



All Party Parliamentary Group for Students

**Reforming Student Finance: Perspectives from Student  
Representatives**

*A Report by the APPG for Students from an evidence session on Monday 2<sup>nd</sup> March 2020*



## **Reforming Student Finance: Perspectives from Student Representatives**

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*Note: This report is based on the evidence that was heard by the APPG for Students evidence gathering session, and is not meant as the views or findings of the Group itself.*



## **Executive Summary**

On Monday 2 March 2020, the APPG for Students met with student representatives from across England, Wales and Scotland to hear their views about the current student finance system and how they thought it should be improved. Students representatives gave presentations on the issues they saw, with NUS Officers also adding their comments, and were then asked questions by MPs.

This report is in sections based on theme, which differ in some cases to the section headings from the evidence session. The main findings from each section are listed below -

### **1. Student finance and cost of living**

- *Students generally felt that current levels of maintenance support are inadequate.*
- *Support should be increased and non-repayable means-tested maintenance grants should be reintroduced*
- *The system should better recognise the diversity of students and their particular needs*
- *Tailored support should be offered to certain students through better means-testing*
- *Accommodation was identified as the main cost, with prices having increased significantly over the last decade - in many cases exceeding the maintenance loan available*
- *The relative reduction in maintenance funding was a concern as household income thresholds had not risen with inflation*
- *Other issues which were raised included travel costs, childcare costs, and that the current London weighting does not address the different costs of living all around the UK*
- *Consideration could be given to moving to monthly payments, instead of the current termly instalments*

### **2. Effects**

- *Many students respond to the shortfall in money they faced, if they do not have savings or money from their family to plug the gap, by taking up significant amounts of part-time work and taking out commercial loans*
- *This can have serious effects on student wellbeing and mental health*
- *Attainment can also be affected both by the financial stress and through the impact of taking on too much part-time work on their ability to study,*
- *The increase in drop-out rates over the last five years must be seen as a consequence of this*
- *Student representatives were clear that the current funding system reproduces existing social injustices, as these issues predominantly affect those from poorer or otherwise disadvantaged backgrounds.*

### **3. Information, advice and guidance**

- *Student representatives generally felt that there was not adequate information, either nationally or through institutions, about various costs of being a student*



- *'Hidden costs' of studying, such as textbooks and graduation, which students had not been made aware of, and the lack of information around funding, particularly for postgraduate students, are prevalent issues*
- *Student representatives were also angry about the way that UCAS has advertised commercial loans*

#### **4. Differences between funding agencies across the UK**

- *The timing of students receiving payments was raised as a major issue of difference*
- *The four funding agencies also differ in their treatment of estranged students*
- *All agencies require and allow different levels of input from staff*

#### **5. Other issues identified**

- *The uncertainty facing EEA and EU students was a major issue of concern*
- *Students felt there needs to be better support for distance learning*
- *Changes were proposed to 'lifelong learning' to allow students to undertake further study later in life*

#### **6. Nursing, midwifery and allied healthcare students**

- *A shortage of funding for these courses was identified*
- *Students on these courses were much less able to take on part-time work alongside their studies to support themselves*
- *the lack of support for childcare was a key concern, as well as a lack of information or support for placements*

Note as higher education policy is largely devolved and the majority of attendees were from English students' unions, this report focuses on England except where stated. However, many of the themes are very relevant to the devolved administrations even if details differ.



