EXPLANATORY MEMORANDUM TO

THE LIFELONG LEARNING (STUDENT SUPPORT) (AMENDMENT OF FEES AND AWARDS ETC.) REGULATIONS 2026

2026 No. 858

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, Minister of State at the Department for Education, confirms that this Explanatory Memorandum meets the required standard.

2.2 Laurence Kavanagh, Deputy Director for the Lifelong Learning Entitlement at the Department for Education, confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Matthew Hankins at the Department for Education can be contacted by email at the following address with any queries regarding the instrument: matthew.hankins@education.gov.uk

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 This instrument establishes the student support arrangements for a new system of post-18[1] student funding known as the "Lifelong Learning Entitlement" (LLE) for higher education (HE) courses starting on or after 1st January 2027, replacing the existing higher education student finance (HESF) system for those courses. It sets out how the LLE student support regime will operate, including eligibility criteria, which courses and modules are designated for funding, tuition fee loan entitlements, and arrangements for loans for living costs and supplementary grants. The instrument also makes transitional and consequential provision to support the move to the LLE and to ensure the new student support framework operates coherently alongside related legislation.

Where does the legislation extend to, and apply?

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

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

[1] A learner does not have to be 18 or over to be eligible for a loan, but the higher education funding system is commonly referred to as "post-18", as the vast majority of students do not enter higher education until they are 18 or older.

5. Policy Context

What is being done and why?

5.1 Since 1998, the Government has provided financial support for students in the form of income-contingent repayment loans issued by the Student Loans Company ("the SLC"). The student support system has developed over time through successive amendments to secondary legislation made under the Teaching and Higher Education Act 1998. The Education (Student Support) Regulations 2011 (SI 2011/1986) ("the 2011 Regulations"), which underpin the existing HESF regime, were made as a comprehensive set of regulations governing support for students on designated higher education courses, setting out the main "building blocks", namely: student eligibility and course designation; the available products for fee support and for living and other costs (through a mix of loans and grants depending on circumstances); and application and information requirements.

5.2 In May 2019, an independent panel chaired by Sir Philip Augar published its report on the Review of Post-18 Education and Funding (known as "the Augar Review").[2] The panel recommended a single lifelong learning loan allowance to support more flexible study at levels 4 to 6 (levels of study being a recognised term in the sector), including modular provision. This paved the way for the policy reform known as the "Lifelong Learning Entitlement" (LLE), which takes on board the Augar Review recommendation to increase opportunities for flexible, lifelong learning and modular study, as well as strengthening technical education and putting the student funding regimes applicable to HE and Further Education (FE) on a more equal footing.

5.3 Parliament has legislated to provide the primary legislative framework needed to deliver the LLE through the Skills and Post-16 Education Act 2022 and the Lifelong Learning (Higher Education Fee Limits) Act 2023. The Government is now proceeding to implementation through secondary legislation, including this instrument.

5.4 This instrument makes provision for student support for courses beginning on or after 1st January 2027 and is part of a package of secondary legislation necessary to implement the LLE. It establishes a new student support regime for those courses, replacing the 2011 Regulations for new starters while ensuring that continuing students who began their courses before that date remain supported under the existing arrangements.

5.5 The LLE supports flexible upskilling and reskilling by enabling eligible learners to access tuition fee loans and loans for living costs for designated courses and, for the first time, designated modules. The following sections summarise how these Regulations operate, including eligibility, course and module designation, tuition fee loan entitlement (and associated concepts of lifetime, residual, and additional entitlement) and support for living costs and supplementary grants (targeted grants designed to help with living costs in particular circumstances).

Eligibility

5.6 Under the LLE, a learner's personal eligibility for student support is established in connection with a designated course. Eligibility is primarily met where the learner falls within one of the residency categories in Schedule 2, subject to the exceptions set out in the Regulations. The Regulations also recognise that a learner's position can

[2] https://www.gov.uk/government/publications/post-18-review-of-education-and-funding-independent-panel-report

change during a course year. Certain in-year qualifying events, including some changes in immigration or residency status, can mean that a learner becomes eligible for support during that course year. The specific consequences then vary across tuition fee loans, loans for living costs and supplementary grants, and support is generally available only prospectively and subject to the relevant qualifying conditions.

