



Department
for Education

Lifelong Loan Entitlement

Government consultation

Launch date 24 February 2022

Respond by 6 May 2022



Lifelong Loan Entitlement Government Consultation

Presented to Parliament
by the Secretary of State for Education
by Command of Her Majesty

February 2022



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Joint Ministerial Foreword by the Secretary of State and Minister of State for Higher and Further Education



The economy faces significant change over the next decade: addressing the impact of an unprecedented global pandemic, delivering on new opportunities outside the EU, and adapting to the changes created by big data, artificial intelligence and other technological advances. Education and skills are crucial to our response to these changes, as well as to the government's ambition to accelerate our path to net zero and ensuring our recovery from COVID-19 is green, generates jobs and bolsters our economy.

While we have made significant progress in our recovery from the pandemic, we must do everything we can to ensure that our higher and further education systems come together to provide the skills and knowledge our country needs to prosper.

What is abundantly clear is that we need a post-18 education system that delivers for our people and our economy and is efficient and transparent and works for current and prospective learners. We need a system that is flexible, unified and high-quality, enabling parity between technical and academic routes (including at level 4 and 5), providing genuine opportunity, social mobility and levelling up across the country.

That is why the Prime Minister committed to introduce the Lifelong Loan Entitlement (LLE) from 2025 as a key component of the Lifetime Skills Guarantee. Under this new and flexible skills system, people will be provided with a loan entitlement to the equivalent of four years of post-18 education to use over their lifetime. Our vision is to give people the opportunity to study, train, retrain and upskill throughout their lives to respond to changing skills needs and employment patterns which is key to breaking the cycle of lower skills and lack of opportunity which affects some communities.

We want the LLE to have a transformative impact on post-18 study; it will support increased access to high-quality technical qualifications, bring greater parity of access across technical and academic education, and in turn bring further education (FE) and higher education (HE) closer together by creating a unified funding system.

Like the revolutionary ideas that shaped the founding of our NHS, the LLE is based on the idea that people regardless of background or wealth should have a clear understanding about their loan entitlement, with those eligible able to access the system and learning opportunities flexibly - as and when they need it.

From 2025, we will introduce lifelong learning accounts. New students will be able to sign up and log in online to find a lifelong loan entitlement worth the equivalent of four years of post-18 education to be used across level 4-6 education as they choose. Like a bank account, their account will show their learning “balance”. Through their account, learners will be able to receive clear signposting of the courses and modules they can get onto to propel themselves into learning and further their career aspirations.

This will be instrumental in delivering our ambitious pathway to build a more flexible, efficient and streamlined funding system across higher education levels (known as levels 4 to 6) that will make it easier for people to navigate the options available, and realise positive outcomes for students, taxpayers, the economy and society.

Building on the reforms set out in the Skills for Jobs White Paper¹ and the introduction of legislation as part of the Skills and post-16 Education Bill, this consultation seeks your views on the key design principles of the LLE and how this will mean the current system will need to change.

Your views are crucial to ensuring that these proposals are user-centred and deliverable. We are grateful for all of you who are taking the time to respond to this consultation and look forward to continuing the conversation on how we best create a student finance system that promotes opportunities for all, genuine social mobility, levelling up across the country and building back better.



The Rt Hon Michelle Donelan MP
Minister of State for Higher and Further Education



The Rt Hon Nadhim Zahawi MP
Secretary of State for Education

¹ [Skills for jobs: lifelong learning for opportunity and growth](https://www.gov.uk/government/publications/skills-for-jobs-lifelong-learning-for-opportunity-and-growth), Department for Education, January 2021 (https://www.gov.uk/government/publications/skills-for-jobs-lifelong-learning-for-opportunity-and-growth)

Introduction

The Department for Education (DfE) is seeking views on the introduction of a Lifelong Loan Entitlement (LLE) from 2025, as set out in the White Paper ‘Skills for jobs: lifelong learning for opportunity and growth’² and ‘Post-18 education and funding review: interim conclusion.’³

Who this is for

This consultation is for anyone with an interest in post-18 education for adults in England. Responses are particularly welcome from education and training providers (further and higher education providers, as well as schools, sixth-forms and colleges), employers, professional representative bodies, awarding organisations, parents and carers, equality organisations, local and combined authorities, devolved administrations, academic and educational professionals. While these proposals will impact Higher and Further education in England, we are interested in views from stakeholders across the UK.

We are also particularly keen to hear the views of former, current and prospective learners so that we can better understand the potential impacts of our proposals on them and how to make them attractive.

Issue date

The consultation was issued on 24 February 2022.

Enquiries

If your enquiry is related to the policy content of the consultation you can contact the team at:

LLE.CONULTATION@education.gov.uk

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the DfE Ministerial and Public Communications Division by email: Consultations.Coordinator@education.gov.uk or by telephone: 0370 000 2288 or via the [DfE Contact us page](#).

² [Skills for jobs: lifelong learning for opportunity and growth](#), Department for Education, January 2021

³ [Post-18 education and funding review: interim conclusion](#), Department for Education, January 2021

Additional copies

Additional copies are available electronically and can be downloaded from [GOV.UK DfE consultations](#).

The response

The results of the consultation and the Department's response will be [published on GOV.UK](#).

About this consultation

In September 2020, the Prime Minister announced plans to introduce a Lifelong Loan Entitlement (LLE) as part of the Lifetime Skills Guarantee. This will provide individuals with a loan entitlement to the equivalent of four years of post-18 education to use over their lifetime, giving people the opportunity to study, train, retrain and upskill throughout their lives to respond to changing skills needs and employment patterns.

This consultation seeks views on the key design principles of the LLE and how they will mean the current system will need to change, seeks evidence on how they should be implemented and the implications of the changes, and sets out a wider direction of travel in terms of the wider student finance and regulatory environment for comment. The consultation is split into three themes:

Theme 1: Our ambition for the LLE, pathway approach to implementation and strategic aims and objectives. You should use this section to provide feedback on our proposed aims and objectives for the LLE, including how it can help individuals study more flexibly over their lifetime and meet employers' needs.

Theme 2: The scope of the LLE. This section explores the extensive policy and behavioural changes required to deliver the ambition of the LLE. You should use this section to provide feedback on our proposals with regards to who the LLE is for, what levels/courses are eligible for funding, the metric for modules and how we could approach maintenance and living costs.

Theme 3: Supporting quality provision and flexible learning. You should use this section to provide views on how we achieve a flexible and robust quality assessment and regulatory framework, while ensuring high quality and high value provision, and how we encourage greater credit recognition and transfer between providers.

We would also welcome comments and evidence in relation to our ongoing Impact Assessment, which has been published alongside this consultation.

The proposals in this consultation relate to English education policy only. Education policy is devolved in Scotland, Wales and Northern Ireland, but we are interested in responses from across the UK. Student finance for English residents currently funds study across the United Kingdom, and this consultation does not preclude that policy.

Respond online

To help us analyse the responses please use the online system wherever possible. Visit www.education.gov.uk/consultations to submit your response.

Other ways to respond

If you are unable to use the online system, for example because you use specialist accessibility software that is not compatible with the system, you may download a Word document version of the form and email it or post it.

By email

LLE.CONULTATION@education.gov.uk

By post

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Sanctuary Buildings
Great Smith Street
London
SW1P 3BT

Deadline

The consultation closes on 06 May 2022.

Executive Summary

In his speech on 29 September 2020⁴, the Prime Minister announced plans to introduce a Lifelong Loan Entitlement (LLE) as part of the Lifetime Skills Guarantee. The Lifetime Skills Guarantee will give people the opportunity to study, train, retrain and upskill throughout their lives to respond to changing skills needs and employment patterns.

As set out in the ‘Skills for Jobs: Lifelong Learning for Opportunity and Growth’⁵ published in January 2021, a key component of the Lifetime Skills Guarantee will be the LLE. This will provide individuals with a loan entitlement to the equivalent of four years of post-18 education to use over their lifetime.

The LLE aims to deliver a major transformation in further and higher education. It seeks to create a more efficient and streamlined funding system across higher education levels (known as levels 4 to 6) making it easier for students to navigate the options available. Our ambition sees the LLE having a transformative impact on post-18 study; it will support increased access to high-quality technical qualifications, bring greater parity of access across technical and academic education, and in turn bring further education (FE) and higher education (HE) closer together.

The LLE will help fund modules of courses at levels 4 to 6 regardless of whether they are provided in colleges or universities, as well as full years of study. It will make it easier for adults and young people to study more flexibly – allowing them to space out their studies, transfer credits between providers, and partake in more part-time study. The changes to the student finance system will also make it easier for adults from all socio-economic groups to upskill and retrain.

The LLE is based on the idea that people regardless of background or wealth should have a clear understanding about their loan entitlement, with those eligible able to access the system and learning opportunities flexibly - as and when they need it. To enable this flexibility, we will introduce lifelong learning accounts.

To give the power of informed choice to the learner, new students will be able to sign up and log in online to find a lifelong loan entitlement worth the equivalent of four years of post-18 education to be used across level 4-6 education as they choose. Like a bank account, their account will show their learning “balance”. Through their account, learners will be able to receive clear signposting of the courses and modules they can get onto to propel themselves into learning and further their career aspirations.

⁴ [PM's skills speech](#): 29 September 2020

⁵ [Skills for jobs: lifelong learning for opportunity and growth](#), Department for Education, January 2021

This will empower learners to make informed choices to determine their learning pathway. In practice, this might mean that someone could start out by taking a module about Software Engineering. After a period of time in the workplace they may want to further study and build towards a degree qualification in computer science or a vocational qualification in programming - they will be able to determine what further learning they would like to undertake with the remainder of their LLE.

With the ability to learn flexibly and with a clear understanding of their loan entitlement across their lifetime, individuals will be able to access world-class further and higher education institutions to propel themselves into a career or support their upskilling in a way that better suits their goals, needs and life commitments.

The Government's ambition is for every student with the aptitude and the desire to go to university, to get the support they need, but also for everyone to be given a real choice in life, and not to feel there is only one route, or one shot at success. Many learners need to access courses in a more flexible way, to fit study around work, family and personal commitments in response to employers' needs.

Unifying the funding system for levels 4 to 6

The ambition is to replace the two existing systems that offer government-financed loans to eligible individuals studying at levels 4 to 6 with the new, unified LLE system. These two existing systems of Higher Education Student Finance (HESF) and Advanced Learner Loans (ALLs) provide funding support for different types of courses.