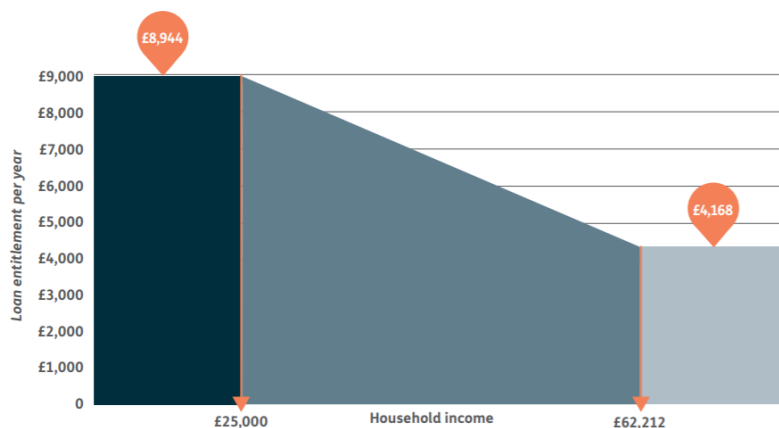
## Student Finance and Cost of living

A crucial point which was made by many of the student representatives was that the cost of living for students over the last decade has risen far more than maintenance support levels have, and that current levels of student maintenance support are insufficient. This section sets out the issues raised around the cost of living, and the next section discusses the effects of this, in terms of student wellbeing and the social injustice which is replicated. One significant part of the increased cost of living is the increased cost of accommodation, but points were raised about travel costs, hidden costs, childcare costs too. 'Hidden costs' are those which are not known in advance, and will be discussed in the 'Information, Advice and Guidance' section.

Representatives identified that students from poorer or disadvantaged backgrounds, graduated with far larger amounts of student debt, which has a negative impact on social mobility. It was also pointed out that even though student loan repayments only start once graduates earn above a certain salary threshold, students from these backgrounds are much more likely to be debt averse and access to higher education should be seen through this lens. While the system may be established in a way to try to encourage students to enter university, it is not having this effect in practice as students can be put off by the prospect of the large amounts of debt they will incur.

In England, the household income thresholds which determine brackets for how much maintenance support students received have not changed since 2008, despite the inflationary increase in costs. If the £25,000 threshold has increased in line with inflation it would currently be somewhere around £32,000, which would allow many more students to receive greater levels of financial support. This has meant that more and more students become part of a 'squeezed middle'. The amount of maintenance loan which students could receive is shown in the below graph, taken from the Panel's Report for the post-18 education and funding review –

**Figure 7.2: Maintenance support available to new students entering the academic year 2019/20 (rates given are for new entrants living away from home and studying outside of London)**





The maintenance support students currently receive were, in general, not viewed by student representatives to be adequate, though this varied depending on the particular situation a student might be in. While there is an expectation that parents and guardians who earn over the household income threshold for the maximum maintenance loan should support students financially, there is no official guidance on how much this is meant to be, and the evidence heard was that many students are left in difficult and often untenable financial situations. This is exacerbated for students who are estranged but struggle to provide evidence for this, or for households with multiple children who may be unable to financially support all of these children through education.

Median expenditure by full-time students, who live away from home and study outside of London, is £11,679, which is significantly higher than maximum loan amount of £8,700. It is therefore not surprising that 52% of students earn some form of income alongside their study to meet the gap between expenses and income from maintenance loans (Augar, 2019).<sup>1</sup>

Postgraduate study does not offer centralised financial support for living costs – the Government Postgraduate Master’s Loan of £10,906 (2019/20 level in England) often does not cover tuition costs, let alone any maintenance costs. The equivalent doctoral loan works on a similar basis. Much of the additional funding which supports undergraduate study – such as an Adult Dependents’ Grant, a Childcare Grant or Parents’ Learning Allowance – is not extended to postgraduate students (other than those on PGCE courses), and although there is some support available for disabled students this is lower than for undergraduate study. This means that postgraduate study is much less accessible for those without significant savings or financial support from their families.

One student representative made the general point that instead of students being seen as people to be supported financially, with a fair system which provides value for money for both students and public funding, students have been marketised and profited from in many ways, most notably from accommodation providers and commercial loan providers. This led to a general discussion as to whether the market was the best approach for supporting students in higher education, with most representatives expressing a view that it was not.

## **Accommodation**

The most significant single cost is accommodation, and many student representatives gave evidence displaying the costs their students face. The Accommodation Costs Survey produced a weighted average rent costs which were 73% of the maximum funding available to students (2018/19), up 25 percentage points from 58% of the funding in 2011/12 (NUS and Unipol, December 2018).