5.7 Once a learner is determined to be eligible in connection with a designated course, they retain that status for a "period of eligibility" starting on the course start date. For courses lasting more than 12 months, eligibility generally runs to the end of the course year[3] in which the learner completes the course; for courses lasting 12 months or less, it runs to 12 months after the course start date. During a current period of eligibility (and provided there has been no relevant change in circumstances), a learner can be treated as a "returning student" for a further designated course beginning within that period. This is designed to reduce the need for repeated eligibility reassessment, reducing administrative burden and supporting learner mobility and modular take-up. Learners may also be eligible in connection with more than one designated course at the same time under the LLE. While there is no blanket restriction on personal eligibility for concurrent study, the amount and availability of particular types of support remain subject to restrictions as to the maximum amounts of tuition fee loans, loans for living costs and supplementary grants per course year. Eligibility can also be transferred from one course to another where a learner moves between LLE-designated courses, and the period of eligibility has not terminated.

Course and Module Designation

5.8 These Regulations set out which courses and modules are designated for LLE student support; tuition fee loans (and, where applicable, living cost support) are only available in connection with these designated courses and modules that fall within the LLE's intended scope. In most cases, full higher education courses are designated automatically by the Regulations themselves, principally because they fall within Schedule 4. The instrument also provides for certain additional level 4 to 6 technical courses to be designated through published ALL-transfer and Gateway Courses Lists: broadly, ALL-transfer courses are those moving across from the Advanced Learner Loan (ALL) regime (the tuition fee loan system for certain FE courses), while gateway courses are additional higher-level technical courses approved for inclusion in the LLE designation framework. A published "Module Approved Subject and Provider List" is also established to support the targeted rollout of modular funding. Designation is placed on a footing that can be updated over time: the Secretary of State must publish and maintain the ALL-transfer and Gateway Courses List, may approve courses for inclusion (and revoke or suspend approvals), and may also designate individual higher education courses at particular providers by letter, with those designations published. This supports the LLE objective of a single, coherent post-18 funding system while giving a controlled route to bring additional provision into scope (or remove it) as the market and policy develop. It also provides public transparency about which provision is designated and helps ensure that new provision entering the LLE is brought into scope through a controlled, quality-assured process.

[3] The LLE Regulations replace the "academic year" concept for student support with a new "course year" model. A course year is a period of 12 months beginning with the first day of the month in which the course begins, and each subsequent period of 12 months (if any) in which part of the course is undertaken. This supports the LLE's more flexible approach to study. The term 'academic year' is still expected to remain widely used in practice by stakeholders and the Department as a general way of describing the yearly cycle of study beginning in September.

5.9 These Regulations also define "course designation events" (and, for relevant purposes, "module designation events"). This means that if a course, or where relevant a module, becomes designated during a course year, a learner who is otherwise eligible may qualify prospectively for support in connection with that course or module for the remainder of that course year, subject to the particular rules that apply to tuition fee loans, loans for living costs and supplementary grants. This does not itself change the learner's underlying personal eligibility category, but it can bring the course or module within scope for support for that learner.

5.10 For the first time in the student support regime, these Regulations introduce *module* designation so that eligible learners can receive support for standalone modules (treated as designated courses for support purposes), subject to specific conditions being met. Funded modules must have credits[4] attached and have a value of at least 30 credits (or constitute a collection of modules from the same parent course totalling at least 30 credits); must be part of an existing designated full parent course that leads to a level 6 qualification or an approved higher technical qualification (HTQ); must fall within an approved subject (unless the full course is a course approved for an HTQ) and be delivered by an approved provider, as per the published Module Approved Subject and Provider List; must be assessed and accompanied by a standardised transcript (a record of achievement supplied by the course provider upon completion); and must not be delivered through franchised (i.e. sub-contracted) arrangements. Modules from specific courses delivered by named providers may also be designated, with these identified and published on the 'Modules Alternative Approvals List'. This is intended to support high-quality modular study with standalone labour market value, while also allowing for credit transfer and progression to full qualifications alongside reasonable protections for the use of public money.

Tuition Fee Loans and Entitlement

5.11 Under the LLE, entitlement to tuition fee loan support is framed around a single monetary lifetime limit for each eligible student. This is equal to 480 credits, or otherwise put, four years of learning at the maximum annual tuition fee at a provider which is subject to a tuition fee cap (i.e. most HE providers). For Academic Year 2026/27, for example, this is set at £39,160. In cases where a learner has previously received Government-funded support, this lifetime amount is then reduced by making deductions for certain types of prior UK and devolved-administration tuition fee funding (including previous tuition fee loans or grants paid direct to providers, Student Awards Agency Scotland (SAAS) tuition fee funding in Scotland, block grant funding, ALL-funded study at levels 4–6, and (flat) funding for approved HTQ modules delivered through the Modular Acceleration Programme). This post-deduction amount is called the "residual entitlement". This approach ensures that there is no duplication of public subsidy for the same level of study, and gives learners a clear, portable "balance" to deploy across designated courses and modules.

