EXPLANATORY MEMORANDUM

The Student Fees (Amounts) (Amendment) Regulations (Northern Ireland) 2011

2011 No. 1

1. Introduction

1.1 This Explanatory Memorandum has been prepared by the Department for Employment and Learning to accompany S.R. which is laid before the Northern Ireland Assembly.

1.2 The Statutory Rule is made under Article 4 of the Higher Education (Northern Ireland) Order 2005 ("the Order") and is subject to negative resolution procedure.

1.3 The Rule is due to come into operation on 1st September 2011.

2. Purpose

2.1 These Regulations amend the Student Fees (Amounts) Regulations (Northern Ireland) 2005 (S.R.2005 No. 290) by increasing the basic and higher amounts of tuition fees that may be charged to full-time undergraduates in respect of an academic year beginning on or after 1st September 2011.

2.2 The Student Fees (Amounts) (Amendment) Regulations (Northern Ireland) 2009 (SR 2009, No. 400), which came into operation on 1st September 2010, increased the higher amount to £3,290, the basic amount to £1,310, the half-rate higher amount to £1,640 and the half-rate basic amount to £650 for an academic year beginning on or after 1st September 2011.

2.3 This Rule will revoke SR 2009, No 400 and will amend regulation 3 of the 2005 Regulations to further increase the higher rate to £3,375 and the basic rate to £1,345 in respect of an academic year beginning on or after 1st September 2011. It also amends regulation 4 of those Regulations to increase the half rate higher and basic amounts that apply in respect of specific courses to £1,680 and £665 respectively, also with effect from 1st September 2011.

3. Background

3.1. The 2010 Regulations were made under Article 4 of the Higher Education (Northern Ireland) Order 2005 ("the Order"). Article 4 of the Order enables the Department for Employment and Learning to impose a condition in relation to any grant made to the governing body of any higher education institute in Northern Ireland.

3.2. This condition requires the governing body to secure that the fees payable for a qualifying course by a qualified student do not exceed either the basic amount specified in these Regulations, or, where an institution has an approved plan in force, the amount specified in that plan which is not to exceed the higher amount specified in these Regulations.

3.4 Higher Education Institutions (HEIs) in Northern Ireland which have an access plan approved by the Department for Employment and Learning are allowed to charge variable fees not exceeding the level approved in their access plan, and which cannot exceed the higher amount specified in regulations. HEIs in Northern Ireland which do not have an access plan are only allowed to charge fees up to the level of the basic amount. The higher and basic amounts are set out in regulation 3 of the Student Fees (Amounts) Regulations (Northern Ireland) 2005 ("the 2005 Regulations"). Respectively they are £1,200 and £3,000.

3.5. In the case of certain prescribed courses, HEIs are only allowed to charge a reduced, or half-rate higher or basic amount. These amounts and courses are set out in regulation 4 of the 2005 Regulations.

3.6 The Student Fees Regulations (Northern Ireland) are made annually. The 2011 Regulations set out the student support arrangements for the 2011/2012 academic year. The Regulations will come into operation on 1st September 2011.

4. Matters of special interest to the Employment and Learning Committee

4.1 Regulations noted.

5. Consultation

5.1 The primary legislation, the Higher Education (Northern Ireland) Order 2005 was subject to a full public consultation.

5.2 Under Article 4 of the Order, increases to basic and higher fee rates are subject only to rises linked to inflation until 2011.

6. Position in GB

6.1 The equivalent Statutory Instrument in GB is not yet made.

7. Equality Impact

7.1 Consideration has been given to compliance with Section 75 of the Northern Ireland Act 1998. The policy changes have been screened out and therefore not subject to a full Equality Impact Assessment. A full equality impact assessment was conducted on the introduction of variable deferred fees which included the proposal to cap fees at £3,000 subject only to inflationary increases until 2011.

8. Regulatory Impact

8.1 A Regulatory Impact Assessment has not been prepared for this Rule as it has no impact on business, charities or voluntary bodies.

9. Financial Implications

9.1 The actual costs of implementing the proposals and the long-term cost of allowing students to defer payment of fees until they are earning will depend on a number of factors such as the level of fees set by the higher education institutions, the number of students choosing to defer payment of fees, the extent to which loans will be repaid and the time taken to repay. The Department will meet the cost of rolling out variable fees from existing baselines.

10. Section 24 of the Northern Ireland Act 1998

10.1 The Department sought legal advice regarding compliance with Section 24. The Departmental Solicitors Office advised of nothing contrary to the Department's earlier consideration that this policy change adequately addresses the issues of protecting human rights.

11. Additional information

11.1 John Neill at the Department for Employment and Learning, Tel: 028 90 257712 or email: john.neill@delni.gov.uk .