Of the two systems, the HESF offer is the most prevalent.

The mainstream HESF offer applies to learners on designated courses at level 4 and 5 and degree level courses (level 6). Courses designated for HESF include Foundation Degrees, Higher Nationals (HNDs and HNCs) and Certificates/Diplomas of higher education. ALLs provide support for eligible learners studying a list of government-approved qualifications, including qualifications at levels 4 to 6 which are not eligible for HESF funding. These courses are described as 'non-designated' and are classified as higher-level skills courses.

The HESF and ALLs systems provide support for tuition fees. They also both provide some support for other study costs. The ALLs Bursary Fund helps with costs related to study, for example, financial hardship, childcare and on-site accommodation if necessary for study, plus support for adults with learning difficulties and/or disabilities. HESF provides, where applicable, partially means-tested loans for living costs and fully means-tested travel grants and grants for students with adult and child dependants. Non means-tested grants are also available for students with disabilities.

The Government is clear that delivering this vision will require extensive changes to the student finance system. The Skills and Post-16 Education Bill introduced on the 18th May 2021 makes express provision for some of the changes needed to support the introduction of the LLE. These include making express provision to allow for the student finance system to fund modules (as well as full-year courses), flexibility to fund on a basis other than academic year and providing for a limit to the amount of student funding a person can access over their lifetime.

Supporting students to study flexibly throughout their lives

The LLE proposals are an integral part of a wider set of reforms announced as part of the Lifetime Skills Guarantee. Through these wider reforms to the further education and the post-16 skills landscape, we want to support people in accessing technical and academic education at any stage in their lives by incentivising flexible, lifelong education in the long-term.

Our long-term vision sees modularised courses being the majority offer at levels 4-6. We want to work with providers to ensure as many as possible are able to offer modularised study – though we do not expect all qualifications and courses to be modularised from 2025.

We recognise the transformational nature of the LLE and that achieving our ambition will take time. Our long-term vision sees a shift in public attitudes to lifelong learning and creating an environment and desire to develop new skills, helping to create a flexible and adaptable workforce. This consultation on LLE design principles presents the first opportunity to ensure your views are heard, and that we understand the perspectives and views of learners, providers and employers in developing our approach to delivering the LLE. Following the outcome of this consultation, the Government intends to continue to engage closely on LLE implementation and the technical aspects of policy leading to the introduction from 2025.

The introduction of the LLE will result in significant changes to the way the government funds levels 4 to 6 education and as such, we will adopt a “pathway” approach to implementing the LLE. This means introducing sequential changes from 2021 onwards that build towards the new LLE system ahead of introduction from 2025. See *Figure 1: Pathway approach to introducing the LLE* in Theme 1: LLE Ambition.

Encouraging provision that responds to changing skills needs and employment patterns

Improving the skills of people across the country and ensuring employers are at the heart of the system will be critical to our future success and levelling up across the country. The LLE will support more flexible access to courses, helping people train, upskill or retrain alongside work, family and personal commitments, as both their circumstances and the economy change.

We need providers to work even more closely with businesses to ensure the flexible provision they offer will give people the training needed to emerging local and national skills gaps. It is key that employers have confidence in high-quality courses and qualifications that provide the knowledge and skills that they need.

Pathway to the LLE

Ahead of LLE delivery from 2025, we will be piloting access to student finance for HE short courses from Academic Year 2022/23 (HE Short Course Trial). We are acting now to stimulate the types of provision that we want to see under the LLE. The OfS has awarded funding in this financial year to 22 providers to create 115 new short courses from levels 4 to 6 qualifications in subject areas such as STEM, Healthcare, Net Zero, Education and Digital Innovation. This funding will help in incentivising and testing provision as well as piloting ways of delivering more flexible, shorter periods of study. Eligible learners studying at eligible providers will be able to access tuition fee loans from the start of Academic Year 2022/23 for these short courses. The HE Short Course Trial will provide learners with exciting new opportunities to study in a more flexible way. It will also allow us to test and stimulate demand for modular learning, understand how providers can adapt their provision to deliver modular study, and how the Students Loans Company (SLC) can build systems and processes to best support future learners.

We are also introducing Higher Technical Qualifications (HTQs) – level 4 and 5 qualifications that deliver the knowledge, skills and behaviours that employers need. HTQs are approved by the Institute for Apprenticeships and Technical Education, drawing on the advice of their employer panels, using the same framework of employer-led standards which underpin higher apprenticeships. The first HTQs will be available for teaching from Academic Year 2022/23, with the initial roll out complete by the time the LLE is introduced. They are being supported by an £18m growth fund for providers in Financial Year 2021-22 and communications activities to increase awareness and understanding of HTE and HTQs, including HTQs featuring as part of new cross government communications campaigns. We will also provide further resource and capital investment specifically to support providers with the upfront expenditure required to roll out HTQs as a high-quality offer at level 4 and 5, through a further iteration of the Growth Fund.

We want HTQs to be an established, high-quality, job-facing alternative to degrees. As part of our reforms to HTE we are addressing financial barriers for learners by putting the student finance package for HTQs on a par with degrees from AY2023/24. This means extending student finance access for HTQs and allowing learners studying HTQs part-time to access maintenance loans, as they can with degrees (further detail is provided in the HE reform consultation document). This also moves the student finance system towards the flexibility envisaged by the LLE.

Introducing the first newly approved HTQs ahead of the LLE will help to increase provision and uptake of high-quality options at level 4 and 5, providing attractive alternatives to the traditional three-year degree. They will also raise awareness and understanding of higher technical education among learners, employers, parents and teachers. We are separately consulting on level 4 and 5 fees and funding as part of the HE reform consultation.

Both the HE Short Course Trial and HTQs will help to build towards the final system incrementally, and test and learn in the progression towards the end LLE system.

The Institutes of Technology (IoTs) in-work skills pilot is delivering high quality, higher technical short course and modularised study provision at level 4 and 5 to in-work adults in Financial Year 2021-22. This will support the LLE in testing aspects of modular provision from the perspectives of employers, in-work adults and providers. We are also working with careers organisations to improve information, advice and guidance.

The Emerging Skills programme provides in-work adults opportunities to upskill in new and emerging technologies through their employer. It will give learners an opportunity to experience short modular courses as well as the benefit of putting their new knowledge and skills into practice in their day-to-day work. It tests the delivery of modular provision, and how we can support and understand sector and in-work adult needs to help address future skills gaps in priority sectors.

To complement our pathway approach, the SLC and DfE are working in close partnership on the design, development and successful operational delivery of the LLE which will ensure we learn from previous large scale change programmes and the SLC's delivery expertise. The user will be at the heart of our development approach with a clear focus on iteratively testing and designing an inclusive and user focused service.

We recently consulted on our National Skills Fund investment, which will help adults to train and gain the valuable skills they need to improve their job prospects. It will also support the immediate economic recovery and future skills needs by boosting the supply of skills that employers require. We also consulted on reforms to FE Funding and Accountability. The National Skills Fund investment will move to being delivered through our reformed funding system, when established. This broader scope of work complements the overarching ambitions for the LLE of supporting people to get the skills our economy needs throughout their lives, wherever they live in the country. The responses to both these consultations, which closed on 17th September and 7th October 2021 respectively, will be considered alongside the development of the LLE where relevant.

Theme 1: LLE Ambition

This section outlines our LLE ambition, aims and objectives and provides the opportunity to provide views on the LLE's overall strategic ambitions.

Overview

As we build back better from the coronavirus pandemic, improving the skills of people across the country will be critical to our future success. Many learners need more flexible access to courses, helping them study, train, upskill or retrain alongside work, family and personal commitments, and as both their circumstances and the economy change. We also need a flexible and responsive skills system that can pivot to changing employers' needs.

As part of the Lifetime Skills Guarantee, the Government is committed to delivering the LLE from 2025. The LLE will provide individuals with a loan entitlement to the equivalent of four years of post-18 education to use over their lifetime. Our ambition is that the LLE will have a transformative effect on our funding system, so it is just as easy to get a loan for flexible, modular study at levels 4 to 6 as it currently is for a full-time university degree.

The introduction of the LLE aims to enable a truly flexible and more streamlined post-18 education system, offering learners a real choice in how and when they study to acquire new life-changing skills. It will make it easier for learners to navigate the options available, to do courses locally, to study and train part-time and critically, at their own pace throughout their life. The LLE aims to support levelling up by enabling adults to study flexibly at levels 4 to 6 throughout their lifetime and making it as easy to get a loan for a module of learning or a higher technical course as for a university degree.

Supported by high quality information, advice and guidance, the LLE will mean that prospective learners are aware of the training opportunities and choices available to them – the best option for them – at the point in life that suits them. To enable this flexibility, we will introduce lifelong learning accounts. To give the power of informed choice to the learner, the account will clearly and simply display how much remaining loan funding entitlement they have, which an individual can use to fund study at levels 4-6 across their lifetime.

People will be able to study designated high quality academic or technical higher-level qualifications in a flexible way, either in full courses or shorter modules, at providers that either teach courses regarded as FE or HE traditionally. Our ambition is that this streamlined finance system will enable individuals to study, train, retrain, or upskill at any stage in their lives to advance their career.

The Government's reforms to higher technical education (HTE) are an integral part of the LLE through ensuring that there are great options for learners at every level of study with attractive alternatives to the traditional three-year degree.

This builds on DfE's commitments in the Post-16 skills plan⁶ to put employers at the heart of the skills system and to streamline technical qualifications against a common framework of 15 technical routes, responding to the Independent Panel on Technical Education (the Sainsbury Report).⁷

Our approach to the LLE has been informed by the 'Post-18 Review of Education and Funding: Independent Panel' report (the Augar Report)⁸ which placed a particular priority on making flexibility a core tenet of a future HE (levels 4 to 6) system in both further and higher education settings. The report recommended 'the introduction of a lifelong learning loan allowance to be used at higher technical and degree level at any stage of an adult's career for full and part-time students.'

1.1 Evidence of the problem

The current student finance system does not incentivise or offer a clear route for an adult to undertake higher learning flexibly over their lifetime.