5.12 These Regulations then set out how that balance can be drawn down, including qualifying conditions and constraints on volume of study. Fee loans are subject to specific qualifying conditions, including, among other matters: (i) an age condition for fee loans (the student must be under 60 on the course start date for the course for which the period of eligibility was established), (ii) a requirement for distance-learning courses to be undertaken in England on the first day of the first course year of

[4] Credits are a standard measure of the volume of learning undertaken on a course or module. One credit is taken to be the equivalent to 10 learning hours.

the course, and (iii) exclusions where fees are met through certain other public schemes (for example, specified healthcare bursary or allowance routes) or where study is undertaken as part of an apprenticeship. There is a minimum study-intensity threshold for fee loans of 30 credits in a 12-month period for each course studied (with a limited exception for certain ALL-transfer courses). In addition, while the LLE allows learners to undertake more than one course concurrently, the amount of fee loan a learner can receive in a service year (a period of 12 months, beginning with 1st August and ending with the following 31st July) is capped by reference to credits: they cannot receive fee loan support exceeding the amount required to fund 180 credits of normal taught study in that service year.

5.13 Alongside the core lifetime or residual entitlement, there are targeted "additional entitlement" mechanisms to ensure learners can complete study in defined circumstances even where their residual entitlement is not enough to cover the cost. The "fee loan entitlement balance" is defined as what remains of a student's lifetime or residual entitlement after taking account of learning already funded under the Regulations and any additional entitlement arising due to compelling personal reasons (CPR). Additional entitlement is generally triggered where course costs exceed the fee loan entitlement balance or where that balance has been depleted to zero, and is structured into five types: priority, special, CPR, repeat study, and correctional additional entitlement. In summary: (i) priority additional entitlement supports completion of a defined list of professionally regulated courses as well as teacher-training courses; (ii) special additional entitlement supports defined "special periods" (including foundation year study, sandwich placement, study abroad and Turing mobility[5]) as well as certain longer courses; (iii) CPR additional entitlement restores support where repeat or withdrawal is attributable to CPR and can be used prospectively; (iv) repeat study additional entitlement supports limited repeat study on certain longer (4- or 6-year) normal taught study courses; and (v) correctional additional entitlement provides a corrective top-up where the Secretary of State previously communicated entitlement to fee loan support in error, to avoid the learner being disadvantaged by that error.

5.14 Compared with the current system, the LLE provides clearer and more explicit additional entitlement routes for specified circumstances in which a learner's remaining fee loan entitlement would otherwise be insufficient. This supports access to fee loan funding for priority courses and special periods, and helps ensure that study can continue or be completed where appropriate.

Loans for Living Cost and Supplementary Grants

5.15 This instrument also sets out the LLE's support for living costs and supplementary grants in connection with attendance on a designated course (including, where applicable, designated modules treated as designated courses for support purposes). For living costs, support is provided through a single "loan for living costs" comprising two elements: a loan to help meet maintenance costs while studying, and a special support loan intended to help meet specific additional costs of attending a course (for example, books, equipment, travel or childcare). While fee loans are subject to an age condition, learners aged 60 or over may still qualify for living-cost support through the special support loan where the relevant conditions are met.

[5] Turing is the post-Brexit replacement for the Erasmus programme. The United Kingdom (UK) and the European Union have agreed that the UK will join the Erasmus+ programme in 2027. This will take effect for students from academic year 2027/28. The Department for Education will update these Regulations accordingly in due course.

5.16 Living-cost support is generally targeted at in-attendance study and at meaningful volumes of learning. In summary, a student must be an eligible student and must be in attendance (with limited "treated as in attendance" cases, including certain periods of Turing mobility and where a disabled student cannot attend for disability-related reasons). Distance-learning courses are generally outside scope for living-cost support, and a course requiring attendance on a weekend falls within the definition of a distance learning course. There is also a minimum study threshold: as a general rule, living-cost support is only available where the course year delivers at least 30 credits (or 300 notional learning hours), with a limited exception for certain ALL-transfer course years with lower credit values. There are also exclusions intended to prevent overlap with other publicly-funded routes (for example, prisoners and students in certain "fee-only" residency categories), and a further safeguard linking living-cost eligibility to fee-loan entitlement so that maintenance support is focused on learners who are undertaking funded study.

5.17 Entitlement to living-cost loans is pro-rated by study intensity (using credits over the course year and a weekly approach) and is adjusted for concurrent study so that a learner studying overlapping courses does not receive more than the appropriate level of support when their study intensity is taken together. Household income is used to determine the amount of reduction applicable to an eligible student. Where an eligible student opts not to provide the information needed for a household income assessment, their entitlement will be reduced to the minimum amount. Additional Weeks Entitlement will also be available for students undertaking a course that is more than 30 term weeks and with a household income of £45,000 or less.

