EXPLANATORY MEMORANDUM TO

THE EDUCATION (STUDENT FEES, AWARDS AND SUPPORT) (AMENDMENT) REGULATIONS 2025

2025 No. 162

1. Introduction

1.1 This explanatory memorandum has been prepared by the Department for Education and is laid before Parliament by Command of His Majesty.

1.2 This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Declaration

2.1 Baroness Smith at the Department for Education confirms that this Explanatory Memorandum meets the required standard.

2.2 Anne Rimmer and Paul Williams, Deputy Directors for Student Funding Policy at the Department for Education confirm that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Mark Williams at the Department for Education [mark.williams@education.gov.uk] can be contacted with any queries regarding the instrument.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 This instrument makes amendments to the suite of legislation governing funding for further education students and higher education undergraduate and postgraduate students in England ("the Student Finance Regulations").

4.2 Changes to the Student Finance Regulations for the 2025/26 academic year primarily concern changes to maximum fee loans for undergraduate students and changes to maximum loans and grants for living and other costs for undergraduate students and postgraduate students. This instrument also extends student support and home fee status to the bereaved partners and their children of Hong Kong and Gurkha veterans and reduce maximum tuition fee loans for students starting foundation years in classroom-based subjects, such as business and social sciences, from the start of the 2025/26 academic year. This instrument also makes changes to other policy areas, detailed in paragraphs 5.47 to 5.59 of section 5 of this Explanatory Memorandum.

Where does the legislation extend to, and apply?

4.3 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is England and Wales.

4.4 The territorial application of this instrument (that is, where the instrument produces a practical effect) is England.

5. Policy Context

Increasing maximum fee loans for full-time and part-time students for 2025/26.

5.1 The Government has increased fee limits for designated undergraduate courses offered by Approved (Fee Cap) Providers by 3.1% for eligible new and continuing undergraduate students for the 2025/26 academic year which is based on forecast RPIX[1]. RPIX is the inflation index that the Secretary of State has had regard to in the Student Fees (Inflation Index) Regulations 2006 when satisfying herself that increases in fee limits are no greater than is required to maintain their value in real terms. These changes were made through the Higher Education (Fee Limits and Fee Limit Condition) (England) (Amendment) Regulations 2025 which were laid in draft on 20 January 2025[2].

5.2 This instrument amends the Education (Student Support) Regulations 2011 ("the Student Support Regulations") to increase the corresponding maximum fee loans in 2025/26 for new and continuing undergraduate students by the same uplift, 3.1%, so that students undertaking courses at Approved (Fee Cap) Providers can continue to meet the full costs of their tuition up-front in 2025/26.

5.3 This instrument amends the Student Support Regulations to increase the maximum fee loan in 2025/26 by forecast RPIX, 3.1%, to £9,535 for a full-time course; to £11,440 for a full-time accelerated course; and to £7,145 for a part-time course. Corresponding uplifts will apply in 2025/26 to maximum fee loans for students undertaking the final year of a full-time course, overseas years of study and work placement years.

5.4 Eligible students undertaking designated undergraduate courses at Approved Providers are not subject to maximum fee limits and can apply for fee loans towards the costs of their tuition.

5.5 This instrument amends the Student Support Regulations to increase the maximum fee loan in 2025/26 for courses offered by Approved Providers with a Teaching Excellence Framework (TEF) award by 3.1% to: £6,355 for full-time courses; £7,625 for full-time accelerated courses; and £4,765 for part-time courses. Maximum fee loans for courses offered by Approved Providers without a TEF award will be increased by 3.1% to: £6,185 for full-time courses, £7,420 for full-time accelerated courses and £4,635 for part-time courses.

5.6 The Government has increased maximum fees for the 2025/26 academic year to put the higher education sector on a financially sustainable footing. Teaching income per UK student that higher education institutions receive has declined in real terms since 2015/16 and is now approaching its lowest level since 1997. The Office for Students has reported that a growing number of higher education providers are facing significant financial difficulty, with 40% forecasting deficits in the 2023-24 financial year.

5.7 An Equality Impact Assessment (EIA)[3] for the 2025/26 academic year for higher education fees and student support was published on legislation.gov.uk on 20 January

[1] 3.1% is forecast RPIX for the first quarter of 2026 published by the Office for Budget Responsibility in it supporting document 'October 2024 Economic and Fiscal Outlook - detailed forecast tables: economy': https://obr.uk/efo/economic-and-fiscal-outlook-october-2024/ The first quarter of 2026 is used as it is roughly mid-way through the 2025/26 academic year for most students who will start the 2025/26 academic year in Autumn 2025.

