

Q5. Restricting the availability of the loan to those aged 59 and under is intended to tackle the potential problem of low value for money, associated with lending large amounts of public money to cohorts of students who are unlikely to enter repayment. Do you think that an age eligibility restriction is a proportionate way of mitigating this risk?

**Yes – for the reasons outlined by the Government in the consultation document**

Q6. Students may qualify for support for part-time courses lasting up to four times the period required to complete a full-time equivalent course. As such the maximum length for eligibility would be 16 years in total (equivalent to a four-year Full Time Equivalent course studied at 25% intensity each year and for the duration of the course). The older the student, the fewer the number of years they will have to repay the loan. In your view, which of the options relating to age eligibility below would best achieve the Government's aims - broadening and strengthening the skill base and addressing employer demand for high level skills - whilst also providing good value for money for the taxpayer?

**Another age eligibility restriction**

We support the government's intention to allow those up to 59 to take out a part-time maintenance loan. However, since the maximum length of the loan is 16 years that would mean many of those closer to the age limit would never repay their loan (assuming they were not working alongside their study). For value for money reasons we would suggest maintaining the loan eligibility up to 59 but introducing a tapered approach whereby those oldest recipients of the loan would be required to study at a higher intensity – say 8 years. Any money saved from this could be used to reduce the ELQ list and open up more opportunities for part-time study for a greater number of people. This also brings it more in line with the proposed cap in the doctoral loans consultation which promotes transparency and understanding.

Q7. What are the benefits, issues and unexpected consequences which may result from providing loans according to a banded intensity approach? Please explain your answer and give evidence where possible:

In the short to medium term we agree with using a banded intensity approach. It makes sense that the level of financial support should reflect the intensity of study (and therefore the amount of time that student is required to dedicate to learning rather than working or other commitments such as caring for family members). There may be courses which are better suited to certain levels of intensity e.g. where there is a large degree of work-experience built into the course, as such the banded approach should be monitored to ensure it is providing appropriate support for students studying in different ways.

In addition, we urge government to introduce greater flexibility in the funding arrangements including removing the cap that only allows students to draw down a fixed proportion of funding per calendar year. This disincentivises accelerated provision and restricts student choice by limiting their ability to study at their own pace. Without government intervention there is only so much flexibility institutions themselves can provide for students studying part time. In the longer term we would like to see a move towards funding credit in order to ensure the system has maximum flexibility and can support the widest possible range of people to take up study opportunities. This would also provide an accurate method for applying the right amount of loan to the student because it would not rely on approximations.

Q8. With particular regards to any operational and delivery complications for students, providers, the SLC or otherwise which approach outlined do you believe would be most appropriate? Please explain your answer and give evidence where possible:

We believe the government should use option b) – Fractional Bands – since this is the system most widely recognised by students and institutions. It will also make it easier for universities to provide part time options. Many of them have dramatically reduced their part time offer as the main market in HE has

moved to full-time undergraduates and making the system as simple as possible will help to incentivise them to expand this provision again. Creating a 'cliff edge' as in option a) is also something we want to avoid given the aims of the policy, in particular the desire to ensure we decrease the differences in financial support available across undergraduate Higher Education and respond to employer demand.

Q9. What are the benefits, challenges and impacts upon demand associated with extending maintenance loans to part-time undergraduate distance learning courses and what checks and balances would be appropriate to manage these challenges? Please explain your answer and give evidence where possible:

Extending loans to distance learning is a good idea. Universities are increasingly using technology to good effect to support teaching and learning (T&L) and widening participation (WP). Extending loans to distance learning will therefore continue to incentivise innovations in approaches to T&L and WP. In addition, this loan is still just that – borrowing money that will have to be paid back (in the vast majority of cases) – and therefore we would not expect students who do not need them to take them out. In terms of checks and balances there is no reason that those applied to other modes of study cannot be applied to distance learning. Students receive money at certain intervals throughout their course and need to demonstrate that they have achieved a certain amount of learning – module/ level/ qualification, for example – in order to continue to receive that financial support.

Q10. What are the benefits and challenges associated with extending maintenance loans to part-time undergraduate Level 4 and 5 courses and what checks and balances would be appropriate to manage these challenges? Please explain your answer and give evidence where possible:

The proposal supports the good educational principle of lifelong learning; it allows students to 'step-on' and 'step-off' in accruing qualifications up to Level 7 (and perhaps beyond); it would support the rationale for Level 5 Foundation Degree Awards.