Student officers said that for many students, rent can be more than their entire student loan. A representative from Hull University Students’ Union said that the average yearly rents for students in Hull are £700 more than they receive from the maintenance loan. Part

<sup>1</sup> Median expenditure covers costs including housing, childcare, books, equipment, travel and general costs of living such as food, household goods and entertainment costs and excludes fees.



of this was linked, by the representative, to the way that universities have increased the quality of their accommodation towards a more 'luxury' style, often replacing low-cost accommodation in doing so. A representative from Bristol University Students' Union told the Group that the minimum cost of a year's accommodation in Bristol is £5,300, either for a shared room in private rented accommodation or self-catered for 42 weeks in university accommodation. A representative from Leeds reported similar findings, with rents in the city currently between £5,200 and £6,760 per year. An NUS representative noted that they had been working on affordability and had implemented some of these proposals in London through the London Plan. They commented that in line with these goals institutions and private providers should ensure that at least a quarter of their rooms are offered at 50% of the maximum maintenance loan available for students (35% of rooms at 55% of the loan in London).

The high cost of accommodation was acknowledged in the Augar Report, noting the significantly above inflation increases. However, the only recommendations were towards greater transparency and to set a benchmark for what proportion of maintenance support should be spent on accommodation. Previous Minister for Universities, Science, Research and Innovation, Chris Skidmore, commented that the "*responsibility for decent, fair and affordable student accommodation cannot fall through the cracks*", yet currently there is no national regulation (Skidmore, 2019). Many universities do not have partnerships with providers or much bargaining power, and the Office for Students (nor its devolved equivalents) has no powers over private accommodation providers.

Some universities also have a notable deficit of accommodation, sometimes due to universities increasing student numbers in a manner that could be described as unsustainable. A representative from Nottingham Trent University Students' Union told the Group that this is the case for both universities in Nottingham. The same point was made by a representative from Bristol University Students' Union, who said that they had successfully lobbied for the university to reduce the growth in student numbers, primarily due to the lack of available accommodation.

Student representatives were, understandably, quite angry about the cost of accommodation. Some felt let down by universities, who were seen to be treating students as "cash cows", profiting from those who can afford it while leaving those with less money behind. One student representative went further, pointing out that many purpose-built accommodation blocks are financed by capital from hedge funds and banks, whether built by private providers or the university. This creates a significant profit margin for private companies and institutions, even once the actual cost of construction and maintenance of the accommodation is taken in to account. These financial arrangements are mentioned in the Augar Report but there are no significant recommendations to address the situation (Augar, 2019, p. 69).

Representatives also raised concerns about students in the private rental sector. Students are usually renting for the first time and tend not to know their rights as a tenant and so many students are taken advantage of by landlords. There was a desire expressed for more support to educate students about their rights as tenants and assist them in challenging bad practices. Some universities have set up practices to manage this, such as trusted renter



schemes or where the university itself rents from private landlords and sub-lets to students, but many do not have any regulation of or relationship with the private rental sector.

Two other issues relating to accommodation which were raised were guarantors and deposits. Accommodation deposits often meant a significant up-front cost, as well as a double-cost when changing accommodation for the next academic year, as the deposit for future accommodation would be required before the one from the previous accommodation had been released. Many landlords or accommodation providers also required a guarantor, which posed significant difficulties for students whose parents were not financially eligible for this or who had come from outside the UK. Some universities operate a rent guarantor scheme, but this still poses a difficulty. NUS representatives commented that they are campaigning for deposit passports for students which would follow them through education and once they have graduated. Without such a scheme currently in place many students are having to borrow money, with some turning to commercial loans, to fill this gap.

### **Travel costs**

Another significant expense that was raised by student representatives was the cost of travel. This affects students at many institutions, but there is a particular effect for commuter students, who tend to be from more disadvantaged backgrounds (Mannerings, 2018).