[2] https://www.legislation.gov.uk/ukdsi/2025/9780348267990/contents

[3] https://www.legislation.gov.uk/ukdsi/2025/9780348267990/impacts/2025/14

2025 when the affirmative Higher Education (Fee Limits and Fee Limit Condition) (England) (Amendment) Regulations 2025[4], setting maximum fee limits for 2025/26, were laid in draft. The same EIA is also published on legislation.gov.uk alongside this instrument. Our overall assessment is that a 3.1% increase in maximum fees and corresponding fee loans will have a have a largely neutral impact on most students, since tuition fees, and the level of student debt, will not change in real terms. As a result, we do not expect that these changes will significantly alter participation decisions, not least because the real value of the tuition fee, which has been frozen since 2017, has declined over the last seven years as a result of inflation.

Changes to living costs support for full-time undergraduate students in 2025/26.

Introduction

5.8 Each year the Government considers increases to maximum loans and grants for living and other costs in respect of the academic year starting in the following calendar year. For the 2025/26 academic year, maximum loans and grants are being increased by 3.1% (forecast RPIX). The Government recognises the impact that the cost-of-living crisis has had on students. However, we need to ensure that the student funding system is financially sustainable. A 3.1% increase for 2025/26 is in line with forecast inflation based on forecast RPIX[5].

5.9 Our overall assessment in the EIA for 2025/26 is that these proposed changes will have a largely neutral impact on most students. While this may lead to an increase in debt for students funding their studies through loans for living and other costs, the level of debt will remain unchanged in real terms meaning that the student finance changes should not impact negatively on participation decisions for most students. While the impact of a 3.1% increase to living costs support for 2025/26 is largely neutral, it will not offset the significant erosion in the real value of support which has occurred in the last few years due to high inflation. This means that some students who are more debt averse could still choose not to participate in higher education because they now regard it as being too expensive.

5.10 Increasing maximum loans for living costs by 3.1% in 2025/26 results in an additional £183m loan outlay in financial year 2025-26 and £298m in 2026-27 compared to the baseline of 2024/25 levels of support (i.e. 0% uplift in 2025/26).

5.11 We estimate that maximum loans for living costs would have had to have been increased by 21% in 2025/26 to maintain their value in real terms since 2020/21. Increasing maximum loans for living costs by 21% would result in an additional £1,242m loan outlay in 2025-26 and £2,019m in 2026-27 compared to the baseline of 2024/25 levels of support (i.e. 0% uplift in 2025/26). A 21% increase would also lead to an additional RAB cost of £537m in 2025-26 and £840m in 2026-27 relative to a baseline (as included in accounts and Treasury forecasts) of inflationary increases in those years. These additional RAB costs would require spending elsewhere to be reduced due to impacts on the Department for Education's budgets.

Changes to living costs support for 2016 cohort students in 2025/26.

5.12 The maximum loan for living costs for new full-time undergraduate students and continuing full-time undergraduate students who started their courses on or after 1

[4] https://www.legislation.gov.uk/ukdsi/2025/9780348267990/contents

[5] Forecast RPIX for the first quarter of 2026 as published by the Office for Budget Responsibility in October 2024.

August 2016 (‘2016 cohort students’) will be increased by 3.1% in 2025/26. The loan for living costs is partially income assessed.

5.13 This instrument amends the Student Support Regulations so that the maximum loan for living costs for most 2016 cohort students living away from home and studying outside London will be £10,544 in 2025/26; for students living away from home and studying in London, £13,762; for students living in the parental home, £8,877 and for students studying overseas as part of a UK course, £12,076.

5.14 Different rates of loan for living costs apply to 2016 cohort students eligible for benefits. This instrument amends the Student Support Regulations so that the maximum loan for living costs for 2016 cohort students who are eligible for benefits and are living away from home and studying outside London will be £12,019 in 2025/26; for students living away from home and studying in London, £15,008; for students living in the parental home, £10,473 and for students studying overseas as part of a UK course, £13,442.

