



**The Open University in Ireland**

**Northern Ireland**

**Postgraduate Tuition Fee Loan**

**Consultation Response**

**June 2021**

**Question 1:**

**Which do you feel offers the best solution for funding NI postgraduate tuition fee loans (PGTFL)?**

**Option 1 Increase the maximum rate of the PGTFL and review every 3 years**

**Option 2 Increase the maximum rate of the PGTFL and automatically apply an annual increase in line with inflation**

**Unsure**

Please explain your answer:

The Open University is in favour of option 2 -to *increase the maximum rate of the PGTFL and automatically apply an annual increase in line with inflation.*

To maintain the quality and high standards of supported online delivery for our postgraduate qualifications, The Open University applies an annual inflationary increase on our module fees.

An annual increase in the maximum rate of the PGTFL will provide more certainty both to higher education institutions (HEIs) and to students.

A review every three years would provide HEIs with the option of either maintaining fees at a fixed level for three years pending the outcome of each 'review' or raising fees along with inflation on an annual basis, widening the funding gap, with the maximum PGTFL amount only "catching up" every three years, should the review support that.

Consideration should be given to how an annual inflationary increase would apply to students studying at a part-time, modular pace, as is the case at The Open University. Students at The Open University pay on a per module basis, not per qualification (although they can be registered on a qualification pathway). We would encourage flexibility with this as our experience is that modular payments work much better for part-time students than large up-front fees.

**Question 2:**

**Do you feel that the current NI postgraduate tuition fee loan is sufficient?**

**YES, IT IS SUFFICIENT AT £5,500**

**NO, IT IS NOT SUFFICIENT AT £5,500**

**Unsure**

Please explain your answer:

No. The current loan rate does not cover the cost of the majority of postgraduate courses creating a funding gap for students to close themselves.

HEIs are left in a difficult position trying to balance the affordability of postgraduate fees with the costs associated with delivery of high-quality learning. These costs rise year-on-year but we seek to maintain annual fee increases in line with inflation.

Access to funding is often the biggest barrier for learners particularly those who are unemployed, underemployed, have a disability, are economically inactive, or have caring responsibilities.

To these learners, higher education can be viewed as expensive and a luxury. Many people are in lower paid, skilled job roles which do not allow staff to also study. It is a "vicious circle" for those who are prevented from further study and improving their skillset due to the above circumstances.

We should not penalise people for whom traditional education didn't work or for whose life circumstances meant that they were unable to successfully engage in education when they were younger. In fact, we should consciously make it easier for them to engage in education when they are ready to and incentivise it. This applies to postgraduate, as well as undergraduate, study. As competition within the labour market increases, it is important that postgraduate study is accessible to those from those who face a range of barriers to successful participation.

**Question 3:**

**Do you think that the list of eligible/approved places of study for the postgraduate tuition fee loan (PGTFL) should be extended to include approved institutions in the Republic of Ireland (RoI), as is the case for the undergraduate tuition fee loan – in accordance with Option 4?**

**Yes, PGTFL should be available for study at listed providers in RoI**

**No, PGTFL should NOT be available for study at listed providers in RoI**

**Unsure**

Please explain your answer:

The Open University's students in the Republic of Ireland would be ineligible for this.

However, as the only cross-border university in Ireland we welcome this option as an opportunity to increase choice for students.

#### Question 4:

**In line with Option 5 do you think that, where economically relevant courses cost more than the level of tuition fee loan available, the Department should seek to support study in those courses via a grant to cover the difference in the cost?**

**Yes,**

**No,**

**Unsure**

Please explain your answer:

The Open University is broadly supportive of this option with a few caveats.

A more accessible loan system overall is required for grants to be most effective.

If we have skills shortages the Department should provide incentives to study these courses, in line with the current 'Skills for a 10x Economy' consultation, rather than attempting, consciously or subconsciously, to disincentivise study of other subjects.

While STEM courses are usually more expensive the term "economically relevant" should be more clearly defined. The Department should ensure that students studying other subject areas are not disadvantaged as a result of this. Many arts subjects are listed as shortage subjects by the Department and a thriving cultural and creative sector contributes to a growing economy and "better jobs"

The policy aim is sound and neatly aligns with the focus on developing a new Skills Strategy for the NI economy, but the layers of complexity could act as a barrier to effective administration. While we welcome the maintenance of the undergraduate part-time fee grant, alongside the introduction of the part-time fee loan in 2017, it is the most complex part-time undergraduate student finance system in the UK and is extremely resource intensive to administer. Maintaining a similarly administratively heavy system for a much smaller number of postgraduate students may not be sustainable.

A bursary or other separate payment might be a better solution to incentivise these subjects such as that introduced recently by [HEFCW in Wales](#).