The current student finance system does not allow for individuals to study flexibly enough at levels 4 to 6 – it does not fund study of individual modules of courses and does not allow people to easily study flexibly between levels, for example by studying at level 4 then topping up with level 5 a few years later. A survey by UUK found around 24% of the population had considered part-time higher education in the last 10 years but had not enrolled. The main reasons for this were financial concerns (tuition fee costs were cited by 44% of respondents, living costs by 42%) and that study would not fit in with their personal life or employment situation (35%).⁹

DfE research¹⁰ similarly found that around 13% of the population has considered studying for a new qualification, at levels 3 to 6, in the last 5 years, but did not start study, and that potential learners found the student finance system complex to understand and that information, especially for mature students, was difficult to find. Of the levels 3 to 6 group considering study in the last 5 years, 32% considered studying at level 4 and 5 and 35% at level 6.

⁶ [Post-16 skills plan and independent report on technical education](#), Department for Education and Department for Business, Innovation & Skills, July 2016

⁷ Report of the Independent Panel of Technical Education, April 2016. Available at: [Sainsbury panel report \(formatted version\) \(publishing.service.gov.uk\)](#)

⁸ [Post-18 review of education and funding: independent panel report](#), Department for Education, May 2019.

⁹ [Universities UK, 2018, Lost Learners Report](#), Universities UK, October 2018

¹⁰ [Post 18 Choice of Part-Time Study \(publishing.service.gov.uk\)](#), Department for Education, May 2019

We need to better address employer demands for skills at levels 4 to 6.

Our skills system has been very efficient at producing graduates but there is still a need to ensure people get the quality technical skills that employers want. Only 4% of young people achieve a qualification at higher technical level by the age of 25 compared to the 33% who get a degree or above.¹¹ Moreover, only 66% of working-age graduates (not including postgraduates) were in high-skilled employment in 2020.¹²

There are currently significant skills gaps in sectors which use higher technical skills, including in manufacturing, construction and health and social care.¹³ There is also growing employer demand for the skills that higher technical education provides.^{14,15} Investing in these skills at both a local and a national level is critical to international competitiveness, improving our productivity, and re-skilling the workforce to meet future employer needs.

Many adults complete degree or equivalent qualifications which do not equip them for sustained employment nor offer positive financial returns.

There have been significant increases in the number of graduates in the past decade or more (6.7 million more working age individuals with at least degree or equivalent qualifications in 2020 than in 2004¹⁶), and we are seeing an increasing proportion of age 18 initial entry to full-time first degrees at higher education providers.¹⁷ In 2020 around a third of working age individuals had a degree or equivalent qualifications,¹⁸ and under current entry trends it is estimated that over half of 17-year-olds will have entered Higher Education by the time they are 30.¹⁹

¹¹ [DfE \(2018\), Post-16 education: highest level of achievement by age 25](#). Data refers to cohort that undertook GCSEs in England in 2004/05. Age is based on academic age, which is age at the start of the academic year (August 31).

¹² [Graduate labour market statistics 2020](https://explore-education-statistics.service.gov.uk/find-statistics/graduate-labour-markets/2020) (https://explore-education-statistics.service.gov.uk/find-statistics/graduate-labour-markets/2020)

¹³ [Employer skills survey 2019 research report](https://www.gov.uk/government/publications/employer-skills-survey-2019-uk-excluding-scotland-findings) (https://www.gov.uk/government/publications/employer-skills-survey-2019-uk-excluding-scotland-findings)

¹⁴ [Skills for jobs: lifelong learning for opportunity and growth](#) - GOV.UK (www.gov.uk)

¹⁵ [Workplace Training and Development Commission Report.pdf \(britishchambers.org.uk\)](#).

¹⁶ NOMIS, Annual Population Survey, [annual population survey - Nomis - Official Labour Market Statistics \(nomisweb.co.uk\)](#)

¹⁷ [Participation measures in higher education, Academic Year 2019/20 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](#)

¹⁸ NOMIS, Annual Population Survey, [annual population survey - Nomis - Official Labour Market Statistics \(nomisweb.co.uk\)](#)

¹⁹ [Participation measures in higher education, Academic Year 2019/20 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](#)

On average, degree level qualifications have significant employment and earnings benefits. In 2020, 86% of working-age graduates (16-64) were in employment compared with 71% of non-graduates. The median salaried working age graduate earned around £9,500 more than their non-graduate counterpart in 2020.²⁰

However, not all graduates see these benefits and 34% are not in high-skilled employment.²¹ Institute for Fiscal Studies (IFS) research estimated that whilst the average net lifetime return²² to undergraduate degrees is around £100,000, approximately 15% of women and 25% of men are expected to not benefit financially from attending higher education.²³ There are options other than undergraduate degrees for post-18 study, which can provide positive earnings impacts. Research by the Centre for Vocational Education Research (CVER) estimated that at age 30, after adjusting for observable differences,²⁴ average earnings for women with a level 5 qualification are expected to be around £2,700 higher than for similar women with a level 6 qualification. Similarly, men with level 4 qualifications are expected to earn around £5,100 more at age 30 than similar counterparts with level 6 qualifications.²⁵

Where graduates are not seeing the returns which might be expected from level 6 study, combining study and work, studying at level 4 and 5 or studying modules of a degree, may offer better value for money for them as well as the taxpayer. However, under the current system, the type and level of support offered by government for levels 4 to 6 study may differ depending on course, provider, mode of study, previous study, and age.²⁶ This is distorting student and provider choices of what to study and offer, and impeding a move to the type of flexible, personalised study track envisioned for the LLE. As we build towards the LLE we want to encourage the HE and FE sector to deliver more high-quality level 4 and 5 provision, including HTQs.

²⁰ Graduate labour market statistics 2020, <https://explore-education-statistics.service.gov.uk/find-statistics/graduate-labour-markets/2020>

²¹ Graduate labour market statistics 2020, <https://explore-education-statistics.service.gov.uk/find-statistics/graduate-labour-markets/2020>

²² Net lifetime return is the sum of the increase (or decrease) in earnings associated with attending university at each age, plus the value of maintenance loans received and minus the value of any student loan repayments and taxes paid, all discounted. No impact on benefit receipt is included.

²³ [IFS, The impact of undergraduate degrees on lifetime earnings, February 2020, Annex C, The impact of undergraduate degrees on lifetime earnings.](#) (publishing.service.gov.uk) The mean net lifetime return is £130k for men and £100k for women.

²⁴ CVER, September 2020, Post-18 Education: Who is Taking Different Routes and How Much do they Earn? [cverbrf013.pdf \(lse.ac.uk\)](#)

²⁵ CVER, September 2020, Post-18 Education: Who is Taking Different Routes and How Much do they Earn? [cverbrf013.pdf \(lse.ac.uk\)](#)

²⁶ [Student finance: Eligibility - GOV.UK](#) (www.gov.uk)

There is a lack of flexible learning offers available for adults to upskill and retrain later in their working life. This hinders career and wage progression and reduces individuals' ability to respond to changes in the labour market.

This lack of flexibility reduces individuals' ability to study, train, retrain and upskill. There are a substantial number of individuals within the population who have considered part-time and/or mature study but have not been able to take this up. Financial barriers, the ability to fit study around personal commitments or employment, availability of information relevant to personal circumstances and the complexity of the student finance system often create barriers to study.²⁷

Reskilling to match the future needs of employers is going to be a big challenge. Around 80% of the 2030 workforce is in work already and approximately 39% of the activities which people get paid to do today could be automated by 2030 with current technology.²⁸

Research suggests that there is demand for more flexible and modular learning. For example, a joint study conducted by Universities UK (UUK) and the Confederation of British Industry (CBI) consisted of research with learners, as well as reviewing the flexible learning opportunities offered by HE providers. This study concluded that there was a strong case for modular or credit-based system for the post-18 education system in the longer-term.²⁹ UUK polling in 2020 on modular study³⁰ indicated that 82% of prospective students polled who were either unemployed, at risk of unemployment or looking to learn a new skill would be keen to study individual modules of a university degree. Earning whilst learning and maintaining work-life balance were perceived to be the top benefits for modular learning. The poll also found that engineering, where there are known skills shortages, was the second most popular choice for modular study.

The House of Lords Economics Affairs Committee report 'Treating Students Fairly: The Economics of Post-School Education' also highlighted the importance of better supporting flexible learning for reskilling and upskilling economic needs, including the need for funding of individual modules and for a better credit recognition system.³¹

²⁷ [Universities UK, 2018, Lost Learners](#), Universities UK, October 2018

²⁸ UK Skills Mismatch 2030 - Research paper (industrialstrategycouncil.org). Available at: <https://industrialstrategycouncil.org/sites/default/files/UK%20Skills%20Mismatch%202030%20-%20Research%20Paper.pdf>

²⁹ [The economic case for flexible learning](#), Universities UK.

³⁰ Polling carried out for UUK by Savanta ComRes, 1,591 English adults aged 18-60 interested in future university study were interviewed between 28 August and 15 September 2020. Available at: [Majority of adult learners would upskill at university if given the chance \(universitiesuk.ac.uk\)](#)

³¹ House of Lords Economic Affairs Committee: Treating Students Fairly: The Economics of Post-School Education. Available at: [House of Lords - Treating Students Fairly: The Economics of Post-School Education - Economic Affairs Committee \(parliament.uk\)](#)

1.2 LLE Ambition

We want every student with the aptitude and the desire to go to university to get the support they need, but we also want everyone to be given a real choice in life, and not to feel there is only one route to success. Many learners need to access courses in a more flexible way, to fit study around work, family and personal commitments, and to retrain and upskill as both their circumstances and the economy change.

The LLE aims to bring about change to the way that individuals can choose to study, enabling adults to study flexibly at levels 4, 5 and 6 throughout their lifetime. The LLE seeks to transform the funding system so that from a learner's perspective it is as easy to get a loan for flexible, modular study at levels 4 to 6 as for a university degree. It will provide support for real alternatives as well as for existing forms of full-time study, and allow people to study, train, retrain, and upskill to advance their careers.

The LLE means people will have a real choice in how and when they study so that they can acquire new life changing skills. If our ambition for the LLE is realised, in the longer term, we will see a change in the characteristics of learners and the learning they undertake. We will see a real shift in how, what, and when people study.