5.15 2016 cohort students aged 60 or over on the first day of the first academic year of their course qualify for a lower single rate of loan for living costs. This instrument amends the Student Support Regulations so that the maximum loan for living costs for 2016 cohort students aged 60 or over on the first day of the first academic year of their course will be £4,461 in 2025/26.

Changes to living costs support for 2012 cohort students in 2025/26.

5.16 The maximum loan for living costs for full-time undergraduate students who entered higher education on or after 1 September 2012 but before 1 August 2016, (‘2012 cohort students’), will be increased by 3.1% in 2025/26. The loan for living costs is partially income assessed.

5.17 This instrument amends the Student Support Regulations so that the maximum loan for living costs for 2012 cohort students living away from home and studying outside London will be £7,559 in 2025/26; for students living away from home and studying in London, £10,547; for students living in the parental home, £6,012 and for students studying overseas as part of a UK course, £8,980.

5.18 2012 cohort students on lower incomes qualify for an income assessed maintenance grant, or for 2012 cohort students who are eligible for benefits, an income assessed special support grant. This instrument amends the Student Support Regulations so that the maximum maintenance grant and special support grant for 2012 cohort students will be increased by 3.1% to £4,355 in 2025/26.

Changes to elements of the living costs package for full-time undergraduate students.

5.19 Full-time undergraduate students who are attending courses that are longer than 30 weeks and three days in length during the academic year qualify for an income assessed long courses loan for each week or part week above 30 weeks and 3 days. Students attending their courses for 45 weeks or more in the academic year qualify for the same amount of long courses loan as students attending for 52 weeks.

5.20 This instrument amends the Student Support Regulations to increase the maximum long courses loan by 3.1% in 2025/26 for full-time undergraduate students. For students living away from home and studying outside London, the maximum long courses loan will be £113 a week; for students living away from home and studying in London, £145 a week; for students living in the parental home £75 a week and for students studying overseas as part of a UK course, £157 a week.

5.21 Full-time undergraduate students who are undertaking a work placement year of a sandwich course do not qualify for the full living costs support package unless they are undertaking an unpaid placement in the public sector, as defined in the Student Support Regulations (see regulation 38(7) of those regulations[6]). Instead, most students undertaking work placement years qualify for a reduced rate, non-income assessed loan for living costs.

5.22 This instrument amends the Student Support Regulations to increase the maximum reduced rate loan for living costs for eligible full-time undergraduate students who are undertaking a work placement year on a sandwich course by 3.1% in 2025/26. For students living away from home and studying outside London, the maximum reduced rate of loan for living costs will be £3,194, for students living away from home and studying in London, £4,485 and for students living in the parental home, £2,396. Students undertaking an overseas work placement as part of a UK course, qualify for the reduced rate of loan that applies to students living away from home and studying outside London.

5.23 Full-time undergraduate students who are undertaking a year of a course in medicine or dentistry that is defined as a bursary year in the Student Support Regulations are eligible to apply for bursary support from the NHS Business Services Authority. These students do not qualify for the full living costs package under the Student Support Regulations. Instead, they qualify for a reduced rate, non-income assessed loan for living costs.

5.24 This instrument amends the Student Support Regulations to increase the maximum reduced rate loan for living costs for full-time students who are undertaking a bursary year by 3.1% in 2025/26. For students living away from home and studying outside London, the maximum reduced rate of loan for living costs will be £2,753, for students living away from home and studying in London, £3,865 and for students living in the parental home, £2,066. Students studying overseas as part of a UK course, qualify for the reduced rate of loan for living costs that applies to students living away from home and studying outside London.

Changes to grants for full-time undergraduate students with dependants in 2025/26.

5.25 This instrument also amends the Student Support Regulations to increase maximum dependants' grants for full-time undergraduate students by 3.1% in 2025/26. The maximum adult dependants' grant will be £3,545 and the maximum parents' learning allowance, £2,024 in 2025/26. The amount of childcare grant payable in 2025/26 will be based on 85% of actual childcare costs, subject to maximum grants of £199.62 a week for one child only or £342.24 a week for two or more children.

Changes to allowances for students with disabilities in 2025/26.

5.26 This instrument amends the Student Support Regulations to increase the maximum disabled students' allowance for full-time and part-time undergraduate students and full-time and part-time postgraduate students by 3.1% in 2025/26. The maximum disabled students' allowance will be £27,783 in 2025/26.

Changes to living costs support for part-time undergraduate students in 2025/26.