Part-time students are not eligible for travel discounts, which puts them at a disadvantage compared to full-time students. Yet students who study part-time are often amongst the poorest higher education students. A double-effect can occur for students who cannot afford accommodation nearer their institution as they will then incur higher travel expenses, on top of the extra time taken to commute.

Another effect of large travel expenses that was raised regarded students who cannot afford to travel during peak-times. One representative reported that many of their students have to travel up to one hour and fifty minutes to attend lectures and seminars, and that the university has adapted to this by not holding lectures at 9am.

Travel costs, as well as reduction in services, has also been raised as an issue for students of nursing and midwifery courses, who have to travel for placements, and for apprentices.

### **Payment Timing**

Another concern that student representatives raised was the current system of making student finance payments in three termly instalments. This often left students short of money between payments and at the start of the year. For many students the timing of the payments did not match when rent or other payments were due.

One solution suggested to address this was to switch to a monthly payment system, which is already used in Scotland by the Student Awards Agency for Scotland (SAAS), with a double-payment at the start of the academic year to help with upfront costs. This would be





easier to manage than a large block of money, reflects more common payment methods for other forms of employment, and did not seem to have any downsides.

### **Weighting, means testing and family situations**

A few student representatives noted that the way that means testing worked and the London weighting were both unfair. Many aspects of this were included in the Augar Report, though student representatives also raised points that were not. The simple divide between 'London' and 'outside of London' did not work for variations in cost between other cities, with some representatives claiming that the cost of living in their cities was comparable to London. The NUS Poverty Commission Report made the recommendation that means-testing should be reviewed in order to ensure a fair funding system, and one student representative suggested a cost of living matrix for different cities (National Union of Students, 2018).

One difference which isn't taken into account in funding is the length of courses, with medical students being particularly affected. Students who must undertake placements that extend beyond the typical 39 week academic year will need accommodation and financial support for longer when they might otherwise had their term already finished. This also removes their ability to earn money outside term time.

Family situations outside those deemed 'typical' are ignored by means-testing. Problems raised included large families, or parents supporting multiple children through university, or problems with the household income measure if a student's parent lived with a partner who did not support the student financially.

A further issue with financial support for estranged students was also highlighted. Many students have parents who are not willing to support them financially, but the test for estrangement required there to be no contact with parents at all.

Another obstacle that was raised was the difficulty faced by student parents with affording childcare costs. Many problems emerge for undergraduate students, as although they may be eligible for a Childcare Grant, childcare providers require payment of up to a month in advance, which student parents must pay before they have been allocated any childcare bursaries or loan instalments. Student representatives highlighted a lack of communication from educational institutions about timetables which results in student parents being unable to arrange formal childcare before the start of their course. This means that they have to arrange childcare within a short space of time at the start of the academic year, often meaning they cannot take advantage of the cheapest available option. These issues are particularly prevalent for those in nursing, midwifery and allied healthcare courses, which have a high proportion of mature students, as discussed later in this report.

Although there is a Childcare Grant for undergraduate students, this is not extended into postgraduate study (other than PGCE students). On top of this formal study does not count towards the thirty hour threshold to be eligible for childcare funding through Universal Credit. One representative from Canterbury Christ Church Students' Union identified this as



a systematic issue that is preventing women from progressing beyond undergraduate study. They claimed that for every one male student that makes it through postgraduate courses, six drop out due to a lack of support.

There was a sentiment expressed by a few of the representatives that an idea permeated the system of a 'normal student' - age 18, non-disabled, middle class, with a 'typical' family dynamic. It was claimed that the system worked well for this student, but was not fit for purpose for anyone outside this narrow definition. The Group heard from a representative from Reading University Students' Union that in survey they carried out, only 14.7% of student respondents believed that the current student loan system provides adequate support.

Linked to this was a backlash from some representatives against the media representation and common conception of students of being irresponsible with their money. They expressed a concern that this did not adequately represent the numerous students who did not have plenty of money or parental income to rely on and were therefore forced to work part-time jobs, take out loans and face serious financial difficulties.