For example, realising our ambition would see an increase in the take up of high-quality level 4 and 5 courses, and in higher technical education. We would also expect to see an increase in the number of providers offering designated shorter courses and modular learning that can be built into qualifications over time, and an increase in the numbers of learners undertaking modular learning. If successful there would be a move away from a three-year full-time degree as a "default", although we recognise that this will remain the route of choice for a significant proportion of 18-19 year olds.

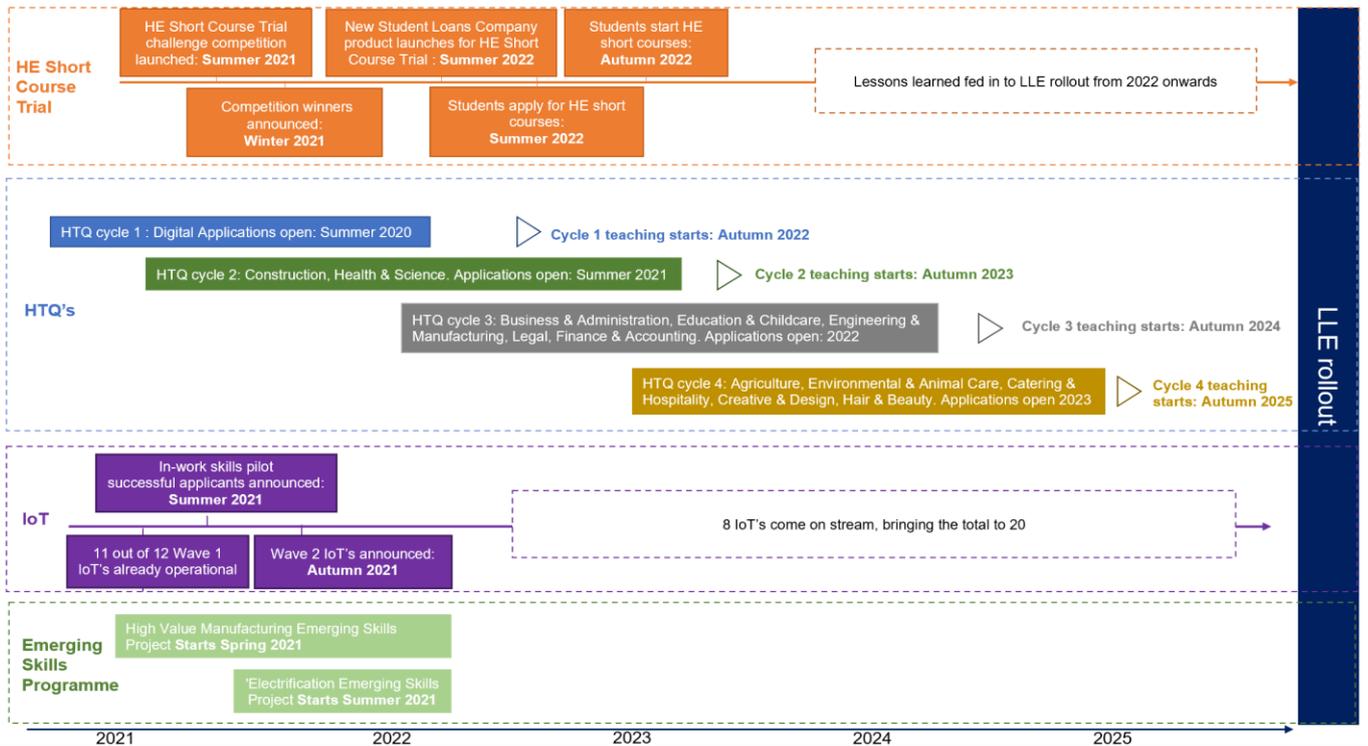
Realising our ambition sees an increase in the number of people engaging in learning at levels 4 to 6 across their lifetime, enabling learners to study, train, retrain and upskill at a time in their life that works for them. Given the LLE aims to support learners to retrain and upskill as well as undertake initial programmes of study and training, we would also expect to see an increase in the average age of learners.

We seek to drive participation in levels 4 to 6 learning for adults and ensure a flexible funding system which enables and supports learning across a lifetime. We recognise the transformational nature of the LLE, and ahead of introduction from 2025, we need to ensure the LLE delivers for learners, providers and employers through our pathway approach.

1.3 Pathway to the LLE

The LLE will result in significant changes to the way the Government funds levels 4 to 6 education and as such, we will adopt a “pathway” approach to introducing and implementing the LLE to ensure we successfully deliver an approach which works for learners, providers and employers. This means introducing sequential changes from 2021 onwards that build towards the new LLE system ahead of introduction from 2025.

Figure 1: Pathway approach to introducing the LLE



Ahead of LLE delivery from 2025, we will be piloting access to student finance for HE short courses from Academic Year 2022/23 (HE Short Course Trial). We are acting now to stimulate the types of provision that we want to see under the LLE. The OfS has awarded funding in this financial year to 22 providers to create 115 new short courses from levels 4 to 6 qualifications in subject areas such as STEM, Healthcare, Net Zero, Education and Digital Innovation. This funding will help to test provision as well as pilot ways of delivering more flexible, shorter periods of study. Learners studying at eligible providers will be able to access tuition fee loans from the start of Academic Year 2022/23 for these short courses. The HE Short Course Trial will provide learners with exciting new opportunities to study in a more flexible way. It will also allow us to test and stimulate demand for modular learning, understand how providers can adapt their provision to deliver modular study, and how the SLC can build systems and processes to best support future learners.

We are also introducing HTQs; level 4 and 5 qualifications that deliver the knowledge, skills and behaviours that employers need. Introducing the first HTQs ahead of the LLE will help to increase provision and uptake of high-quality options at level 4 and 5, providing attractive alternatives to the traditional three-year degree. To facilitate this, we are addressing financial barriers for learners by putting the student finance package for HTQs on a par with degrees from AY2023/24. HTQs will raise awareness and understanding of higher technical education among learners, employers, parents and teachers. Both the HE Short Course Trial and HTQs will help to build towards the final system incrementally, and test and learn in the progression towards the end LLE system.

Thirdly, the Institutes of Technology (IoTs) in-work skills pilot is delivering high quality, higher technical short course and modularised study provision at level 4 and 5 to in-work adults in Financial Year 2021-22. This will support the LLE in testing aspects of modular provision from the perspectives of employers, in-work adults and providers. We are also working with careers organisations to improve information, advice and guidance.

Finally, the Emerging Skills programme provides giving in-work adults opportunities to upskill in new and emerging technologies through their employer. It will give learners an opportunity to experience short modular courses as well as the benefit of putting their new knowledge and skills into practice in their day-to-day work. It tests the delivery of modular provision, and how we can support and understand sector and in-work adult needs to help address future skills gaps in priority sectors

The SLC and DfE are working in close partnership on the design, development and successful operational delivery of the LLE which will ensure we learn from previous large scale change programmes and the SLC's delivery expertise. The user will be at the heart of our development approach with a clear focus on iteratively testing and designing an inclusive and user focused service.

We recognise the transformational nature of the LLE and that achieving our ambition will take time. Our long-term vision sees a shift in public attitudes to lifelong learning and creating an environment and desire to develop new skills, helping to create a flexible and adaptable workforce. By taking this pathway approach, we will be continuously testing and learning to inform the development and delivery approach of the LLE from 2025.

1.4 LLE Strategic Aims and Objectives

The LLE aims to transform the way learners access funding at levels 4 to 6 to enable learners to study, train, retrain or upskill at any stage in their lives.

Learners are at the heart of our vision for the LLE, which aims to transform the way in which they access funding for high-quality academic, and vocational and technical higher education courses (levels 4 to 6). Many learners need to access courses in a more flexible way, to fit study around work, family and personal commitments, and to retrain as both their circumstances and the economy change. We want learners to have the opportunity to access levels 4 to 6 education to study, train, retrain, or upskill at any stage in their lives in order to develop or advance their career.

To facilitate this, the LLE will enable learners to study towards higher level qualifications (levels 4 to 6) in a flexible way, at the provider that is right for them (irrespective of whether it is a HE or FE provider) and which allows them to study around their work, family and personal commitments. We want learners to be able to use their entitlement to build full qualifications, transferring their credit across providers where desired.

To enable this flexibility, we will introduce lifelong learning accounts. To give the power of informed choice to the learner, the account will outline how much entitlement they have to fund study at levels 4-6 across their lifetime. Having the ability to learn flexibly and with a clear understanding of their loan entitlement, individuals will have the information at their fingertips to access world-class FE and HE institutions to propel themselves into a career or support their upskilling in a way that better suits their goals, needs and life commitments.

Figure 2: Example of a lifelong learning account for a new learner accessing LLE.

The screenshot displays the 'Lifelong Learning Account' interface for a user named Alex Smith. At the top, the GOV.UK logo and 'Lifelong Learning Account' title are visible. The user's account is identified as 'student finance england'.

Account Information:
Hi, Alex Smith
Customer reference number: 000011112222
Welcome to your Lifelong Learning Account. You can apply for future funding for your next course, or see what funding you have used previously.

Your LLE Overview:
A progress bar shows £0 used out of a total £37,000 funding available.
Total LLE Funding: £37,000
LLE Funding Used: £0
LLE Funding Available: £37,000

What happens next:
Navigation tabs: Active Learning (selected), Previous Learning, Funding Basket.

Course Title	Start Date	End Date	Action
--------------	------------	----------	--------

Fund your next course:
Search the course database to apply for funding for your next course.
Course Funding Search

Footer:
Help | Cookies | Contact | Terms and conditions | Rhestr o Wasanaethau Cymraeg
Built by the Government Digital Service
OGL All content is available under the Open Government Licence v3.0, except where otherwise stated
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The diagram presents a draft visual representation of how the lifelong learning account could look for a new learner who is accessing their LLE for the first time. The account will clearly outline the individual's LLE entitlement, how much entitlement they have used and how much entitlement they have available. The visual illustrates that a learner can search the SLC course database and then apply for funding for their chosen level 4 to 6 course. It also highlights LLE Information and Help and Guidance sources which may be available to support the learner in using their account. How the account looks and its wider functionality will be subject to extensive user research and testing, making sure that the account is user friendly and simple to use.

The LLE will enable greater parity of access between technical and academic courses.

The Government is committed to improving the prestige and quality of technical education. Along with our reforms to apprenticeships and the introduction of T Levels, reforms to HTE will help to achieve these goals. Employers are at the heart of these reforms, with a direct role in setting occupational standards and the approval of HTQs against them through the Institute's approval process.

