



Higher Education: Student Support

Introduction

The type of financial support available to Welsh domiciled students depends on where in the UK the student studies, the individual financial circumstances of each student, and the mode of study i.e. part-time or full time study. Welsh domiciled students receive support from three main sources, the Welsh Assembly Government (WAG), the Student Loans Company (SLC) and the higher education institution (HEI) they attend. The [Higher Education Act 2004](#)ⁱ provides the National Assembly for Wales with the power to decide what levels of tuition fees and student support will apply in Wales. The WAG has been implementing these powers since the start of the academic year 2006/07.

- In 2006/07 there were 119,055 Welsh domiciled students studying at UK higher education institutions (including the Open University)ⁱⁱ
- 55 per cent of undergraduate and 68 per cent of postgraduate full-time enrolments at Welsh HEIs were Welsh domiciledⁱⁱⁱ
- In 2004/05 the average Welsh undergraduate student left university with a debt of £7,648^{iv}, down 11.7% from the 2002/03 England and Wales average of £8,666^v

Support available for 2007/08

The costs that students have to meet can be broadly divided into **living expenses** and **tuition fees**. Unless stated otherwise the support indicated below is for full time undergraduate students studying at a HEI.

Living expenses

Student Loans - Student loans are paid to students to support their living costs. The loan is usually paid to the student in three instalments, at the start of each term, and is repayable once the student has left university and is earning in excess of £15,000 per annum. The maximum amount available varies depending on where a student is studying. There are four rates: at home (£3,495); away from home (£4,510); away from home in London (£6,320); or overseas (£5,380). A quarter of this loan is means tested against the household income of the student.

The interest rate for Income Contingent Loans applies from 1 September to 31 August each year. It is linked to the rate of inflation in line with the Retail Prices Index: this means that the amount paid back will have broadly the same value as the amount borrowed and no profit is made on the loan itself. All student loans accrue interest from the date they have been paid, and interest accrues on the loan until it has been repaid in full. The interest rate is currently 2.4%.

According to the Student Income and Expenditure Survey (SIES), in 2004/05, three quarters of full-time Welsh domiciled students took out a student loan.

Assembly Learning Grant (ALG) - The ALG provides financial support to help meet general living costs. The amount available is dependent on household income. For 2007/08 students from households with an income of £17,920 or less will be entitled to the full amount of £2,765, students from households with an income of £17,921 - £38,235 will be entitled to a partial grant, and those from households with an income in excess of this are not eligible for the ALG. The ALG is paid in three instalments, in the same way as the student loan.

Part-time higher education students starting a course, of 30-59 credits, in 2007/08, who have a household income less than £16,830 are entitled to an ALG. The grant available depends on household income. The maximum amount is £750 for students with a household income of less than £5,605.

The WAG has allocated £48.2 million to fund ALGs in the 2007/08 budget.

Financial Contingency Funds - These funds are provided by HEIs and they enable the HEI to provide discretionary assistance to students who are experiencing financial difficulties, or who might not otherwise

have been able to afford to enter or remain in higher or further education. A similar support fund in English HEIs is the Access to Learning Fund scheme.

National Bursary Scheme – The Welsh National Bursary is available from September 2007 and is payable to all UK full time students who started studying in Wales from Academic Year 2006 onwards who are entitled to the maximum maintenance grant for their country. Students from Wales with a household income of up to £17,920 who receive an Assembly Learning Grant of £2,765.

Tuition fees

Flexible tuition fees have been introduced in Wales for the academic year 2007-08 and are variable from £0 - £3,070. The amount charged is set by individual HEIs and can vary according to the course being studied.

Fee loan – A fee loan is available to pay tuition fees from Student Finance Wales (operating as a service delivery partner of the Student Loans Company). This is paid directly to the HEI. This loan is repayable once the student has left university and is earning in excess of £15,000 per annum.

Fee grant - Welsh domiciled students studying at Welsh HEIs are entitled to a fee grant of up to £1,845 that does not have to be repaid. Part-time undergraduate students studying at least 50% of an equivalent full-time course are entitled to receive a fee grant, depending on household income.

The WAG has allocated £22.3 million to fund fee grants in the 2007/08 budget.

Welsh domiciled students studying at an UK HEI outside Wales will be charged according to the fee regime of that country and are not eligible for the fee grant. They are eligible for the fee loan to pay tuition fees.

Other sources of financial support – There are a variety of further grants and loans available to support students in specific circumstances e.g. the Disabled Student's Allowance, Career Development Loan and Adult Dependents Grant. Details of these are available from the WAG at:

http://new.wales.gov.uk/topics/educationandskills/funding_support_and_advice/?lang=en

Useful Links

- Student Finance Wales:
<http://www.studentfinancewales.co.uk>
- Welsh Assembly Government:
http://new.wales.gov.uk/topics/educationandskills/funding_support_and_advice/?lang=en
- Advice on funding postgraduate study is available from Prospect, the UK's official graduate careers website: http://www.prospects.ac.uk/cms/ShowPage/Home_page/Funding_my_further_study/plcdLff and from the UK Department for Education and Skills at:
http://www.direct.gov.uk/en/EducationAndLearning/UniversityAndHigherEducation/Postgraduates/DG_10012463

Further information

For further information on any aspect of Learning Pathways, please contact Anne Thomas, Members' Research Service (Anne.Thomas@wales.gsi.Gov.UK), 029 2089 8966

ⁱ The *Higher Education Act 2004* (chapter 8) <http://www.opsi.gov.uk/ACTS/acts2004/20040008.htm>

ⁱⁱ Students in Higher Education Institutions Wales, 2006/07 (Stats Bulletin) page 1

<http://www.statswales.wales.gov.uk/TableViewer/tableView.aspx?ReportId=2383>

ⁱⁱⁱ Students in Higher Education Institutions - Wales, 2006/07 (Stats Bulletin) page 3

http://www.statswales.wales.gov.uk/TableViewer/document.aspx?ReportId=5289&IF_Language=eng

^{iv} Department for Education and Skills, Research Report RR725, *Student Income and Expenditure Survey 2004/05*, March 2006 <http://www.dfes.gov.uk/research/data/uploadfiles/RR725.pdf>

^v Department for Education and Skills, Research Report RR487, *Student Income and Expenditure Survey 2002/03*, November 2003 <http://www.dfes.gov.uk/research/data/uploadfiles/RR487.pdf> A disaggregated figure for Wales is not available for 2002/03.