### **Recommendations**

- The household income thresholds used to determine maintenance loan eligibility should be increased in line with inflation, and should continue to increase each year with inflation.
- There should be more guidance about the true costs of study and how much funding students require for this.
- Non-repayable, means-tested maintenance grants should be reintroduced in England.
- The approach to means testing for maintenance levels should be reviewed in order to recognise the diversity of students and tailor support to their individual needs.
- A cost of living matrix for different cities should be created, replacing the current London/outside of London binary.
- Student finance payments should be monthly, with a double-payment for the first month.
- An independent review into student accommodation should be launched, which could cover both the costs of accommodation and student welfare, including fire safety.
- Institutions and private providers should ensure that at least a quarter of their rooms are offered at 50% of the maximum maintenance loan available for students (35% at 55% in London).
- There should be a passport system for accommodation deposits, to remove the problem of double deposits when moving between accommodation.
- Students who don't have a guarantor for their accommodation should be supported by their institutions.
- The Childcare Grant for undergraduates should be extended to all those in postgraduate study.



## Effects

Many students face a shortfall in money, with the NUS Poverty Commission report estimating this to be £10,531 for those studying in London and £8,710 for those based outside the capital (National Union of Students, 2018). This shortfall can be especially problematic for students do not have savings or financial support from parents or guardians to plug the gap. It can result in their student experience being limited due to having insufficient money to fully engage in university life, such as through extracurricular activities and societies.

Many students are forced to take out commercial loans, either to get by between payments or to access more funding to make up this shortfall, and some take on significant amounts of paid work alongside their studies. The Group heard from student representatives of the effects that this has on student wellbeing and mental health; attainment; continuation; and social mobility, as these issues predominantly affect those from poorer or otherwise disadvantaged backgrounds.

## Student Wellbeing

One student representative said:

*"A failure to significantly increase student finance to meet these needs has left those most in need forced to take up part-time jobs, for many students more than one in order to survive. Consequently, students' work-life balance has been detrimentally impacted. They are increasingly isolated from their friends and communities, unable to achieve their potential during their degree and their mental health is adversely affected by a lack of down-time."*

Student representatives gave evidence about the effect that financial difficulties have on student wellbeing and mental health. Some of the effects identified included –

- students working part-time jobs in the night-time economy, which can leave them exhausted for lectures
- students who were unable to socialise with classmates or join sports club due to money shortages
- and the significant stress which students felt about their financial situation.

More than one student university rep told stories of students who have come to them in significant distress and were considering taking their own lives to escape from their situation; one such story involved a student who felt enormous guilt about the sacrifices being made by their single parent to support them through university, on top of their part-time job.

A cost of living study carried out by Leeds University Union (2016) reported:

- Only 21% of students felt they can enjoy their time in Leeds without worrying about money.
- 56% of students feel working while studying affects their marks.



- 45% of students indicated they had difficulty finding work to fit round their course.
- 54% of students felt that they struggled to find money to socialise.
- 82% agreed or strongly agreed that they would like to join the gym but are dissuaded by the cost.

Similar findings from an annual University of Bristol Students' Union survey, found that 61% of students found finances and the cost of living a significant worry. The National Student Money Survey aligns with these statistics, reporting that 79% of students worry about making ends meet and that 57% of students said their mental health suffers because of money (Bushy, 2019).

### **Part-time work**

Many students make up the financial shortfall by taking on part-time work. Small amounts of work might not be a problem, but representatives gave evidence that many students were forced to take up significant amounts of work which unavoidably detracted from their studies and other aspects of their life. It is reported that 52% of students earn some income alongside their study in order to supplement their loan (Augar, 2019). As noted above, 56% of respondents to the Leeds Survey felt that working while studying affected their marks.

### **Commercial Loans**

One significant concern raised by student representatives was that students are often forced to turn to commercial loans to either top up their overall amount of funding, to get them through to their next payment, or to pay a deposit while waiting for a previous deposit to be returned. Student representatives did not feel that students should be in a position of having to take out commercial loans, which often have high interest rates. There was some anger at the fact UCAS had used their services to advertise commercial loan companies, with interest rates ranging from 8% to 23.7%, to students.