Growing the provision and uptake of high-quality level 4 and 5, including HTQs, will ensure that there are high-quality degree alternatives available for learners, meaning they can take full advantage of the flexibility and support offered by the LLE.

The LLE will fund modules that are designated for funding at levels 4 to 6 regardless of whether they are provided in colleges or universities.

The LLE will aim to make it easier for adults to study more flexibly – allowing them to space out their studies, transfer credits between providers and undertake more part-time study. Importantly, the LLE will fund designated modules of learning to facilitate a truly flexible learning offer. These courses and modules will need to meet specific criteria to ensure that students undertaking modular study benefit from the same high-quality educational opportunities as students on full degrees. While we recognise that for many learners, a full-time degree will be the best option, we also want everyone to be given a real choice in life.

We would like to see more HE and FE providers offer independent modules of courses at levels 4 to 6 to meet the needs of learners, however, we recognise that modularised study may not be suitable for all courses, or viable for all providers. We want to work with providers to ensure as many can offer modularised study options as possible – though we do not expect all qualifications and courses to be modularised from 2025. It is vital that the modules available offer learners real value in the labour market, and are of a sufficient quality. We will need providers to build on progress to date and work even more closely with businesses to ensure modules feed local and national skills gaps.

The LLE will ensure that credit bearing provision will support flexible, lifelong learning.

To enable greater flexibility, we must ensure that there is a mechanism for providers to recognise prior learning. Our ambition is for provision to become credit-bearing by default, enabling learners to accumulate and transfer credit where appropriate between providers. We know that some providers are already doing this and we will encourage the sector to build on this best practice.

The LLE will encourage individuals to train, retrain and upskill in response to changes in labour markets and employment patterns.

As we build back better from the coronavirus pandemic, improving the skills of people across the country will be critical to our future success. Many learners need more flexible access to courses, helping them train, upskill or retrain alongside work, family and personal commitments, and as both their circumstances and the economy change.

Our recent Skills for Jobs white paper³² outlined our ambition to put employers at the heart of the system so that education and training lead to jobs that can improve productivity and fill skills gaps. The Employer Skills Survey 2019³³ suggested there were 214,000 vacancies which employers were unable to fill because they could not find people with the right skills, with a particularly high density (up to 48%) of shortages in construction and manufacturing and skilled trades.³⁴ It is key that employers have confidence in high-quality courses and qualifications to provide the knowledge and skills they need and we will look to providers to work closely with businesses to deliver this. By providing a loan entitlement for more flexible and modular learning which can be used across someone's lifetime, the LLE will enable individuals and providers to be responsive to changes in labour market needs, allowing learners to train, retrain and upskill as needed which in turn could meet emerging skills gaps and will help lessen skills shortages and mismatches for local and national employers.

Questions

Q1. How can we best ensure that, compared to the current student finance system, the LLE will better support learners to train, retrain or upskill throughout their lifetime?

- Please explain (free text)

³² [Skills for jobs: lifelong learning for opportunity and growth](#), Department for Education, January 2021

³³ [Employer skills survey 2019 - GOV.UK \(www.gov.uk\)](#) Department for Education, October 2020

³⁴ Skilled Trades includes (but is not limited to): carpenters, electricians, plasterers, mechanics, butchers, chefs, farmers according to UK Skills Mismatch 2030, available at: <https://industrialstrategycouncil.org/sites/default/files/UK%20Skills%20Mismatch%202030%20-%20Research%20Paper.pdf>

Q2. What barriers might learners face in accessing/drawing on their LLE and how could these barriers be overcome?

- Please explain (free text)

Q3. What information and guidance should be displayed in a lifelong learning account to support learners to understand their options for using their LLE?

- Please explain (free text)

Q4. How can we best ensure that the LLE will enable learners to access technical as well as academic courses at levels 4 to 6?

- Please explain (free text)

Q5A. How can we best ensure that the LLE will encourage FE and HE providers across the country to offer provision that closes the current skills gap and supports future upskilling?

- Please explain (free text)

Q5B. How can we facilitate collaboration between FE and HE providers and employers, to ensure that provision keeps up with industry developments?

- Please explain (free text)

Q5C. How can we help FE and HE providers to provide modules and courses that offer real value to employers and improve employment prospects for learners?

- Please explain (free text)

Q5D. How can providers support and facilitate learners gaining qualifications through modular study?

- Please explain (free text)

As we build towards the introduction of the LLE from 2025, we will continue to develop our evidence base on how we can best promote diversity and social mobility. We are interested in understanding if there are specific barriers which would particularly impact people with protected characteristics, including learning difficulties and/or disabilities, from accessing the LLE. Our initial analysis suggests that mature and disadvantaged students could be the most positively impacted groups by the introduction of the LLE, but there could be differences in how people with protected characteristics might access or benefit from the offer.³⁵

³⁵ Further information on equalities and impacts can be found in the LLE Impact Assessment

We must have 'due regard' to the Public Sector Equality duty and its aims in the exercise of our functions. These are to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The protected characteristics covered by the Equality Act 2010³⁶ are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race (including ethnicity), religion or belief, sex, and sexual orientation.

Q6. Do you think the move to the LLE will have any particular impacts on people with protected characteristics? If so, which groups and in what ways? Your answer could include information about both the potential challenges and the positive equality outcomes of this policy.

- Please explain (free text)

Q7. What barriers might learners with protected characteristics face in accessing/drawing on their LLE and how could these be overcome? Your answer here could include previous consideration of an alternative student finance product for students whose faith has resulted in concerns about traditional loans.

- Please explain (free text)

³⁶ S149 of the Equality Act 2010

Theme 2: Scope of the LLE

The scope of the LLE was set out by the Prime Minister in his September 2020 Skills Speech and the Government's White Paper, Skills for Jobs: Lifelong Learning for Opportunity and Growth.³⁷ This section sets out how the LLE aims to deliver a major transformation in further and higher education, by seeking to create a more efficient and streamlined funding system and make it easier for students to navigate the options available.

The aim is to make the LLE available for both modules and full years of study at levels 4 to 6 regardless of whether they are provided in colleges, universities or independent providers. This new loan entitlement means people will be able to space out their studies and learn at a pace that is right for them, including choosing to complete their qualifications over time, within both further and higher education providers.

The ambition is to replace the two existing systems that offer government-financed loans to eligible individuals studying at levels 4 to 6 with the new LLE system. These two existing systems of HESF and ALLs provide funding support for different types of courses. Of the two systems, the HESF offer is the most extensive.

The HESF system enables individuals enrolled on 'designated' courses at level 4 and 5 and degree level courses (level 6) to access tuition fee loans. If a provider of any type wants its students to access government-financed loans for these courses, it is required to register with the OfS, the independent regulator for higher education in England. These courses include: Foundation Degrees, Higher Nationals (HNDs and HNCs), which are also regulated by Ofqual, and Certificates/Diplomas of Higher Education. Once a provider is registered with the OfS, all of its higher education courses, whether or not they are 'designated', are within the scope of the OfS's regulation.

ALLs provide fees support for eligible individuals studying for a list of government-approved qualifications, including many qualifications at levels 4-6 which are not designated for HESF funding. These courses are classified as higher-level skills courses which can lead to qualifications including Diplomas and Certificates in a wide range of vocational and technical areas.

The HESF and ALLs offers provide support for tuition fees, up to centrally set maximum levels. They also both provide some support for other study costs. The ALLs Bursary Fund helps with costs related to study, for example, financial hardship, childcare and on-site accommodation if necessary for study, plus support for adults with learning difficulties and/or disabilities. The HESF offers additional loan support for living costs and support for parents.

³⁷ [Skills for jobs: lifelong learning for opportunity and growth](#), Department for Education, January 2021

The mainstream HESF offer in England applies to students on designated courses offered by providers registered in the Approved (Fee Cap) and Approved sections of the OfS's register, as well as courses offered by certain other providers, such as authority funded institutions in Scotland or Northern Ireland and regulated institutions in Wales. It also applies to providers offering designated courses on behalf of those providers (e.g. via a franchise agreement).³⁸

The ambition is to replace the two existing systems that offer government-financed loans to eligible individuals studying at levels 4 to 6 with the new, unified LLE system, which offers learners a real choice in how and when they study to acquire new life-changing skills. This will require decisions about:

- a) What provision will be in scope
- b) What eligibility criteria should apply for individuals requesting loans (other than that they should be for 'in-scope' provision)
- c) How maintenance support should be organised within a unified system

This section of the consultation addresses these aspects of LLE design. It first provides some additional information on the current system of student finance and then seeks feedback on scope, individual eligibility, and principles for maintenance support.

2.1 The current system

Fees under HESF

In England, eligible students on designated higher education courses that are at least a year in length qualify for HESF if their provider in England is registered with the OfS. The HESF is made up of three parts: 1) full-time undergraduate loans, 2) part-time loans and 3) Masters and Doctoral loans. The undergraduate system applies to level 4, 5 and 6 undergraduate courses, plus certain postgraduate courses – including postgraduate initial teacher training, pre-registration healthcare, and integrated Masters. Learners studying part-time get smaller loan entitlements, up to a maximum of 75% of the full-time fee loan rate. Masters and Doctoral loans are separate types of loans that support level 7 and level 8 study; they have their own repayment plans and are paid back in parallel to undergraduate loans.

Self-contained Masters courses (level 7) have separate funding arrangements and entitlements and the intention is that they, along with Postgraduate Master's and Doctoral Loans, will not be included when the LLE is introduced, but continue to be funded through existing separate arrangements.

³⁸ Currently listed in regulation 5 (1) (d) of [The Education \(Student Support\) Regulations 2011](#)

Below Masters level, designated courses which are eligible for the undergraduate HESF package include: full bachelor's degrees (level 6); foundation degrees (level 5); PGCEs; postgraduate pre-registration healthcare courses; HNDs; HNCs; higher education diplomas (level 5) and higher education certificates (level 4). When the LLE is introduced, we anticipate that these designated courses offered by registered providers which attract HESF loan funding will also be eligible for LLE funding. We are seeking views on this approach to LLE eligibility through this consultation.