5.27 The maximum loan for living costs for eligible new part-time undergraduate students and continuing part-time undergraduate students who started their level 6 courses

[6] https://www.legislation.gov.uk/uksi/2011/1986/regulation/38

(honours degree and equivalent courses) on or after 1 August 2018 will be increased by 3.1% in 2025/26. The loan for living costs is also available for and part-time level 5 pre-registration healthcare courses and part-time level 4 and 5 approved Higher Technical Qualifications starting on or after 1 August 2024. It is partially income assessed.

5.28 This instrument amends the Student Support Regulations so that the maximum loan for living costs for part-time students living away from home and studying outside London will be £10,544 in 2025/26; for students living away from home and studying in London, £13,762; for students living in the parental home, £8,877 and for students studying overseas as part of a UK course, £12,076.

Changes to loans for students starting postgraduate master's degrees in 2025/26.

5.29 The maximum loan for students starting postgraduate master's degrees on or after 1 August 2025 will be increased by 3.1% in 2025/26. This instrument amends the Master's Regulations to increase the maximum postgraduate master's degree loan to £12,858.

Changes to loans for students starting postgraduate doctoral degrees in 2025/26.

5.30 The maximum loan for students starting postgraduate doctoral degrees on or after 1 August 2025 will be increased by 3.1% in 2025/26. This instrument amends the Doctoral Regulations to increase the maximum postgraduate doctoral degree loan to £30,301. It also increases the maximum postgraduate doctoral degree loan that can be paid for any one academic year to £12,858.

Treatment of bereaved partners of Gurkha and Hong Kong military unit veterans discharged prior to 1997 who have themselves, been granted settlement in the UK and their children.

5.31 In general, students are eligible for higher education student support, fee caps, home fee status and advanced learner loans for further education courses if they are settled and have been ordinarily (meaning lawfully) resident in the United Kingdom (UK) for 3 years before the start of their course. The rationale behind the 3-year ordinary residence requirement is that the substantial outlay of public funds should be spent on those who have demonstrated an intention to remain in the UK on a lawful and long-term basis.

5.32 An exception has been made to the 3-year ordinary residence requirement for persons who are granted indefinite leave to remain (ILR) as a result of bereavement (as it less likely that these individuals will be able to meet the normal ordinary residence requirements in the regulations). These exceptions were introduced to align with the Home Office Immigration Rules which make provision for spouses and partners of settled persons to get ILR as a result of bereavement.

5.33 In September 2023, the Home Office made further changes to the Immigration Rules to create a new Appendix for Gurkha and Hong Kong military unit veterans discharged before 1 July 1997: 'Appendix Gurkha and Hong Kong military unit veterans discharged prior to 1997' (Appendix GHK)[7]. These provisions enable Gurkhas and Hong Kong veterans discharged prior to 1997 to be granted settlement and, where the Gurkha or Hong Kong veteran has died, to their bereaved partner and their partner's children.

[7] https://www.gov.uk/guidance/immigration-rules/immigration-rules-appendix-gurkha-and-hong-kong-military-unit-veteran-discharged-before-1-july-1997

5.34 Our policy intention is to provide immediate access to student support (that is, without the need to satisfy the 3-year ordinary residence requirement) for bereaved partners and their children of Gurkha and Hong Kong military unit veterans discharged before 1 July 1997 who have themselves, been granted settlement in the UK. This reflects existing provisions for bereaved partners which do not require three years' prior ordinary residence in the UK due to the fact they are more likely to have gaps in their lawful status due to the difficult circumstances they find themselves in.

5.35 Within Appendix GHK, the Home Office also makes specific provision for settlement to be granted outside the UK (indefinite leave to enter (ILE)) for Gurkha and Hong Kong military unit veterans and any family members (including bereaved partners where their spouse has died). This is in recognition of the fact that they are more likely to be/have been overseas as a result of their active service and therefore a route of entry outside the UK, is necessary. We want to align with the Home Office in this respect so that we also include references to 'indefinite leave to enter' in addition to the existing references of 'indefinite leave to remain'.

5.36 This instrument amends the Student Support Regulations to ensure that bereaved partners and their children of Gurkhas and Hong Kong military unit veterans discharged before 1 July 1997 who have been granted ILE or ILR will not be subject to the 3-year ordinary residence requirement but will instead need to be ordinarily resident in England on the course start date to qualify for student support.

