

## **WRITTEN MINISTERIAL STATEMENT**

**Rt. Hon David Willetts, Minister of State for Universities and Science**

**19 November 2013**

### **STUDENT SUPPORT IN ENGLAND**

In the 2011 white paper on higher education, *Students at the Heart of the System* (Cmnd 8122), the Government announced its intention to introduce a level playing-field for regulating higher education providers of all types. A number of reforms have since been introduced to deliver convergence between the rules governing higher education institutions funded by the Higher Education Funding Council for England (Hefce) and others, known as alternative providers (APs). The process of applying student number controls to APs was subject to a consultation, which was launched in November 2012 and which closed in January 2013.

The previous Government introduced a system of recovery of payments from Hefce-funded providers that breached their number controls. This regime was not applied to APs, even though students studying at APs are eligible for maintenance grants, maintenance loans and tuition fee loans. As the higher education sector has diversified, the number of applications for student support at APs has increased. In addition, the tuition fee changes implemented in 2012/13 mean students at APs may borrow up to £6,000 a year to cover the costs of their tuition. The number of English and EU students claiming support at APs has grown from 13,000 in 2011/12 to 30,000 in 2012/13, and the total public expenditure on these students has risen from £60m to £175m. This is 4% of the total student support budget. Growth has been particularly concentrated among students studying for Higher National Certificates (HNCs) and the Higher National Diplomas (HNDs).

The Government announced in March 2013 that it would introduce number controls for 2014/15 academic year based on institutions' 2012/13 entry data. Alternative Providers were asked to submit data to HEFCE on their recruitment plans. The Department received this data on 5 November and concluded that some of these plans were unaffordable, given the need to control public spending. We have therefore written to the 23 APs that are expanding most rapidly to instruct them to recruit no more students for HNCs and HNDs in the current 2013/14 academic year. Degree-level courses are unaffected by these changes.

Concurrently, we are dealing with a different student support issue. We identified that there had been a significant increase in the number of Bulgarian and Romanian students applying for full student support in England this year. This support is usually only available to EU citizens resident in the UK for a minimum of three years. We have asked each of these students to supply additional information to support their applications for maintenance, before

any further public funding is made available to them or to their institutions. We have asked all EU citizens applying for maintenance support in England to supply this additional information.

## WRITTEN MINISTERIAL STATEMENT

**Viscount Younger of Leckie, Parliamentary Under Secretary of State for Business, Innovation and Skills**

**19 November 2013**

### STUDENT SUPPORT IN ENGLAND

My Rt. Hon Friend, the Minister of State for Universities and Science (David Willetts) has made the following statement.

In the 2011 white paper on higher education, *Students at the Heart of the System* (Cmnd 8122), the Government announced its intention to introduce a level playing-field for regulating higher education providers of all types. A number of reforms have since been introduced to deliver convergence between the rules governing higher education institutions funded by the Higher Education Funding Council for England (Hefce) and others, known as alternative providers (APs). The process of applying student number controls to APs was subject to a consultation, which was launched in November 2012 and which closed in January 2013.

The previous Government introduced a system of recovery of payments from Hefce-funded providers that breached their number controls. This regime was not applied to APs, even though students studying at APs are eligible for maintenance grants, maintenance loans and tuition fee loans. As the higher education sector has diversified, the number of applications for student support at APs has increased. In addition, the tuition fee changes implemented in 2012/13 mean students at APs may borrow up to £6,000 a year to cover the costs of their tuition. The number of English and EU students claiming support at APs has grown from 13,000 in 2011/12 to 30,000 in 2012/13, and the total public expenditure on these students has risen from £60m to £175m. This is 4% of the total student support budget. Growth has been particularly concentrated among students studying for Higher National Certificates (HNCs) and the Higher National Diplomas (HNDs).

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