However, there is an increasing tendency for level 4/5 courses (FDs/HNs) to become part of the Higher Apprenticeship programme which currently has its own set of funding rules. There would need to be more clarity of how SLC funding dovetails with SFA funding here.

Q11. Should means testing of any sort be applied to this part-time maintenance loan product?

No

Q12. If yes, would replicating the existing means test arrangements currently used for dependant and independent students claiming the full-time maintenance loan product be the most suitable approach, or should a different approach be applied? Please explain your answer and give evidence where possible:

We would prefer if the loan were not means tested. This is because it would:

- Make it easier for prospective students to plan
- Be an easier application process, more encouraging to those uncertain or unconfident about higher education study
- Ease pressure on the SLC
- Result in a quicker assessment turnaround.

However, if means testing is to be applied we agree that the existing arrangements should be replicated so that there is parity and clarity between full- and part-time study.

Q13. Given the specific features of this policy including: the length of part-time courses and the flexibility of distance learning, the Government's commitment to delivering value for money, and the overall Higher Education loan landscape, do you have any comments about the unintended policy consequences, practical implications and/or possible changes in life chances, which may arise as a result of this policy?

Please explain your answer and give evidence where possible:

Yes.

The ELQ list should be reduced. The Government's aims are laudable and we welcome this policy but too many qualifications are excluded. Progression is not necessarily gaining higher and higher qualifications; it could be about more people gaining a lower, more vocational, qualification after an Honours degree in order to fill a skills gap or gain specific employment. We recognise that reducing the ELQ list has cost implications and therefore suggest that in the first instance it be reduced for those studying part-time who can also demonstrate that they are in work and therefore have a shared income and are at lower risk of non-repayment. This policy could be monitored to ensure no adverse effects on the system.

Q14. What safeguards and controls should be in place as a proportionate and effective measure to ensure that this loan product provides value for money to the taxpayer?

Please explain your answer and give evidence where possible:

We do not believe there is a need for additional safeguards beyond those already required and in place for part-time tuition fee loans. It is currently in an institutions' interests to monitor attendance and progression and help students to complete their study, thereby safeguarding public investment. With new policy mechanisms coming into play such as the TEF the risk of game playing should be monitored to ensure value for money is being achieved.

Q15. Are there other issues Government should be aware of, which would impact on the take-up of this proposed loan by those with any of the protected characteristics, and what steps might Government take to mitigate any negative impact?

Please explain your answer and give evidence where possible:

Yes.

We know that part-time students tend to be particularly risk averse and it remains to be seen whether a loan will be attractive enough to make them return to HE in the numbers required. The policy should be carefully monitored to ensure it is enabling a diverse range of entrants to part-time HE and if it is not, to undertake evaluation of why that is the case and how it can be mitigated.

We also believe that employers should be required to do more to support their employees to undertake part time study and suggest in our recently published Lifelong Learning Manifesto (<http://www.unialliance.ac.uk/blog/2016/11/21/lifelong-learning-manifesto/>) that this might be achieved by introducing an award or charter mark for employers that do this well, and allowing some more flexibility over how the apprenticeship levy can be spent. Apprenticeships are, after all, part time study, and should provide useful lessons for government, HEIs and students for the further growth of part-time study options.

In addition, clarity is needed on how the loan impacts on benefit entitlement. If the maintenance loan is classed as income the family may lose benefit entitlement and associated automatic rights (e.g. if getting income support means they automatically receive housing benefit). We would not want a loss of benefits to deter them from undertaking part time study which would, in the long run, make them more resilient and more likely to secure employment. In order to avoid/assist/mitigate the above it might be better to state that the intention of the loan is to provide a contribution towards course costs rather than living costs.

Finally, take up by those with protected characteristics – students with mental health issues and some disabilities (e.g. dyslexia) are discouraged by detailed form filling. Ensuring that the process is clear and straightforward would mitigate any potential negative impact

Q16. Is there anything else we should take into consideration in the design of the part-time loan product?

Please explain your answer and give evidence where possible:

Yes.

The consultation document makes reference to bursaries available to support students, including part time students, within individual institutions. However, there is limited evidence of the impact of bursaries on participation and therefore institutions have been under pressure to reduce the amount of money they provide through this mechanism, most recently in the Education Green Paper: Schools that work for everyone where the suggestion is that universities divert some of their bursary spend into setting up and running a school. This is worth bearing in mind if we are giving all part time students information that they will be able to top up their maintenance loan with institutional funds.