5.37 This instrument makes corresponding amendments to the Master's Regulations, and Doctoral Regulations for postgraduate master's loans and postgraduate doctoral degree loans respectively. It also makes corresponding amendments to the Further Education Loans Regulations for advanced learner loans.

5.38 This instrument amends the Fees and Awards Regulations so that the bereaved partners and their children of Gurkhas and Hong Kong military unit veterans discharged before 1 July 1997 who have been granted ILE or ILR by the Home Office will qualify for home fee status if they have been ordinarily resident in the United Kingdom on the day on which the course starts. It also makes corresponding amendments to the Fee Limit Condition Regulations so that this group of students are 'qualifying persons' for the purposes of tuition fee limits.

5.39 These changes will apply in respect of an academic year starting on or after 1 August 2025.

Maximum Fee Loans for Foundation Years.

5.40 A foundation year is an additional period of study, integrated with an undergraduate course at the start of that course, which is one-year if studied at full-time intensity. Foundation years are designed to prepare students for undergraduate study at degree-level, where students lack the necessary skills, subject knowledge or prior attainment required to undertake an undergraduate course. They can act as a valuable access route into Higher Education, often for mature students or students from underrepresented groups.

5.41 There has been disproportionate growth of foundation years in classroom-based subjects between academic years 2011/12 and 2022/23[8]. The Government is concerned that many of these classroom-based foundation years represent poor value for money for students and taxpayers. There is little evidence that studying a

[8] Foundation year participation, provision and outcomes at HE providers, Academic year 2021/22 – GOV.UK https://explore-education-statistics.service.gov.uk/find-statistics/foundation-years-statistics

foundation year is always necessary for students wishing to access an undergraduate course in these subjects. Research also shows that foundation years in these subjects can be delivered for significantly less than the current fee limit of £9,250[9].

5.42 The lower fee limits introduced by the separate affirmative Higher Education (Student Fee Limits and Fee Limit Condition) (England) (Amendment) Regulations 2025, and the corresponding lower maximum fee loans, introduced by this instrument - seek to stem the disproportionate growth of these foundation years by removing any currently existing financial incentive for HE providers to continue growing this provision. The Government believes that the new fee limit delivers better value for money for students and taxpayers.

5.43 Under previous legislation, there were no separate tuition fee loan limits for foundation years in any subject. From the start of the 2025/26 academic year, lower fee limits, the maximum of which is £5,760, are being introduced for foundation years in classroom-based subjects[10] [11] through the separate affirmative Higher Education (Fee Limits and Fee Limit Condition) (England) (Amendment) Regulations 2025 which were laid in draft on 20 January 2025.

5.44 This instrument introduces lower maximum tuition fee loans to match the new lower tuition fee limits. Maximum fee loans for foundation years in classroom-based subjects for full-time courses offered by or on behalf of Approved (Fee Cap) Providers will be reduced from £9,250 to £5,760. Corresponding maximum fee loans for part-time courses offered by or on behalf of Approved (Fee Cap) Providers are being reduced from £6,935 to £4,315.

5.45 This instrument also reduces maximum fee loans for foundation years in classroom-based subjects for full-time courses offered by or on behalf of Approved Providers from £6,165 to £3,835 for providers with a Teaching Excellence Framework (TEF) award and from £6,000 to £3,735 for providers without a TEF award. Corresponding maximum fee loans for foundation years in classroom-based subjects for part-time courses offered by or on behalf of Approved Providers are being reduced from £4,625 to £2,875 for providers with a TEF award and from £4,500 to £2,800 for providers without a TEF award.

5.46 Our overall assessment in the EIA for 2025/26 is that the lowering of tuition fees for classroom-based foundation years should have a positive impact on all students who choose this pathway to higher education. This is because it will reduce in nominal and real terms the total level of debt that they take out should they successfully progress to the first year of their preferred undergraduate course.

Disabled Students' Allowance (DSA) for students undertaking work placements.