5.18 Supplementary grants continue to provide targeted additional support alongside loans. These Regulations provide for three types: Disabled Students' Allowance (DSA), grants for travel, and grants for dependants (Adult Dependants' Grant, Childcare Grant and Parents' Learning Allowance). DSA supports disabled students with the additional costs they incur because of disability (and is generally not household-income assessed). Grants for travel support specified travel costs, including for certain clinical placements for medicine and dentistry and for periods of Turing mobility meeting the qualifying conditions. Grants for dependants provide additional support for students with dependent adults or children and are targeted through detailed eligibility and income rules.

System Administration and Transitional Arrangements

5.19 These Regulations also provide the administrative framework needed for the SLC to assess, pay and manage LLE support in a way that is workable for flexible study patterns. This includes the core application and information requirements, provider declarations of course information and confirmation of enrolment, payment and recalculation arrangements, and the ability to adjust entitlement where study changes (for example, transfers, suspensions, withdrawals, repeats, and concurrent study), alongside overpayment and recovery powers to protect public money. The policy intent is to retain the familiar safeguards and flexibilities of the existing system, while adapting them for course years, credit-based intensity and modular provision.

5.20 Transitional arrangements are being made to ensure an orderly move to the LLE from the existing student finance systems, without disrupting learners already part way through study and without duplicative public funding. In summary, the LLE applies to higher education courses beginning on or after 1st January 2027, while existing support arrangements continue to apply for courses which began before that date; learners cannot generally receive LLE support at the same time as receiving support

under the legacy HESF system for a continuing course, but may become eligible for LLE where they cease to be supported under the legacy system and start a new LLE-designated course or module.

5.21 From 1st January 2027, relevant level 4 to 6 provision previously funded through ALLs moves into the LLE designation framework for new starts. In England, an ALL-transfer course or gateway course must be provided by a registered provider (meaning a provider registered with the Office for Students (OfS), the regulator of HE in England), or by a registered or unregistered provider on behalf of a registered provider, and must have credits attached. At the same time, the Further Education Loans Regulations 2012 (SI 2012/1074) ("the FE Loans Regulations") continue to apply only to courses at the level of an Access to Higher Education Diploma (i.e. level 3) and, at higher levels, to courses at unregistered providers or to courses at registered providers where the course began before 1st January 2027; a course cannot be designated under both regimes.

What was the previous policy, how is this different?

5.22 Under the 2011 Regulations, eligible student status generally operated on an academic year basis, with the period of eligibility ordinarily ending at the end of the academic year in which the student completes the course (subject to earlier termination in specified circumstances). These LLE Regulations retain the core approach of linking eligibility to designated provision and largely maintaining the established residency framework, but adapt it to support the LLE's more flexible offer by introducing a minimum 12-month period of eligibility for courses of 12 months or less, and by providing a "returning student" route so that learners can start further designated courses within an existing period of eligibility without repeated full eligibility reassessment (where there has been no relevant change). There is an exclusion to prevent learners receiving support under the HESF and LLE systems at the same time, supporting an orderly transition and avoiding duplication of public funding.

5.23 The LLE Regulations replace the "academic year" as the main organising concept for student support with a new "course year" model. Under this model, support is generally structured by reference to the period of 12 months beginning with the first day of the month in which the course begins, and each subsequent period of 12 months (if any) in which part of the course is undertaken. This supports the LLE's more flexible approach to study, including modular provision and courses starting at different points in the year, by moving away from a system built around fixed academic-year assumptions.

5.24 In the existing HESF system under the 2011 Regulations, support is built around whole designated courses (principally those listed in Schedule 2 to the 2011 Regulations), with the Secretary of State also able to designate additional courses and revoke or suspend designation. The existing designation framework also distinguishes between full-time and part-time courses. While HTQ courses have been brought into scope within that system, it does not provide for designation of modules for funding in their own right, and many level 4 to 6 technical qualifications were funded through the ALL system rather than within a single unified entitlement.