### Question 5:

**Comparing Options 6 and 7, in respect of providing some form of maintenance loan to postgraduate students, would you be in favour of a standalone maintenance loan (Option 6) or a combined contribution to costs loan (Option 7)?**

**Option 6 - a Postgraduate Maintenance Loan**

**Option 7 - a Contribution to Costs Loan**

The Open University is very supportive of option 6, alongside option 2.

Option 6 widens access to higher education for those who need additional support whilst studying and wouldn't traditionally be able to access post-graduate education.

This progression is hugely important. Widening access has been a priority for the Department and this should not stop after an undergraduate degree.

We strongly feel that any maintenance loan should be accessible for both full-time, part-time postgraduate students whether they are studying on campus or by distance learning. The evidence coming Wales after they implemented the Diamond Review recommendations indicates that maintenance support has an extremely positive impact on improving access to part-time study.

Open University postgraduate students' lives are no less complex and no less in need of additional support to make studying a viable choice.

It will become increasingly important for qualifications to be studied at a time, place, and delivery mode (whether part-time or full-time) which suits the learner.

This consultation document states that option 7 '*would provide students with the most upfront finance to help with their costs of study...*'.

The experience for The Open University has been that students in England and Wales cannot access their contribution to costs loan until well after their postgraduate study begins. It would be a shame to see NI students faced with that same burden of paying tuition fee costs up front ahead of receiving their funding. Many students do not have the disposable income that will allow them to do so and this system risks adding additional barriers to participation in postgraduate study.

This option would also create a real burden for students who would have to repay it simultaneously with undergraduate loans. In Wales this equates to 15% of students' income, for example.

On the whole there are more sensible and manageable options available. We do not support option 7.

**Question 6:**

**What do you feel are the key factors which may impede postgraduate study?**  
(Select all you feel apply)

- |   |                                     |
|---|-------------------------------------|
| <b>Level of PGTFLL not covering tuition costs</b> | <input checked="" type="checkbox"/> |
| <b>Lack of a PG maintenance loan</b>              | <input checked="" type="checkbox"/> |
| <b>Inability to afford a course in rUK/RoI</b>    | <input type="checkbox"/>            |
| <b>Course availability in NI</b>                  | <input checked="" type="checkbox"/> |
| <b>Unsure</b>                                     | <input type="checkbox"/>            |
| <b>Other (Please specify below)</b>               | <input type="checkbox"/>            |

If you selected "Other" please specify in the box below:

The key factors are that the current level of PGTFLL available does not cover tuition costs and there is no post-graduate maintenance loan. This is a barrier, particularly for part-time students who will be studying a masters over at least 2/3 years. A maintenance loan would help make study more accessible.

If we are to have an appropriately skilled workforce, which can meet the needs of the Northern Ireland economy, education must be accessible to all regardless of background and experience level.

Part time students have less access to student financial support than full time students. The experience in Wales, where part-time students are now able to benefit from maintenance support, indicates that this can significantly reduce the barriers that adult learners face to participating in higher education.

**Question 7:**

**Do you believe it to be advantageous that the tuition fee loan is paid directly to the university and not to the student?**

**Yes**

**No**

**Unsure**

Please explain your answer:

Our preference would be to have the loan paid directly to the institution. Part time distance learning students have to demonstrate engagement with their studies before their university can confirm their registration (which in turn releases their loan payments). This means that students in both England and Wales, who need to pay their fees at the point of registration, have to find the money to pay module fees before they have received any of their funding. This can act as a financial barrier to study, particularly for those on low incomes.



### **Question 8:**

**Do you have any additional comments on any of the policy options considered within this consultation?**

Please use this space to include any additional comments you may have.

It is important that any postgraduate student finance systems works for flexible part-time delivery as well as for full-time students. Accessible part-time postgraduate education supports those who are active within the labour market which can have a direct positive impact on productivity. It can also provide those who haven't been active within the labour market the skills and confidence to re-engage with high value-added employment.

Currently in Northern Ireland, to benefit from the PGTF, part-time students must complete their qualification within three years. While the Department has recently introduced more flexibility in terms of the intensity of study within each of those three years, increasing the timescale for completion would enable students to have more flexibility to complete their qualification around pressures in work or life.

We would also caution against a minimum number of credits being required to access any new system of postgraduate financial support. The Department should ensure that it is accessible for part-time students who may wish to study on a modular pathway. Our experience is that a minimum level credits remove choice and flexibility from part-time students and can act as a barrier to effective completion of their qualification.

We also believe that students studying postgraduate certificates and diplomas should retain eligibility for postgraduate student finance. We would be supportive of removing the qualification requirement to enable those who wish to study standalone postgraduate modules the ability to access support.

***For any queries please contact our Policy and Public Affairs Manager at [megan.fearon@open.ac.uk](mailto:megan.fearon@open.ac.uk)***