5.47 Students undertaking most work placements as part of a sandwich course where the periods of full-time study are less than 10 weeks in the academic year do not qualify

[9] Understanding the cost of foundation years study – GOV.UK
https://www.gov.uk/government/publications/understanding-the-costs-of-foundation-year-study
[10] Classroom-based subjects are subjects that are currently in the Office for Student's (OfS) Price Group D. They are considered the least costly to deliver - see Guide to funding 2023-24 (officeforstudents.org.uk) at: https://www.officeforstudents.org.uk/media/c76f13e2-9add-4aa1-91fa-8dbb20d0b17c/guide-to-funding-2023-24.pdf
[11] The list of lower fee subjects for foundation years and their codes is here: https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fassets.publishing.service.gov.uk%2Fmedia%2F663b5d7a1c82a7597d4f3295%2FLower_fee_subject_list_including_HECoS_and_CAH3_codes.ods&wdOrigin=BROWSELINK

for grants for living and other costs, which includes disabled students' allowance (DSA), and only qualify for a reduced rate loan for living costs. The exception to this rule applies to students undertaking certain work placements in the public sector who apply for the full grant and loan living costs package for an academic year.

5.48 Prior to 18 November 2024, students who were awarded DSA-funded equipment and software were awarded insurance, warranty and aftercare support alongside it for the duration of their course. This meant in practice that they were able to access this if necessary, during a work placement where they were otherwise ineligible for DSA support. From 18 November 2024, a new system was implemented whereby instead of funding insurance, warranty and aftercare support up-front for the duration of a student's course, the Student Loans Company (SLC) instead funds any repairs or replacements from a student's DSA grant at the point when they are required, and aftercare support on an annual basis.

5.49 However, the current drafting in the Student Support Regulations does not allow DSA funding to pay for this during a work placement where the student is ineligible for DSA. This instrument therefore amends the Student Support Regulations so that they allow DSA funding for repairs and replacements of equipment, and aftercare support for equipment or software, to be paid while students are on a sandwich work placement year, in effect continuing the current policy.

5.50 This change will apply to new and continuing full-time students from the date this instrument comes into force.

Entitlement to the travel grant for students undertaking an Erasmus Year.

5.51 Eligible full-time students qualify for a travel grant for travel for the purpose of attending as part of the student's course an overseas institution or the University of London Institute in Paris or an overseas workplace in an Erasmus Year (which includes the Turing scheme). This instrument makes a technical amendment to the Student Support Regulations to ensure that students undertaking a work placement as part of an Erasmus Year qualify for a travel grant in line with current policy intent and practice.

5.52 This change will apply to new and continuing students from the date this instrument comes in force.

Updating the definition of 'unpaid service' for students attending work placements.

5.53 Students attending most work placements as part of a sandwich course where the periods of full-time study are in aggregate less than 10 weeks during an academic year do not qualify for dependants' grants, travel grant and, in most circumstances, disabled students' allowance and qualify only for a reduced rate non-means tested loan. Private sector employers who benefit from the students' work are expected to provide the majority of support for students during their work placements.

5.54 Students attending some work placements which constitute 'unpaid service' at certain public sector organisations specified in the Student Support Regulations, qualify for the full grant and loan for living costs package. This instrument amends the definition of 'unpaid service' to reflect the dissolution of Health and Services Boards in Northern Ireland and the transfer of their functions to the Department of Health in Northern Ireland and various other public health and social security bodies in Northern Ireland.

5.55 This change will apply to new and continuing students from the date this instrument comes into force.

Removal of References to Netherlands Antilles from Regulations.

5.56 Netherlands Antilles (Bonaire, Curaçao, Saba, Sint Eustatius, Sint Maarten) are currently one of the overseas territories defined in the Student Support Regulations. Students from EU overseas territories may have protected rights under the EU withdrawal agreement, and therefore qualify for student support and home fee status. We have recently been made aware that the Netherlands Antilles, which consisted of the five Islands set out above, was dissolved in 2010 and the term 'Netherlands Antilles' should no longer be used in regulations.

5.57 This instrument removes the reference to Netherlands Antilles from the Student Support Regulations and replaces it with the Caribbean part of the Kingdom of the Netherlands (Aruba, Bonaire, Curaçao, Saba, Sint Eustatius, Sint Maarten). It makes corresponding amendments to the Master's Regulations, and Doctoral Regulations for postgraduate master's loans and postgraduate doctoral degree loans respectively. It also makes corresponding amendments to the Further Education Loans Regulations for advanced learner loans, the Short Course Regulations for higher education short courses loans and the European University Institute Regulations for support for students taking designated postgraduate courses at the European University Institute in Florence, Italy.