5.25 The LLE approach differs in two material ways. It introduces a structured module designation regime (including the HTQ link) with specific safeguards – minimum credit size (or bundling), approved subjects and providers, standardised transcripts, and no franchising – reflecting the policy shift from funding only whole courses to also funding carefully controlled "blocks" of learning designed to support upskilling and progression. It also brings relevant level 4 to 6 technical qualifications previously

supported through ALLs into the same designation architecture as other LLE-funded provision through an explicit "gateway/transfer" route, using the published ALL-transfer and Gateway Courses List, and in doing so places eligible higher-level technical study on a more equal footing with other higher education provision, including by enabling eligible learners to access loans for living costs and supplementary grants for the first time with that provision. The Regulations therefore bring relevant level 4 to 6 provision previously supported through the FE Loans Regulations into a single LLE student support designation framework for new starts, while the FE Loans Regulations continue to underpin ALLs for other designated FE provision.

5.26 Under the existing HESF framework, tuition fee loan entitlement is principally expressed and administered by reference to whole courses and academic years, with eligibility and entitlement mechanics bound up with course duration rules, prior study rules and (where relevant) course-based exceptions and exemptions. The LLE system retains the core principle that public fee loan support is linked to designated provision, but re-casts entitlement as a single lifetime monetary limit which can be drawn down in a credit-based system across a learner's lifetime, including (for the first time) in connection with designated modules. This shift is supported by a residual entitlement calculation that recognises a wider range of historic public tuition fee funding across UK systems, so that previous public subsidy is accounted for consistently as learners move into the unified LLE offer. Amounts deducted for previous publicly funded study are uplifted in line with future inflationary increases, so that earlier funding is reflected on a comparable basis over time.

5.27 The LLE approach also sets out defined additional entitlement routes that operate within (and alongside) the lifetime limit, to ensure that eligible learners can access support in specified circumstances and that study can be completed where appropriate, rather than relying on a patchwork of course-based exemptions.

5.28 The LLE system removes the HESF "equivalent or lower qualification" (ELQ) restriction as a barrier to fee loan access, so that learners can use any remaining entitlement to retrain or upskill (including at the same or a lower level), subject to their remaining residual entitlement and the other qualifying conditions and safeguards. Under the 2011 Regulations, eligibility for fee loans was generally restricted where the course led to a qualification equivalent to or lower than one the student already held (subject to specific exceptions); under the LLE this restriction is removed and replaced with a single lifetime monetary entitlement, with deductions for prior publicly-funded study reflected through residual entitlement.

5.29 A further important difference is that the fee loan offer introduces a fee-loan-specific age condition: fee loans are generally only available where the learner was under 60 when the period of eligibility for the relevant course was established (while allowing learners who established eligible status before 60 to retain fee loan eligibility if they transfer after turning 60, within the same period of eligibility). This age condition is intended to focus tuition fee loan funding on those most likely to use it for employment-related upskilling and retraining, and on those most likely to repay at least some of their loan over their remaining working life. Learners who are over 60 may still qualify for loans for living costs and supplementary grants (where the relevant qualifying conditions are met), though not a fee loan.

5.30 Under the HESF system, living-cost support and supplementary grants were structured around a definition of full-time and part-time courses and the academic year model, with different qualifying conditions and calculation rules depending on

mode and intensity. The LLE retains the principle that living-cost and supplementary support is provided only in connection with designated provision and subject to established safeguards, but re-frames the system around a course year and credit-based intensity model. This supports the LLE's flexible offer (including modular study) while maintaining clear thresholds and controls over when living-cost and supplementary support is available.

5.31 There are also important updates to qualifying conditions and how support is controlled. The LLE makes clearer, LLE-specific rules on attendance and distance learning, retaining the general position that living-cost support is tied to in-person study while preserving limited exceptions (including disability-related cases and certain mobility periods). There is an explicit 30-credit (or 300-hour) minimum as the general threshold for living-cost support and for DSA, and a 120-credit (or 1,200-hour) threshold for grants for travel and grants for dependants, reflecting the policy intent that those grants remain targeted at full-time-equivalent study. Explicit mechanisms for concurrent study are introduced, so that where a learner is entitled to support across overlapping courses, entitlement is adjusted and pro-rated to avoid double support for the same period.

5.32 While the underlying types of supplementary support are familiar – DSA, travel support and dependants' grants – these Regulations integrate them into the new LLE framework and apply additional controls where appropriate. For example, supplementary grants (other than DSA) are generally not available for distance learning courses; supplementary grants are also excluded in bursary years (that is, course years in which the student is eligible for certain healthcare bursary support) and in certain placement-only course years with limited study weeks (with safeguards for unpaid service). Taken together, these changes preserve the established policy aims of maintenance and targeted grants, but express them in a way that is consistent with the LLE's flexible, credit-based model and the controlled introduction of modular funding.