### **Non-continuation**

Universities have seen an increase in non-continuation rates in recent years: two-thirds of UK universities have experienced an increase in drop-out rates over the past five years (comparing 2011/20 to 2016/17, the most recent available data set), according to data analysed by the Press Association (ITV News, 2020). While a variety of reasons can cause students to drop out of university, the cost of living has been one of the significant changes in that time and will inevitably have contributed to some students leaving education early.

### **Social injustice**

Student representatives were clear that this was a social justice issue, as these effects are minimised for those from wealthier backgrounds and more pertinent for those from working class, squeezed middle backgrounds, BAME students and those from non-typical family situations. The point was made that financial stress and taking on part-time work can and does affect academic performance, as well as affecting students' ability to take part in extra-curricular activities, get work experience or apply for jobs ahead of graduation. One



representative described this as *"seemingly impossible if you have extra responsibilities, medical costs, or are a parent or carer, for example."*

It was generally felt to be unfair that students from disadvantaged backgrounds did not have the same opportunities as privileged students, and this limits social mobility. It could also affect value for money from public money, as well as limit the public benefit, from students who are limited in their achievement.

One representative said:

*"student finance needs to rise to meet the cost of living at University and push to restore student grants, ensuring that all students from disadvantaged background are able to access University and reach their potential."*

It was clear from the evidence received that students felt the current system is not progressive in its approach. The negative impacts are disproportionately weighted against disadvantaged students with side effects seen through attainment gaps and non-continuation rates.



## **Information, advice and guidance**

Another set of concerns which the Group received evidence on were issues with the lack of information, advice and guidance available to students both before and during their studies.

One aspect of this were the hidden costs of university. Student representatives noted the full costs for courses are often not made clear to students at open days, or on university websites. These costs include items such as laptops and textbooks, which can amount to large amounts of money depending on the individual course being taken, other equipment and materials, cost of travel, trips and events like graduation, resit costs and printing. The student representatives said that these hidden costs should be properly advertised, so students know they will need to spend additional money on certain equipment and can effectively budget for this.

When challenged on this, student representatives highlighted the conflict of interests between universities marketing to encourage students to attend their university, versus the provision of accurate information. Any institution which was clear about upfront costs might discourage students from attending that particular institution. The point was also made that there is no national top-down regulation on some of these costs, such as graduation, which can allow for bad-practice in institutions.

With postgraduate students, a student representative claimed that they are often not fully informed about their funding situation before starting their degree. As discussed earlier in this report, the Government loan of £10,906 for Master's study and the equivalent doctoral loan has to cover both tuition fees and maintenance, and in many cases does not cover the full tuition fee. Students may be unaware that the support available at undergraduate level does not continue in to postgraduate study, or might not know of other forms of financial support they can turn to.

This means that many postgraduate students struggle financially, with a representative from University of York Students' Union claiming that two-hundred to three-hundred postgraduates become homeless at some point in each academic year due to a lack of finances.

As noted previously, many student representatives were very critical of UCAS, pointing to reports of UCAS advertising commercial loans. In one case emails were sent by UCAS promoting a Dublin-based private debt firm that offers loans of up to £40,000 to students at UK universities (BBC, 2019). The commercial loans being offered have interest rates of up to 23.7%, well above the current maximum of 5.4% on student loans. Nowhere in these emails was it stated that students should access state support in the first instance.

Student representatives argued that UCAS, which has charity status, should be looking out for the wellbeing of students, especially as all students must use the platform to apply for university. They also pointed to the hypocrisy that UCAS prohibits the advertisement of gambling on its website, due to welfare concerns, but was allowing high-cost credit and



commercial loans. Representatives argued that UCAS should stay neutral, and regulation might be necessary to ensure this.

There was a discussion with MPs as to who should provide the information, and whether this should be done by Universities, Students' Unions or nationally through UCAS or some other body. There was not a consensus, though the point was made that although Students' Unions have the role of supporting students, some of the problems were caused by a lack of information in the first place by Universities, such as hidden costs, accommodation costs and general living costs, and UCAS, who could provide the same information as well as information about how much parental contribution was expected.