For courses offered by registered providers in the approved (fee cap) category, students can apply for fee loans to meet the full costs of their tuition up to the maximum fee caps set by government. For example, fees charged to eligible 'home' students studying at a provider registered with the OfS in the Approved (fee cap) category, can charge home students up to but not beyond the maximum fee cap per year. The maximum fee cap for standard full-time level 4 to 6 courses at an Approved (fee cap) provider is currently set at £9,250 for an academic year. This is only available to providers with an approved access and participation plan (APP) and a Teaching Excellence and Student Outcomes Framework (TEF) award. Lower fee caps apply to providers without either of those. There is also an "approved" category of OfS registration, in which providers are not subject to tuition fee caps, but the fee loans available to pay those tuition fees are capped at the lower level applicable to providers without an access and participation plan.

Maintenance and living costs under HESF

Full-time level 4 to 6 HE courses and part-time level 6 HE courses qualify for loans for living costs while attending their courses. Level 7 pre-registration healthcare courses, Postgraduate Certificate in Education (PGCE) courses, Integrated Masters, and certain part-time level 5 pre-registration healthcare courses also attract maintenance loans depending on where students are attending their courses. Maintenance loans are partially means-tested and paid at 4 different rates, depending on where the student is living and studying for the majority of an academic quarter. For part-time students, loans for living costs are set in six pay bands determined by the intensity of study compared to a full-time course. The minimum intensity to qualify for maintenance support is 25%. All eligible students regardless of income qualify for a minimum non-means-tested maintenance loan with additional means-tested support depending on a student's household income. Maintenance loans are generally not available for students studying by distance learning (with the exception of some disabled students).

Restrictions under HESF

Currently, HESF support is generally not available for students who are taking 'Equivalent or Lower Qualifications' (ELQs), where they wish to study a qualification at a lower or equivalent level than one they have already completed, although there are some exceptions. This applies even if the student self-funded the original qualification, or received alternate funding. For example, a student with a level 6 degree would not be eligible for funding for a level 5 diploma, even if they met all the other criteria.

Some exceptions do exist for students taking a second undergraduate degree – in Medicine, Dentistry, Veterinary Science, Architecture, Social Work for full-time study – and pre-registration nursing, midwifery and healthcare or Initial Teacher Training, as well as specific STEM courses if studied part-time. Students on these courses may still be eligible to take out a maintenance loan (and a fee loan if studying pre-registration healthcare courses, some Initial Teacher Training courses full-time or part-time and specific STEM courses part-time).

Fees under ALLs

Students studying courses at levels 4 to 6 not designated for HESF may be eligible for ALLs support where they are undertaking qualifications which are approved by the DfE and designated for ALL.³⁹ These loans are also available for approved qualifications at level 3. The maximum loan amounts depend on the qualification type, size and subject, ranging from £300 to £11,356, with four exceptions where higher amounts are available for courses that are included in the Dance and Drama Awards scheme.

A qualification must be regulated by Ofqual (or the Quality Assurance Agency (QAA) if a L3 Access to HE Diploma) and meet ESFA funding approval criteria to be eligible for ALLs funding. The ESFA issues individual providers with a loans funding agreement, which controls how much ALLs funding that provider may receive on behalf of students. Individuals can take up to four of these loans, irrespective of previous achievement (although some restrictions apply, such as no more than one of the four loans to which a person is entitled can be used for Access to HE courses). Qualifications on the ALLs list vary greatly in length from a few weeks to three years.

Financial support under ALLs

ALLs are for fees only, however ALLs-funded students may also be able to access some financial support from a specific ALLs bursary fund, which can help meet costs directly associated with study such as travel and childcare (known across FE as learner support). Providers who are contracted for ALLs-funded delivery are given a bursary fund allocation by the ESFA to award to students at their discretion but following funding rules. Providers can claim support from the bursary fund for loan-funded students with learning difficulties and disabilities (known as learning support). There are currently around 500 qualifications available to study at levels 4 to 6⁴⁰ but much of this provision is not attracting high demand currently.⁴¹

³⁹ [Qualification Search - ESFA List of Qualifications approved for funding \(education.gov.uk\)](https://www.gov.uk/guidance/qualification-search-esfa-list-of-qualifications-approved-for-funding)

⁴⁰ [Overview - ESFA List of Qualifications approved for funding \(education.gov.uk\)](https://www.gov.uk/guidance/overview-esfa-list-of-qualifications-approved-for-funding)

⁴¹ [Further education and skills, Academic Year 2019/20 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://www.gov.uk/government/statistics/further-education-and-skills-academic-year-2019-20)

No ELQ restrictions apply to loans taken out under the ALLs system.

Full details of the different grants and loans available to learners across HE and FE are included at Annex A.

2.2 Provision: what courses should be in scope?

If there is a move to a single system of support for all study at levels 4 to 6, it would seem logical also to remove eligibility for public funding from qualifications and courses at this level which are not part of that system.

In order to make decisions on which qualifications should be eligible for LLE funding, there are two questions to consider. The first is what should happen with qualifications that are currently eligible for mainstream HESF? The second is what should happen with qualifications currently approved as eligible for ALLs support? Courses that receive HESF funding and courses which are funded by ALLs are currently subject to different quality assessment process, which is set out later under theme 3. To move to a single system of support under the LLE for all study at levels 4 to 6 we think that there should be clear criteria for deciding whether qualifications and courses that currently are eligible for support continue to be so under the LLE. We are seeking views through this consultation on what these quality criteria should be.

Providers delivering courses which are currently designated for HESF funding are subject to higher education quality regulation by the OfS, with the exception of some HNC/D courses, and some Initial Teacher Training (ITT) courses. We are seeking views on whether all currently 'designated' courses should be in scope for the LLE. Wider considerations around Quality Assessment are covered in Theme 3.

2.3 Higher Technical Qualifications (HTQs)

Following publication of its reform action plan in July 2020,⁴² the government has been reforming higher technical education to make it a more prestigious and popular choice that delivers the skills employers need. Central to these reforms is the introduction of newly approved HTQs. HTQs can be offered by further education colleges, universities, Institutes of Technology, and independent providers, with the first HTQs available for teaching from AY 2022/23.

⁴² [Reforming Higher Technical Education, Government Consultation response](#), Department for Education, July 2020.

Courses leading to HTQs may be currently designated as eligible for HESF, or non-designated courses, including those currently eligible for support from ALLs. They are approved through the Institute for Apprenticeships and Technical Education (the Institute), based on the framework of employer-led occupational standards already used for higher apprenticeships. These occupational standards, which are designed by groups of employers and approved by the Institute, describe the knowledge, skills and behaviours required to perform a given higher technical occupation.

The HTQ approval process provides one possible way of deciding which non-designated qualifications should be in scope, by identifying qualifications that deliver skills sought by employers. As indicated in the Skills for Jobs White Paper⁴³, we propose that those which meet the criteria of the HTQ process should be in scope for funding through the LLE. However, it is possible that there may be courses outside of this that are of substantial value for learners and employers. We therefore seek views on whether this is likely, and if so, what additional evaluation process and criteria to access funding would be appropriate to ensure value for learners and to maintain an affordable system.

Questions

Q8. Should all level 4 to 6 courses which are currently designated for HESF funding be treated as automatically in scope for the LLE? If not, why not, and what additional criteria for inclusion should be considered?

- Please explain (free text)

Q9. Specifically, do you think that the following courses, which currently attract HESF, should be incorporated into the LLE, under the same repayment terms as other provision (i.e. fee loans count towards an individual's four-year fee entitlement)?

- A foundation year integrated into a degree course
- PGCEs
- Integrated Masters (3 years undergraduate plus 1 year Masters)
- If not, please explain why? (free text)

Q10. What arrangements should be made under the LLE for courses which are over four years and are currently eligible for student finance – including medicine, dentistry and architecture?

- Please explain (free text)

⁴³ [Skills for jobs: lifelong learning for opportunity and growth](#), Department for Education, January 2021

Q11. We are proposing that all HTQs should be in scope of the LLE. Should approval as an HTQ be the sole route for qualifications that are ALL-funded to become eligible for the LLE? If not, why not, and what alternative route(s) would be appropriate? Please include detail on the process and eligibility criteria that would be used in any alternative route.

- Please explain (free text)

Q12. In particular, how could employer-relevance be tested as a basis for LLE eligibility?

- Please explain (free text)

2.4 Provision: how will modular funding operate?

In addition to providing tuition loans for learners on full courses, the LLE will also provide tuition fee loans for learners to study individual modules of courses. This will enable learners to engage in targeted study throughout their lives, including to top up previous learning; to retrain and upskill in key areas; and to complete qualifications in a flexible way, over longer periods than we currently support.

We expect that the LLE will fund modules that can demonstrably contribute and help a learner build towards attaining a full qualification or enable retraining to meet employers needs and those of the wider economy. We want to work with providers to ensure as many as possible are able to offer some modular study options – however we do not expect all courses to be modularised. We wish to seek views on whether all courses are suitable for modular study, or whether there are certain types of courses – medicine, for example – which should only be funded when offered as a full course.

Funding modules is a move away from the current position where we only fund either full qualifications (ALLs) or full academic years (HESF). We need to be able to set out a way of measuring the size of modules relative to other periods of study, in order to determine the value of each module's tuition loan. The Government's preferred option is to use credits to determine funding amounts.

The use of credits was suggested by the Post-18 review of education and funding independent panel⁴⁴ (the Augar Review) as credits are currently used in both the HE and FE sectors, and internationally. Credits measure the total amount of time a typical learner might take to study a course, including independent study time. There are also credit levels, which measure the depth or complexity of learning. For example, a three-year honours degree in England should be a minimum of 360 credits, with 90 of those credits completed at level 6. Both Ofqual and the OfS set out expectations for the use of credit via their regulatory conditions.

Whilst the use of credit is not mandatory in England, any providers who are registered with the OfS are required to ensure that their courses are aligned with the credit table contained in the OfS' Sector Recognised Standards document and which is drawn from the credit table in the document 'Framework for Higher Education Qualifications'. The OfS's credit table contains a list of course types, along with the minimum number of credits associated with each course. The expectation to align with the credit table is enforced via the OfS Conditions of Registration, which, in the context of the assessment of quality and standards, require that providers comply with sector recognised standards. Similarly Ofqual – which regulates some qualifications at levels 4 to 6 does not require that qualifications be credit-based, but it does set out requirements governing how credits should be assigned when an awarding organisation chooses to use them. These expectations are set out in condition E8 of the Ofqual Handbook: General Conditions of Recognition, which states that "Where an awarding organisation assigns a value for credit to a qualification, that value must be equal to one tenth of the Total Qualification Time assigned to that qualification." Condition E7 of the same document sets out in detail how Total Qualification Time should be determined. We wish to seek views on the way providers are currently using credit frameworks and following credit rules – including the OfS's credit table and the Ofqual Handbook – and on any internal processes that providers use to ensure the frameworks are followed.