5.33 Under the 2011 Regulations, the system is administered principally by reference to the academic year, with separate structures for full-time and part-time support and a set of established rules on applications, information, payments and overpayments. The LLE retains the core approach of a rules-based system administered by the Secretary of State (through the SLC) with recoverable overpayments and established recovery routes, but expresses these administrative concepts in a way that works for the LLE's single, credit-based framework, replacing the academic year as the organising concept with course years, removing the distinction between full-time and part-time courses, accommodating modular provision, and making explicit provision for concurrent study and recalculation where circumstances change.

6. Legislative and Legal Context

How has the law changed?

6.1 Section 22 of the Teaching and Higher Education Act 1998 provides the Secretary of State with the power to make regulations authorising or requiring the provision of grants and loans to eligible students in connection with designated higher and further education courses. The Skills and Post-16 Education Act 2022 inserted new section 28A into the 1998 Act, modifying the section 22 framework so that student support regulations can operate explicitly in relation to modules, and can also include provision for an overall maximum amount of support available over a learner's lifetime (a "lifetime limit").

6.2 These Regulations are made under that framework and provide the principal secondary legislation for LLE student support for higher education courses beginning on or after 1st January 2027, including support in connection with designated courses and designated modules. They are a replacement regime for new courses, and are structured around LLE concepts such as course years, credit-based intensity and lifetime/residual entitlement.

6.3 These Regulations also make targeted amendments to the existing secondary legislation landscape to ensure the LLE operates coherently alongside legacy support. In particular:

- they amend the 2011 Regulations so that, for higher education courses beginning on or after 1st January 2027, those Regulations continue to apply only for the purposes of support for postgraduate students with disabilities, while continuing cohorts remain supported under those Regulations for their existing courses;
- they amend the FE Loans Regulations so that, from 1st January 2027, those Regulations apply only to specified FE provision (including Access to HE Diplomas and certain higher-level provision in defined circumstances), and so that a course is not designated for FE loans purposes if it is designated for LLE support under these Regulations; and
- they make consequential amendments to other student support instruments, including the Education (Fees and Awards) (England) Regulations 2007 (SI 2007/779), the Education (Postgraduate Master's Degree Loans) Regulations 2016 (SI 2016/606), and the Education (Postgraduate Doctoral Degree Loans and the Education (Student Loans) (Repayment) (Amendment) (No. 2) etc.) Regulations 2018 (SI 2018/599), to align definitions and to ensure the respective schemes operate without unintended overlap.

6.4 The wider LLE legislative package also includes separate instruments dealing with higher education fee limits and loan repayment terms. At primary level, the Lifelong Learning (Higher Education Fee Limits) Act 2023 amended the Higher Education and Research Act 2017 to enable fee limits to be determined on a course-year basis, including through a credit-based method.

Why was this approach taken to change the law?

6.5 The LLE introduces a fundamentally different student support architecture (including module-based support, course-year constructs and a lifetime/residual entitlement model). While it would have been possible in theory to achieve some of these changes by extensive amendment of the 2011 Regulations, the scale and structural nature of the reforms made a new principal instrument the clearest and most coherent approach for learners, providers, and delivery bodies, while reducing the risk of legal complexity arising from layered amendments.

6.6 At the same time, a complete revocation of the legacy instruments would not have supported an orderly transition. The approach taken therefore combines a new principal LLE student support instrument (i.e. this instrument) for new starts with targeted amendments and savings in the 2011 Regulations and the FE Loans Regulations, so that continuing cohorts and residual support routes can continue to operate appropriately while preventing duplicative support across schemes.

7. Consultation

Summary of consultation outcome and methodology

7.1 The Department for Education carried out a public consultation on the LLE, published on 24th February 2022 and closing on 6th May 2022. The consultation applied to England and sought views on the key design principles of the LLE, including the ambition and scope of the reform and detailed policy areas relevant to these Regulations such as modular study, maintenance support, quality and flexible learning, credit recognition/transfer, and restrictions linked to prior study. Responses were invited primarily via an online response form, with the option to respond by email where needed, and the Government response to the consultation was published on 7th March 2023.[6]

7.2 The consultation generated a substantial evidence base. The Government received 1,253 responses submitted online and by email. Most respondents were individuals (914), with 183 organisational responses and 156 where no respondent type was recorded; organisational respondents included universities, colleges, sector bodies, unions and other education and training organisations. In addition, because of its link to LLE policy, the Government response also addressed questions on higher technical qualification (HTQ) modularity consulted on through the Higher Education Reform consultation (160 responses).