## **Differences between funding agencies across the UK**

A representative from Edinburgh University Students' Association gave evidence as to the differences experienced between Student Finance England (SFE) and the Students Awards Agency for Scotland (SAAS), as they represent students using both systems. In every comparison they made, they viewed the Scottish system to be better than the English one.

SAAS provide their maintenance loans in monthly instalments, whereas SFE, Student Finance Wales and Student Finance NI provide three instalments spread out throughout the year. As discussed earlier in the report, student representatives raised the difficulties that termly instalments caused for students and recommended changing to a system of monthly payments instead.

The minimum level of funding provided is different too - the lowest level of maintenance loan for SFE is around £4,000, whereas for SAAS it's around £5,000 and similarly in Northern Ireland the lowest for those living away from home is £4,840. In Wales the minimum entitlement does not change, with students entitled to £12,260 if they are studying in London, £9,810 if they are living away from home outside London and £8,335 if they are living at home, but household income is used to determine how much of this is made up through a grant or through a loan.

Another difference related to medical interruptions students may experience to student, for which SFE only provides 60 days of funding, whereas SAAS provides funding for the rest of the academic year. This can cause difficulties for students on the English system who are left without funding, and if they are unable to work due to ill-health they have to navigate the usual benefits system instead.

SFE were reported to have a long processing time compared to SAAS. The representative also described how SAAS take information from advisers and other university staff about students being in hardship, and fast-track applications in response, which they said SFE do not do. Additionally, overpayments are dealt with differently, when they occur due to a mistake or change in circumstances which is not processed in time – SAAS will generally negotiate a payment plan with the student but without reducing their future payments, whereas SFE, in accordance with guidance from the Department for Education, will simply deduct the overpayment from subsequent funding.





## **Other issues identified**

The Group were told that EEA and Swiss students are facing insecurity regarding their future funding, such as the effect reclassification as international students will have on them and when this will take effect, including the uncertainty surrounding the UK's membership of Erasmus+.

Representatives from the Open University Students' Union and Birkbeck University Students' Union raised points relating to lifelong learning and distance learning. The Augar recommendation for a lifelong learning allowance was praised, but there was a believe it fell short as it only covered two further years of study. It was proposed that this should be extended to six years to allow learners who had completed a degree as a young adult to return as a mature student to study another degree later in their life. The proposal to abolish the 'ELQ' policy, which means Government funding is not available for someone to study for a qualification which is an equivalent or lower level qualification ('ELQ') than one they have already achieved and provides another obstacle to people retraining at a later stage in their life, was also praised.

A representative from the Open University recommended to the Group that distance learning should be made affordable and more accessible. There is currently no maintenance support available to distance-learners, with the exception of disabled students, even if they are studying full-time. The differential treatment of people studying remotely versus in person was felt to be unjustified, as the time spent studying is still expected to be the same. The Welsh Diamond Review showed that when funding is offered to distance-learners, uptake increases significantly (Diamond, 2016). Statistics from the Open University in Wales reveal a 46% increase in student numbers, including a 60% increase from students in the 'widening access' category and a 56% increase in disabled students (Open University, 2019).



## **Nursing, midwifery and allied healthcare students**

In the final section of the event, the APPG heard about issues facing nursing, midwifery and allied healthcare students, in terms of the financial support they receive. There were two key differences identified between this group of students and the rest of the student body. Firstly, the courses are very different, sometimes lasting for up to 46 weeks of the year and including significant time spent on placement. Healthcare students work full-time for the NHS while on placement and in training, and are not paid for this. This is a very different situation to most students on shorter courses, as the intensity and long hours of the course mean it is much harder to find the time for additional part-time work. Secondly, the student demographic is different, with the overwhelming of students being mature students often with caring responsibilities.

