House of Lords  
London  
SW1A 0PW

Tel: 020 7219 5358  
Fax: 020 7219 4931  
economicaffairs@parliament.uk  
www.parliament.uk/lords

Professor Mike Thomas  
Vice Chancellor  
University of Central Lancashire  
Preston, PR1 2HE

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Thank you for your letter of 20 July 2018. I am pleased to hear that you welcome the Committee's report on the economics of post-school education as a step in the right direction.

You asked for clarification on a recommendation in the report which is at paragraph 146. This recommendation asked the Government to explore financial incentives to encourage entrants into higher education to consider Level 4 and 5 qualifications. The intention of the financial incentives would be to address the imbalance in terms of resources and esteem between full-time undergraduate degrees and other types and modes of higher education (paragraph 141). The report mentioned three possible financial incentives at paragraph 142: "more favourable loan terms for further education college students; "golden handshakes" such as offered to graduates training as teachers; or phased bonuses offered over the lifetime of a course."

The Committee called for a system of funding for higher education that would "promote all types of learning regardless of where and how it takes place" and facilitate "a fair and balanced provision of loan and grant funding across higher education" (paragraph 143). This means that there should be access to higher education funding for courses at Level 4 and above regardless of the type of institution within which the course takes place.

I hope that this answers your question.

Yours ever,

Lord Forsyth of Drumlean  
Chairman, Economic Affairs Committee