In order to ensure that the cost of a module is proportionate to the cost of studying a full academic course, we intend to set fee limits to modules in legislation. These fee limits will apply to providers in the OfS Approved (fee cap) registration category. The intention is that the limit to module fees should be set in a proportionate fashion relative to the fee limits on full courses, and furthermore that rules will be set in place to ensure that - for courses with modular study options - the credits in full courses are aligned with a nationally recognised credit framework.

⁴⁴ [Post-18 review of education and funding: independent panel report](#), Department for Education, May 2019.

While we expect that credit-bearing provision will be common at levels 4 to 6 there may be risks associated with introducing credit-based fee loans and fee limits for all courses. For example, there may be some courses where a credit-bearing approach may not be suitable. We are seeking views on this.

Decisions will also have to be made about the minimum size of modules for which loans will be made. We are proposing to set a minimum funding amount per application equivalent to 30 credits, using current standard higher education England credits, in which a single year of a full-time undergraduate course is 120 credits. This was the minimum size recommended by the Augar Review⁴⁵. This is not a minimum module size for teaching and credit accumulation purposes – modules of a smaller size could be funded, provided learners ‘bundled’ them together in a single application to meet the minimum funding amount. For example, a learner could apply to study three 10 credit or two 15 credit modules meet the minimum.

Questions

Q13. We are aware that some courses (e.g. medical degree courses, some ALL-funded courses) are not currently structured around individual credit-bearing modules. Should such courses be excluded from any form of modular funding, and if so on what grounds and criteria?

- Please explain (free text)

Q14. We are seeking views on whether to set a minimum amount per funding application equivalent to 30 credits. This is not a minimum module size, as smaller modules could be “bundled” together to meet the minimum application amount. What are your views on this proposal?

- Please explain (free text)

Q15. Which (if any) courses should be funded per-academic year (i.e. using the same basis as the current-HESF-system), and which courses should be funded according to the number of credits in the course?

- Please explain (free text)

Q16. Do you/does your provider currently use a credit framework or follow credit rules, and if so which framework or rules do you/they use? (e.g. OfS credit table, Ofqual credit conditions).

- Please explain (free text)

⁴⁵ [Post-18 review of education and funding: independent panel report](#), Department for Education, May 2019.

Q17. In brief, what internal processes do you/they have to ensure compliance with the framework or rules?

- Please explain (free text)

Q18. What impact could modular study have on study mobility across the UK?

- Please explain (free text)

Q19. How can the LLE promote and encourage flexible study across England, Scotland, Wales, and Northern Ireland?

- Please explain (free text)

2.5 Lifetime entitlement

Under the current HESF system, learners can access tuition fee loans for the duration of their course plus one year, minus any previous periods of study. The maximum amount a student can access is based on full academic years. For example, an individual with no previous funded study who applied to study a three-year degree would be entitled to a tuition fee loan for four years (3 year course +1 year extra). An individual with one year of previous funded study who applied to study a three-year degree would be entitled to three years tuition fee loan (3 year course + 1 year extra – 1 year prior study).

Under the LLE individuals will instead have access to a predefined loan entitlement, to the equivalent of four years, which they can use throughout their lifetime. They will be able to use this loan entitlement to fund full courses and individual modules from a course. Our expectation is that the entitlement will be a set value that is the same for all individuals. As above, individuals who undertake certain types of qualifications may be granted an additional entitlement.

Questions

Q20. What should be the most important considerations when determining how the lifetime entitlement will work?

- Please explain (free text)

2.6 Further eligibility criteria: should there be limitations on borrowing other than those which define provision?

In defining what provision is eligible for fee support through the LLE, we intend to ensure that provision is high quality, and that it combines flexibility with arrangements – notably credit accumulation and transfer – which make it easier for people to learn throughout life and also build up formal qualifications over time. However, the government is considering what further restrictions, if any, are needed on individuals' access to and use of their loan entitlement, in order to ensure that individuals are always using their loan entitlement as intended. These restrictions should also help to protect the financial sustainability of the system and provide some further safeguards of quality. We are consulting on these in the [HE reform consultation](#).

At present, access to mainstream HESF support for tuition fees can be obtained by eligible students for 'designated' courses anywhere in the UK. There are some restrictions on maintenance support, for example full-time and part-time students aged 60 or over on the first day of the first academic year of their course do not qualify for a partially means-tested student loan to cover maintenance.⁴⁶

There is no access to modular funding: rather, borrowers must enrol on a full course and also must be studying with at least 25% intensity within a given academic year. In addition, no support is available for students at levels 4 to 6 who are taking 'Equivalent or Lower Qualifications' (ELQs): i.e. a qualification, in any subject, which is at the same level as one they have studied for before, even if they were self-funding. There are a number of exemptions. The Augar Review⁴⁷ summarised the current situation as follows:

Funding for tuition fees or maintenance loans is not provided for students taking equivalent or lower qualifications in HE at Levels 4, 5 and 6, except for a number of exemption subjects, where some learners may continue to be eligible for maintenance support only. These exemptions, introduced over a number of years, include subjects related to medical and health care, architecture, social work, veterinary surgery, and teacher training. There are also further exemptions for certain qualifications related to teaching and health care, where students are still eligible for both tuition fee and maintenance loans. There are further exemptions when studying part-time.

ALLs are only available for study at providers based in England. To be eligible for an ALL, learners must be aged 19 or over on the first day of their course. No ELQ restrictions apply to loans taken out under the ALLs system.

⁴⁶ Full-time students aged 60 or over on the first day of the first academic year of their course qualify for a reduced rate fully means-tested loan for living costs.

⁴⁷ [Post-18 review of education and funding: independent panel report](#), Department for Education, May 2019.

The LLE will support people to undertake flexible learning over a lifetime, including modular study. The main guarantee of quality will be through a clear quality criteria that courses/modules must meet in order to be eligible for the LLE. As set out in Section 3.4, we are seeking views on restrictions which limit the amount that can be used for modules that do not build up and provide a full qualification.

As set out above, current HESF and ALL systems have some age-related restrictions in place. We expect that some age-related restrictions on borrowing will be necessary, in order to ensure financial sustainability of the Exchequer. We are seeking views through this consultation on what, if any, age-related restrictions should be considered for the LLE.

We also expect to require some specific limits on how and when people borrow. These limits should allow people to upskill and retrain over the course of their lifetime, whilst also maintaining the value for money, affordability and quality of the system as a whole. Our focus is on encouraging and supporting flexible retraining in skills and sectors that are of value to the economy and the individual, so we may choose to preclude certain choices. For example, since a major reason for introducing the LLE is to facilitate and incentivise retraining, should graduates who have just finished a full level 6 degree be able immediately to borrow for an additional full year of level 6 study? Or should there be a time lapse before they can borrow again? We would welcome views on whether and why there are ways in which access to funds should be restricted.

Questions

Q21. What, if any, age-related restrictions should be in place for the LLE that would impact on an individual's ability to access their loan entitlement?

- Please explain (free text)

Q22. We propose that we only fund individuals taking modules that are derived from a full course. Do you think that there should be restrictions in place so that borrowers should not be able to use their whole entitlement on a succession of individual modules which are not on track to a full qualification? We would welcome views on what these restrictions could be.

- Please explain (free text)

Q23. In a system where modularised study is widespread, how can we ensure that learners and employers understand what programmes of study deliver the skills that employers need?

- Please explain (free text)

Q24. When considering restrictions by level and subject, how could the government ensure that the LLE is used for high-value learning that meets the needs of employers and the economy?

- Please explain (free text)

Q25. Are there other restrictions we should consider on the use individuals can make of their entitlement?

- Please explain (free text)

2.7 Maintenance

The LLE will provide all eligible adults and young people with the right to loan support worth the equivalent of four years of post-18 education. However, a large part of current borrowing under the current student finance system is for maintenance (living costs).⁴⁸ Meanwhile, as set out in Section 2.1, ALLs are for fee costs only, although bursary fund support may be offered by the providers at which they are studying, and providers can claim further support from the bursary fund, including loan-funded students with special educational needs and disability (SEND), or dependents. Full details of the grants and loans available to learners across HE and FE are included at Annex A.

We intend and expect that, once the LLE is implemented, there will be a rebalance towards lifelong learning with greater flexibility that allows for more part-time study rather than, as has happened in recent decades, to an ever-greater concentration of young students. This means rethinking maintenance support (whose current design is focused on young students and the incomes of their families).

We are seeking a wide range of evidence on how the current system of support for living costs does or does not support learners of all ages, and ideas on how any system might best support lifelong learning without significant increases in the net cost to the taxpayer. We would welcome submissions which give details of how current arrangements (for both the HESF and ALLs) affect learners' choices and outcomes.

Questions

Q26. Do you think a future system should include a facility for provider-based bursaries, which providers allocate directly to students?

- Please explain (free text)

⁴⁸ According to [The Higher Education Framework for England: Advice on Academic Credit Arrangements](#), Quality Assurance Agency, 2021.

Q27. Should maintenance support, like fees, be proportional, so that e.g. modules which amount to one-quarter of a full-time year of study carry an entitlement to one-quarter of the maintenance support that the latter does?

- Please explain (free text)

Q28. Are there courses or circumstances for which maintenance should not be offered (e.g. where students are studying below a certain level of intensity)?

- Please explain (free text)

Q29. Currently means-tested elements of the maintenance system relate to family income. Should this be reconceptualised for a system with more adult participation, and if so, how?

- Please explain (free text)

Q.30. To what extent do you think maintenance support would be a consideration for learner access to, and progression through, LLE funded courses?

- Please explain (free text)

Q31. Do you think a maintenance offer should differ by course type, mode of study (e.g. part-time), or learner circumstances such as age, income, or caring responsibilities?