5.58 This instrument makes corresponding changes to the Fees and Awards Regulations in respect of home fee status for students from overseas territories and to the Fee Limit Condition Regulations in respect of tuition fee limits for students from overseas territories who are qualifying persons.

5.59 This change will apply to new and continuing full-time and part-time students from the date this instrument comes into force.

6. Legislative and Legal Context

How has the law changed?

6.1 This instrument makes amendments to the Student Finance Regulations which govern funding for further education students and funding for higher education undergraduate and postgraduate students in England. The changes to the regulations listed below are primarily being made to reflect changes being made for 2025/26 to increase maximum loans and grants for living and other costs for undergraduate students and postgraduate students.

6.2 Changes are also being made to extend student support and home fee status to the bereaved partners of Hong Kong and Gurkha veterans, to provide additional DSA support for students undertaking sandwich course work placement years, and to reduce maximum tuition fee loans for students starting foundation years in 2025/26. A number of additional minor policy and technical changes to higher education student finance regulations are also being made from the date this instrument comes into force.

6.3 The following Regulations are being updated with the changes set out above:

- the Education (Fees and Awards) (England) Regulations 2007 (S.I. 2007/779) ("the Fees and Awards Regulations");
- the Education (Student Support) Regulations 2011 (S.I. 2011/1986) ("the Student Support Regulations");
- the Further Education Loans Regulations 2012 (S.I. 2012/1818) ("the Further Education Loans Regulations");

- the Education (Postgraduate Master's Degree Loans) Regulations 2016 (S.I. 2016/606) ("the Master's Regulations");
- the Higher Education (Fee Limit Condition) (England) Regulations 2017 (S.I. 2017/1189) ("the Fee Limit Condition Regulations");
- the Education (Postgraduate Doctoral Degree Loans and the Education (Student Loans) (Repayment) (Amendment) (No. 2) etc.) Regulations 2018 (S.I. 2018/599) ("the Doctoral Regulations");
- the Education (Student Support) (European University Institute) Regulations 2010 (S.I. 2010/447) ("the European University Institute Regulations");
- the Higher Education Short Course Loans Regulations 2022 (S.I. 2022/349) ("the Short Course Regulations").

Why was this approach taken to change the law?

6.4 This is the only possible approach to make the necessary changes.

7. Consultation

7.1 There is no statutory requirement to consult on these amendment regulations and no consultation was carried out (apart from in relation to the change to foundation year tuition fee and fee loan limits, as detailed in paragraphs 5.40 – 5.46 above). The principal changes in this instrument make increases to existing loans and grants for living and other costs and bring the student finance regulations up to date with Home Office immigration changes. A formal consultation would therefore not be appropriate for these changes given that they are not introducing new policy. However, as part of a quality review process in Summer 2024, drafts of this instrument were sent to the Student Loans Company (SLC) for their review and comment. SLC were content that the drafting of the instrument was error-free and reflected policy intent.

Summary of consultation outcome and methodology – foundation years.

7.2 Details on the consultation that was undertaken to inform the changes this instrument makes to tuition fee loans for classroom-based foundation years can be found at paragraphs 7.3 – 7.6 in the Explanatory Memorandum[12] to The Higher Education (Fee Limits and Fee Limit Condition) (England) (Amendment) Regulations 2025. The majority of higher education providers that responded disagreed that foundation year fee limits should be reduced, whereas a majority of individuals, student mission groups, and further education providers that responded agreed with the proposed reduction. Overall, 43% of respondents agreed that foundation year fee limits should be reduced, while 57% disagreed.

8. Applicable Guidance

8.1 The Secretary of State for Education announced a 3.1% increase to fee limits and a 3.1% increase to maximum loans for living costs for 2025/26 on 4 November 2024 through an Oral Statement on Higher Education Reform[13] in Parliament. Detailed guidance on changes to fees[14] [15] and maximum and minimum loans for living costs[16] for 2025/26 was provided on gov.uk to accompany the Oral Statement.

[12] https://www.legislation.gov.uk/ukdsi/2025/9780348267990/memorandum/contents
[13] https://hansard.parliament.uk/commons/2024-11-04/debates/76221982-95A9-4F6F-854A-CBFA301F35C8/HigherEducationReform
[14] https://www.gov.uk/government/publications/tuition-fees-and-student-support-2025-to-2026-academic-year/changes-to-tuition-fees-2025-to-2026-academic-year

8.2 The Secretary of State for Education made a further announcement on the details of the student finance arrangements for the 2025/26 academic year in a Written Ministerial Statement to Parliament on 20 January 2025. The Statement[17] and a detailed summary of changes to grants and loans can be accessed on the UK Parliament website.