7.3 Overall, responses were generally supportive of the LLE's high-level objectives, while emphasising the practical importance of phased implementation for modular funding, strong quality safeguards, and effective credit recognition and transfer to ensure that flexible learning is meaningful and delivers good outcomes. The Government response confirmed the policy direction that these Regulations help implement, including unifying level 4 to 6 student finance across provision previously funded through the two separate HESF and ALL systems, removing restrictions on financing equivalent or lower qualifications within a learner's entitlement, extending maintenance loans and targeted grants across designated courses and modules, and taking a phased approach to modular student finance with an initial focus on HTQs and certain technical provision before broader expansion.

7.4 No further formal public consultation was undertaken specifically on the detailed drafting of these Regulations. However, the Department has continued structured engagement with the sector to support implementation, including the Modular Acceleration Programme and a provider expression of interest process for modular funding, which invited OfS-registered providers intending to deliver LLE modular provision from January 2027 to demonstrate readiness and meet published quality and assurance requirements. This implementation engagement supports the delivery of the modular funding offer reflected in these Regulations without duplicating the role of the 2022 consultation.

7.5 Under Article 36(4) of the UK GDPR, the government is required to consult the Information Commissioner's Office (ICO) on any proposals for legislative or regulatory measures it is developing which relates to the processing of personal data. Because this instrument makes provision for the collection of personal data from students in relation to funding for higher education courses, the government duly consulted the ICO on the development of the instrument. The ICO confirmed that it was content on 12 May 2026.

[6] https://www.gov.uk/government/consultations/lifelong-loan-entitlement

8. Applicable Guidance

8.1 Detailed practitioner guidance on the operation of the new student support system will be made available by Student Finance England (SFE) on its practitioners' website by Summer 2026, ahead of the first applications for LLE support in September 2026.[7]

8.2 Guidance materials for learners intending to apply for LLE student support for the 2026/27 academic year will also be published by SFE before applications open.

8.3 The Department for Education and the SLC have also prepared supporting materials for providers to help them prepare for implementation of the LLE.[8]

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has been prepared for the LLE reforms covered by this instrument and the associated fee limits regulations, and is submitted with this Explanatory Memorandum. It will be published alongside the Explanatory Memorandum on legislation.gov.uk. In line with the Better Regulation Framework, the quantified analysis focuses principally on the adaptation of the higher education tuition fee system to include modular and short-course study. The student support changes made by this instrument are intrinsically linked to those reforms and are described in tandem in the Impact Assessment, but are not directly analysed, because they are treated as a separate regulatory change and as outside the scope of the Better Regulation Framework, given the lack of primary or direct business impacts. Student support acts as a demand-stimulating tool, which then in turn causes a change of business revenue, meaning that the student support regulation impacts businesses secondarily.

9.2 A policy impact assessment was also published when the LLE consultation was launched in February 2022,[9] with an updated impact assessment published alongside the consultation response in March 2023.[10] An impact assessment was also published alongside introduction of the Lifelong Learning (Higher Education Fee Limits) Bill in February 2023.[11] An Equalities Impact Assessment (EIA) for the LLE was also undertaken and published in March 2023,[12] and an updated EIA has been prepared and submitted alongside this Explanatory Memorandum on the legislation.gov.uk website.

9.3 Student support for modular and short courses is expected to stimulate and increase take-up of these courses, by reducing upfront financial costs to students. This will help the LLE meet its objectives of lifelong upskilling and reskilling, particularly for mature learners who often have greater financial and family commitments. By lowering the immediate cost of study, student support is likely to encourage these learners to engage in higher education throughout their working lives.

9.4 The positive impact that the student support regulations are expected to have on students are dependent on several factors, with a key dependency being the presence

[7] https://www.practitioners.slc.co.uk/ SFE is the SLC's trading name for its administration of loans in England.
[8] https://www.heinfo.slc.co.uk/lle/lle-resources/
[9] https://consult.education.gov.uk/lifelong-learning-entitlement-team/lifelong-loan-entitlement-consultation/supporting_documents/Lifelong_loan_entitlement_impact_assessment_.pdf
[10] https://www.gov.uk/government/publications/lifelong-loan-entitlement-impact-assessment
[11] https://publications.parliament.uk/pa/bills/cbill/58-03/0240/ImpactAssessment.pdf
[12] https://assets.publishing.service.gov.uk/media/64061b31e90e0740d2e5a80b/Lifelong_loan_entitlement_-_equality_analysis.pdf

of the per-credit fee limits regulation. The absence of per-credit fee limits regulation would hamper the government's ability to finance modular and short courses for eligible students, as there would be no cap on fees for these courses.