Representatives were clear that the current system is not fit for purpose. Since the 2016 reform, there has been a 25% decrease in applications to nursing courses (comparing 2016/17 and 2019/20), even though the NHS in England alone has 43,000 nursing vacancies.

Nursing bursaries were proposed in the Augar Review and have been included in the recent Budget. However, while the proposed £5,000 bursary (with further funding for particular specialisms or childcare responsibilities of up to £3,000) was recognised as an improvement on the current situation, it was felt to be far from adequate to address the decline in application. Officers described it as *'less than a third of what is needed'* and expressed a belief that it still feel far short of the system that was in place before 2017. While the new system will provide overall higher levels of support for students, as they are still eligible for a maintenance loan which is much higher than the 'reduced rate' loan healthcare students were previously eligible for, the fact they will still have to pay tuition fees means that the debt they graduate with will remain much higher. It was also argued that students in the so-called 'lost cohorts' of 2017, 2018 and 2019, who received no additional funding as a result of the changes, should be recompensed.

It was reported that a huge number of healthcare students were struggling financially. Although it was described as difficult to work alongside studying, representatives claimed that many nursing students were forced to work alongside their degree, often keeping this secret from their institution as they would otherwise be in breach of rules or guidelines on working hours. Many students were forced to undertake an additional 25-35 hours a week of paid work on top of their full-time placement to make ends meet yet are not allowed to disclose these extra working hours.

As being a student, or receiving student finance, is not classed as work or income, the 30 hours of free childcare cannot be claimed for postgraduate students, and nor are they eligible for tax-free childcare. Hours worked on placement do not count as work for other benefits either, for example to claim Universal Credit.

The point was also made that the intensity and stress of the course could negatively impact the fate of the NHS, with people coming into the profession who are already burnt out.



Finally, there was reported to be a lack of information about placements, such as where they will be and support to afford the additional transport costs. It was argued that information such as this should be made clearer by universities, in order to give students more time to prepare.

**Recommendations**

Recommendations to better support nursing, midwifery and allied healthcare students were:

- Re-introducing bursaries for these students that was much larger than the proposed £5,000 a year.
- Providing tuition fees exemptions to those who had worked for the NHS for a certain period of time.
- NHS exemption cards to lower costs for other vital services for these students.
- Introducing an apprenticeship wage for placements.



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## Appendix 1: Evidence Session Attendees and Contributors

### MPs present:

- Paul Blomfield MP, Chair of the APPG
- Jo Stevens MP, Vice-Chair of the APPG
- Matt Western MP
- Lillian Greenwood MP
- Clive Lewis MP
- Rachael Maskell MP

### Evidence heard from:

Jake Verity – Sheffield SU – President	Nelly Kibirige – LSBU SU – President
Alex Holmes – Birkbeck SU – President	Cath Brown – Open University SA – President
Laura Barr – Birkbeck SU – President	George Bemrose – Bristol SU – Student Living Officer
Youssra Omer Farouk Elmagboul – SOAS SU – Co President of Equality and Liberation	Steph Hayle – York SU – Community and Wellbeing Officer
Sophie Atherton – UEA SU – Campaigns and Democracy Officer	Dr Owoyemi Odukale – Nottingham Trent SU – VP Postgraduate
Isobel Hall – Hull SU – President	Becky Thomson – Canterbury Christ Church SU – President (Development)
Talhah Atcha – Queen Mary SU – President	Dylan Thomson – Liverpool Guild – Deputy President
Andrew Wilson – Edinburgh SA – President	Hannah Prydderch – Lancaster SU – VP Union Development
Amy Wells – Leeds SU – Welfare Officer	Grace Hannaford – Swansea SU – President
Laura Flowers – De Montfort SU – Academic Executive	Jo Williams – Royal College of Midwives
Amy Fancourt – Royal College of Nursing – Student Committee Member	Sunny Suntosh Kaur – UCLAN SU – President
Daisy O’Connor – Reading University SU – Activities Officer	Rob Simkins – NUS Wales President
Eva Crossan Jory – NUS Vice President for Welfare	Claire Sosienski Smith – NUS Vice President for HE