8.3 Information setting out the changes made by this instrument will be made available to universities, colleges and other higher education stakeholders on Student Finance England's (SFE) practitioners' website by Spring 2025. Further information on changes to student support for 2025/26 will be published for students on gov.uk and SFE websites before 1 August 2025.

8.4 Guidance materials are being produced by SFE for students intending to apply for financial support for the 2025/26 academic year.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full impact assessment has not been prepared for this instrument because there is no significant impact on business arising from changes to loans and grants for living and other costs for 2025/26 or changes to student eligibility for 2025/26.

9.2 An impact assessment[18] of the 3.1% increase to fee and fee loan limits for full-time, full-time accelerated and part-time undergraduate courses was published on legislation.gov.uk with the separate affirmative Higher Education (Fee Limits and Fee Limit Condition) (England) (Amendment) Regulations 2025 laid in draft on 20 January 2025 and coming into force on 6 March. The same impact assessment is also published on legislation.gov.uk alongside this instrument.

9.3 An impact assessment[19] of the reduction to fee and fee loan limits for classroom-based foundation years for full-time and part-time undergraduate courses was published on legislation.gov.uk with the separate affirmative Higher Education (Fee Limits and Fee Limit Condition) (England) (Amendment) Regulations 2025 laid in draft on 20 January 2025 and coming into force on 6 March. The same impact assessment is also published on legislation.gov.uk alongside this instrument.

Impact on businesses, charities and voluntary bodies.

9.4 An increase in tuition fees will represent a financial benefit for businesses (higher education providers). There will be a positive financial impact on higher education providers; they will have greater financial resources which will enable them to spend more on their core activities than they previously were able to do.

9.5 A reduction in tuition fees for classroom-based foundation years will represent a financial cost for businesses (higher education providers) who will be encouraged to deliver this provision more efficiently or consider whether more students can be offered direct entry to undergraduate courses (without a foundation year) having

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[15] https://www.gov.uk/government/publications/tuition-fees-and-student-support-2025-to-2026-academic-year/tuition-fees-and-loans-for-foundation-years-2025-to-2026-academic-year
[16] https://www.gov.uk/government/publications/tuition-fees-and-student-support-2025-to-2026-academic-year/support-with-living-costs-2025-to-2026-academic-year
[17] https://questions-statements.parliament.uk/written-statements/detail/2025-01-20/hcws372
[18] https://www.legislation.gov.uk/ukdsi/2025/9780348267990/impacts
[19] https://www.legislation.gov.uk/ukdsi/2025/9780348267990/impacts/2025/13

studied A-Levels or functionally similar provision (such as AHE Diplomas). Research commissioned by the Department for Education found that the costs of foundation years can vary with some provision in classroom-based subjects being delivered for significantly less than the current £9,250 fee limit for the 2024/25 academic year.

9.6 There is no, or no significant, impact on business, charities or voluntary bodies in relation to inflationary increases in maximum loans and grants for living and other costs and eligibility changes because these changes are minor amendments to existing policy or reflect policy changes made by the Home Office.

9.7 There is no significant impact on the public sector because these changes are either amendments of existing policy or reflect policy changes made by the Home Office.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The instrument does not include a statutory review clause, but we will be monitoring the number of students who receive fee loans, and grants and loans for living costs. This information is published in the Student Loans Company's Statistical First Releases[20].

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments.

11.1 This instrument increases maximum fee loans for full-time, full-time accelerated and part-time undergraduate courses in the 2025/26 academic year and reduces maximum fee loans for undergraduate students starting a foundation year in a classroom-based subject on or after 1 August 2025. Corresponding changes to fee limits for foundation years in classroom-based subjects have been made through the separate affirmative Higher Education (Fee Limits and Fee Limit Condition) (England) (Amendment) Regulations 2025 laid before Parliament in draft on 20 January 2025 and coming into force on 6 March.

12. European Convention on Human Rights

12.1 As the instrument is subject to the negative resolution procedure and does not amend primary legislation, no statement is required.

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").

[20] https://www.gov.uk/government/organisations/student-loans-company/about/statistics