Impact on businesses, charities and voluntary bodies

9.5 The availability of (financial) student support for modular and short courses is not expected to have first order or direct impacts on business, charities and voluntary bodies. The availability of finance for these courses impacts student demand for modules and short courses and the expected rise of demand for these courses will potentially give HE providers an increased number of income sources and therefore increased income. However, this potential rise of income is not due to the student support regulations in isolation – a variety of LLE regulations, government activity and business activity will contribute to increased modular and short course demand. This means that the secondary business impacts from the student support regulations alone cannot be quantified or monetised. The impact of per-credit fee limits regulation and overall LLE reforms have been quantified in the full Impact Assessment.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The approach to monitoring this legislation is that the Department for Education will keep the policy under regular internal review. This will be supported by the Department's wider monitoring and evaluation of the LLE, including analysis of administrative data and other evidence on implementation and outcomes. A post-implementation review of the LLE will be carried out in academic year 2031/32.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 These Regulations are laid as part of a suite of LLE secondary legislation comprising three instruments subject to parliamentary procedure: these Regulations (negative procedure), the 2026 Fee Limits Regulations (affirmative procedure) and the Education (Student Loans) (Repayment) (Amendments for Lifelong Learning) Regulations 2026 ("the 2026 Repayment Regulations") (negative procedure).

11.2 The instruments are closely related. This instrument is the principal student support instrument for the LLE. The 2026 Fee Limits Regulations make provision for the corresponding higher education fee limit framework, and the 2026 Repayment Regulations make amendments to the student loan repayment regime for LLE loans. The relationship between these Regulations and the 2026 Fee Limits Regulations is particularly close, because the 2026 Fee Limits Regulations determine which courses are "qualifying courses" (i.e. courses to which a mandatory fee limit for "home" students applies) by reference to which courses are designated for student support under this instrument, and this instrument also sets fee loan amounts that mirror the fee limits set by the 2026 Fee Limits Regulations.

11.3 There are cross-references in these negative procedure Regulations to the affirmative procedure 2026 Fee Limits Regulations. So as not to presume the will of Parliament with regards to the affirmative Regulations, these Regulations and the 2026 Repayment Regulations are not being made and laid until the affirmative 2026 Fee Limits Regulations have been approved by Parliament and made.

11.4 However, as this is a complex package of secondary legislation, in order for Parliament and wider stakeholders to have a full view of how the legislation is intended to operate, these Regulations and the 2026 Repayment Regulations were published in draft on gov.uk alongside laying the affirmative Fee Limits Regulations in Parliament.[13]

11.5 This instrument relies on powers inserted into the Teaching and Higher Education Act 1998 by section 15 of the Skills and Post-16 Education Act 2022, including the new power to make provision in relation to modules and to prescribe a lifetime limit on student support; section 15 is commenced by regulation 2 of the Skills and Post-16 Education Act 2022 (Commencement No. 1) Regulations 2026 on the day after those Regulations are made. The wider LLE fee-limit framework also depends on commencement of amendments to the Higher Education and Research Act 2017 made by the Lifelong Learning (Higher Education Fee Limits) Act 2023, brought into force for regulation-making purposes by the Lifelong Learning (Higher Education Fee Limits) Act 2023 (Commencement and Saving Provision) Regulations 2026; section 16 of the Skills and Post-16 Education Act 2022 is also commenced on 1st September 2026 by regulation 3 of the 2022 Act commencement regulations.

11.6 The commencement and saving instruments preserve the pre-LLE legal framework for courses beginning before 1st January 2027. In particular, the 2023 Act commencement and saving regulations preserve the pre-amendment Higher Education and Research Act 2017 fee-limit framework for higher education courses beginning before that date.

[13] https://www.gov.uk/government/publications/lifelong-learning-entitlement-lle-overview/lifelong-learning-entitlement-overview#next-steps

11.7 Parliament may wish to note the sequencing of instruments being brought forward to implement the Department's new franchising policy. The purpose of the new franchising policy is to protect public money by requiring franchised providers in England with 300 or more franchised students to register with the OfS in order for their courses to be designated for student support, subject to some exemptions. In order to effect this policy, a negative procedure instrument amending the existing HESF regime – the Education (Student Support) (Amendment) Regulations 2026 (SI 2026/459) – has been laid in Parliament. Due to the late stage at which the franchising policy was settled, the scale and complexity of the wider LLE secondary legislation drafting project, and the need for the HESF system to ensure providers have sufficient notice that they may need to submit an application for registration with the OfS ahead of a deadline of 1st July 2026, it was not possible to incorporate the changes for both the HESF and LLE regimes into this instrument or a single amending instrument. It is the Department's intention to lay a further instrument in due course to make corresponding amendments to these Regulations.

12. European Convention on Human Rights

12.1 As the instrument is subject to negative 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.