EXPLANATORY MEMORANDUM TO

THE STUDENT FEES (AMOUNTS) AND EDUCATION (STUDENT SUPPORT (NO.2)) (AMENDMENT) REGULATIONS (NORTHERN IRELAND) 2019

SR 2019 No. 102

1. Introduction

1.1 This Explanatory Memorandum has been prepared by the Department for the Economy to accompany the statutory rule (details above) which is laid before the Northern Ireland Assembly.

1.2 The Statutory Rule is made under Articles 4(8) and 14(4) of the Higher Education (Northern Ireland) Order 2005 and Article 3 and 8(4) of the Education (Student Support)(Northern Ireland) Order 1998. It is subject to the negative resolution procedure.

1.3 The Rule will come into operation in accordance with Regulation 1.

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 2020.

2.2 The Student Fees (Amounts) (Amendment) Regulations (Northern Ireland) 2018 (S.R. 2018 No. 105), which will come into operation on 1st September 2019, will increase the higher amount to £4,275, the basic amount to £1,690, the half-rate higher amount to £2,125 and the half-rate basic amount to £825 for an academic year beginning on or after 1st September 2019.

2.3 This Rule will amend regulation 3 of the 2005 Regulations to further increase the higher rate to £4,395 and the basic rate to £1,735 in respect of an academic year beginning on or after 1st September 2020. 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 £2,185 and £845 respectively, also with effect from 1st September 2020.

2.4 These Regulations also make a correction to the Education (Student Support) (No.2) Regulations (Northern Ireland) 2009 (the Student Support Regulations) after an error was made by the Education (Student Support (No. 2), etc) (Amendment) Regulations (Northern Ireland) 2019. This mistake inadvertently created a pathway for student support being made available to certain students at alternative providers that goes beyond the

current policy position. The amendments will ensure the Regulations correctly reflect the Northern Ireland policy intention for student support for courses delivered by certain alternative providers.

3. Background

3.1 Article 4 of the Higher Education (Northern Ireland) Order 2005 ("the Order") enables the Department for the Economy to impose a condition in relation to any grant made to the governing body of any Higher Education Institution (HEI) in Northern Ireland.

3.2 The Order provides that HEIs in Northern Ireland which have an access plan approved by the Department for the Economy may 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 may only 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") (as amended).

3.3 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.

3.4 The Student Fees (Amounts) (Amendment) Regulations (Northern Ireland) are made annually, and increase the maximum basic and higher tuition fee rates for students on higher education courses in line with inflation rates used by the Department for Education in England which have been provided by the Treasury. The All Items Retail Prices Index Excluding Mortgage Interest Payments (RPI-X) is used as the basis for these inflationary uplifts.

3.5 The 2019 Regulations set out the student support arrangements for the 2020/21 academic year and will come into operation on 1st September 2020. However, those amendments in relation to the Student Support Regulations will come into operation on 31st May 2019.

4. Consultation

4.1 The Department published a public consultation on the future policy of higher education tuition fees and student finance arrangements in Northern Ireland in March 2011. This consultation ran for 12 weeks and sought views on a range of issues, including tuition fees. The former Employment and Learning Minister announced the way forward in a statement to the Northern Ireland Assembly on 12 September 2011.

5. Equality Impact Assessment

5.1 A full draft and subsequently a final Equality Impact Assessment was

published as part of the public consultation on the future policy on higher education tuition fees and student finance arrangements. It was found that in light of the decisions announced (including capping tuition fees at existing levels for Northern Ireland students (and excepted others) studying in Northern Ireland, subject to annual inflationary increases), there was no evidence to suggest that the policies would adversely impact the equality of opportunity or the promotion of good relations on any Section 75 category.

6. Regulatory Impact Assessment

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

7. Financial Implications

7.1 The financial implications of the changes have been costed and have been included as annually managed expenditure within current budgets.

8. Section 24 of the Northern Ireland Act 1998

8.1 The Departmental Solicitor's Office has confirmed that the making of this Rule complies with Section 24 of the NI Act.

9. EU Implications

9.1 The fee levels will also apply to non-UK EU students studying in Northern Ireland.

10. Parity or Replicatory Measures

10.1 From academic year 2012/13 there has been significant changes in tuition fee levels across the United Kingdom. In England, Wales and Scotland, higher education institutions are able to charge eligible students higher fee levels of up to £9,250 if they can demonstrate commitments to widening access. The majority of institutions have charged this higher amount.

11. Contact

11.1 Siobhan Martin at the Department for the Economy, Tel: 028 90 257 469 or email: siobhan.martin@economy-ni.gov.uk can answer any queries regarding this Rule.