- Please explain (free text)

Theme 3: Supporting quality provision and flexible learning

We want to help make it easy for learners to study high quality modules flexibly at levels 4 to 6 and to support providers to deliver modular learning, alongside studying high quality full degrees and courses at levels 4 and 5. This chapter sets out how the current system works with regards to quality assessment and regulation. It also sets out the current approach to credit recognition and transfer, which is a key way of measuring learner time in a consistent way and can help more flexible, incremental study within and between providers. The chapter explores how these are central to us meeting our objectives for the LLE and invites views.

3.1 Quality Assessment and Regulation

A robust regulatory system is necessary to ensure good value for students, and the taxpayer. However, it is also important to have a regulatory environment that encourages innovation, and does not stifle providers by being too burdensome.

Providers are currently regulated in different ways, depending on if they offer further education (level 3 or below), higher education (level 4 and above), or a mix of the two.

English higher education providers must register with the OfS or be providing HE on behalf of a registered provider (or a funded provider in the DAs) in order for their students to be able to gain access to the student finance support system. Once a provider is registered with the OfS, all of its higher education courses, whether or not they are ‘designated’ for HESF, are within the scope of the OfS’s regulation. Currently, 419 English higher education providers are registered with the OfS.⁴⁹ To register as a higher education provider in England with the OfS, providers must meet certain requirements – these are known as conditions of registration. The conditions of registration are set out in the OfS regulatory framework.⁵⁰

⁴⁹ According to [The OfS Register - Office for Students](#), December 2021

⁵⁰ [The regulatory framework for higher education in England - Office for Students](#)

When a provider first registers with the OfS, it is assessed to determine whether it meets the quality and standards conditions of registration. This process includes a review by the OfS's designated quality body, the Quality Assurance Agency (QAA). Once a provider is registered, the OfS monitors whether it is at risk of breaching the conditions of registration using a range of data and risk indicators. If the OfS has concerns that a condition of registration has been or is at risk of being breached, it carries out further investigation or requires the QAA to undertake a quality and standards review. The OfS considers appropriate context and makes rounded judgements to decide whether or not to register a provider, or where it is an existing provider, what regulatory action it takes.

The OfS is also consulting throughout 2021 and into 2022 on its approach to regulating quality and standards, which includes how its approach will continue to apply to modular and flexible provision.⁵¹ The outcome of that consultation will help inform any changes required to the OfS's regulatory framework to support delivery of the LLE.

A provider that is not registered with the OfS can deliver higher education and recruit students but it will not be able to access certain benefits related to being a registered higher education provider, unless it is providing HE on behalf of a registered provider. For example, an unregistered higher education provider will not be able to access public grant funding (from the OfS or from UK Research and Innovation through Research England) or the student finance support system, apply to the Home Office to recruit international students, or apply for degree awarding powers or university title.

In FE settings, as in schools, qualifications are offered which are regulated separately from providers. Qualifications need to be regulated by Ofqual⁵² as a condition for being approved for public funding, and also meet additional ESFA rules for approval. They also need to be delivered by education and training providers with funding agreements from the ESFA.

Ofqual regulation is at the level of the awarding organisation and these qualifications are not subject to any additional accreditation requirement. To offer qualifications on Ofqual's register of regulated qualifications (RQF) awarding organisations need to meet and comply with Ofqual conditions.

Providers who deliver ALLs funded qualifications have a specific funding agreement (loans facility) with the ESFA and are subject to audit and monitoring by the ESFA.⁵³ The delivery of provision is subject to inspection by OfSTED.

⁵¹ [Changes to our approach - Office for Students](#)

⁵² Or QAA for Access to HE courses

⁵³ Approval process for ALLs - [Other approval principles: Advanced learner loans - Qualification funding approval: funding year 2021 to 2022 - Guidance - GOV.UK \(www.gov.uk\)](#)

3.2 Regulating quality flexible and modular provision

The loan entitlement will help fund individuals taking modules at higher technical and degree levels (levels 4 to 6) regardless of whether they are provided in independent training providers, FE colleges or universities. This will make it easier for adults and young people to study more flexibly - allowing them to space out their studies, transfer credits between providers, and partake in more part-time study.

However, we want to ensure that the modules and courses available for student loan funding offer learners real value in the labour market, and are of a sufficient quality. We therefore need to consider the regulatory approach for the LLE more widely.

High level principles

Whilst considering our approach to quality and regulation under the LLE, we have kept the following principles in mind:

- A need for a consistent minimum level of quality for students
- Robust protection for the taxpayers' interest in student loan funding
- A simplified HE and FE regulatory system where possible, minimising burden on providers

Questions

Q32. How can we support flexibility whilst maintaining high quality provision through the introduction of the LLE?

- Please explain (free text)

Q33. How should the approach to quality change to support the introduction of the LLE?

- Please explain (free text)

Q34. What, if any, regulatory changes might be needed to support a modular system?

- Please explain (free text)

Q35. Are there opportunities to simplify the regulatory regimes that will operate under the LLE?

- Please explain (free text)

Q36. How should government look to facilitate new and innovative provision while supporting high quality provision?

- Please explain (free text)

3.3 Level 4 and 5 technical education quality assurance

Background to level 4 and 5 technical education quality assurance

As well as considering the approach to regulation and quality assurance arrangements for the LLE more widely, we want to ensure that level 4 and 5 technical education provision is high quality. We know that the take up of level 4 and 5 qualifications is low and the higher technical education landscape is confusing. Regulation and quality assessment in the level 4 and 5 space is complex, with the OfS, ESFA, Ofsted, the Institute and Ofqual all having roles. Students, employers and the economy need high quality higher technical education. We have set out how we will achieve this, including through the Institute's HTQ approvals process which ensures the quality of qualifications. However, alongside quality assurance of the qualifications themselves, we also need a quality assurance approach which ensures and clearly signals quality of provision. In particular, we need an approach which assesses the occupational focus and work relevance of teaching and learning for higher technical provision in a way which can speedily identify and address concerns.

Proposal and rationale for level 4 and 5 technical education quality assessment

In the Skills for Jobs White Paper, we committed to working with OfS and Ofsted to develop long-term quality assessment arrangements for HTQs.⁵⁴ As we move towards the LLE, we will work with the relevant bodies and consider options for providing greater quality assessment of technical education at levels 4 and 5 which align with the decisions around broader LLE regulation. We also want to minimise burden on providers and ensure that it is as easy for all types of providers to deliver higher technical education as it is to deliver other LLE provision.

Before these arrangements are finalised, the existing OfS registration and regulation of quality will apply to providers delivering HTQs from 2022.

Questions

Q37. We welcome views on how quality assessment and regulation could best work for level 4 and 5 technical education within the wider LLE context.

- Please explain (free text)

⁵⁴ [Skills for jobs: lifelong learning for opportunity and growth](#), Department for Education, January 2021

3.4 Credit Recognition and Transfer

Background

As a key aim of the LLE is to enable learners to retrain and upskill later in life, we want to make it easier for learners to study around their job, family and other personal commitments, building up their learning and gaining meaningful qualifications over time.

We therefore want to ensure that high-quality provision under the LLE is normally credit-bearing thereby enabling learners to accumulate and transfer credit where appropriate between providers. Within HTQs, it will also be important that both small units of learning accumulated over time by students have value that is recognised by employers, and that learners who gain an HTQ in this way acquire the full range of employer-defined knowledge, skills and behaviours for entry into the relevant occupations.

Defining credit transfer

As set out earlier in this consultation, credits measure the total amount of time a typical learner might take to study a qualification, including independent study time. In England, the basic principle is that one credit is equivalent to 10 notional hours of learning⁵⁵ (which includes time spent preparing for taught sessions, independent reading and study, completion of course work as well as time in formal taught sessions).

Credit transfer is often described alongside credit accumulation. This is the process of gaining credits over time from either a course or courses of study, or recognised workplace or experiential learning. Each HE awarding body determines what credit it will accept for purposes of accumulation or transfer in relation to its individual courses.

Most HE courses are now made up of modules to which credit is or can be assigned, and these modules are then accumulated towards the full course. Students progress through their programme by accumulating credit but can sometimes also transfer part or all of their credit to another programme or another providers. The process and requirements for doing this varies by provider, so there is not a consistent pathway for doing this.

Within further education, there is the facility for qualifications and modules within them to lead to the award of credit. A number of Ofqual regulated qualifications carry credit, as does the QAA's Access to HE Diploma and the facility exists for students to accumulate credit towards a qualification.

⁵⁵ [QAA Higher Education Credit Framework for England](#)

Encouraging credit transfer

Being able to accumulate credit over time is key to ensuring learners have the flexibility to study at a pace that is right for them, balancing work, family and other personal commitments around their studies.

Despite multiple previous attempts to make credit transfer easier for students⁵⁶, credit transfer is still not widely used in England and there is little evidence of institutional practice.⁵⁷ There are several credit frameworks in place across the UK, but the system of credit transfer is opaque and confusing and learners have to largely navigate it alone.

These are key barriers for flexible lifelong learning. We want to understand how we can reduce these in order to stimulate credit transfer between providers and courses, without the need for legislation or a top-down framework.

We know there are examples of good practice across the country, where local agreements exist between organisations. We are particularly interested in hearing how these work, and how government might help facilitate more of these agreements.

Questions

Q38. What are the barriers to encouraging greater credit recognition and transfer between providers?

- Please explain (free text)

Q39. How can the introduction of the LLE support credit recognition and transfer between providers? (Including those across the Devolved Administrations).

- Please explain (free text)

Q40A. How far does successful credit transfer depend on mutually recognised credit frameworks?

- Please explain (free text)

Q40B. Is a single credit framework a precondition for easy credit transfer?

- Yes/No
- Please explain (free text)

⁵⁶ [Credit Transfer in Higher Education \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

⁵⁷ As highlighted in the OfS report [Student transfers: Experimental statistics on students changing course from 2012-13 to 2017-18](#)

Q41. If relevant, please provide details of any bespoke arrangements you have with other providers that support credit recognition and transfer.

- Please explain (free text)

Q42. Which features of credit accumulation, such as size (that is a minimum number), or subject, should apply to a credit recognition and transfer policy?

- Please explain (free text)

Q43. Should there be a time-limit on how long modules stay current? Should this vary by subject? Please explain your answer.

- Please explain (free text)

Q44. How can prior workplace or experiential learning be more consistently recognised for credit?

- Please explain (free text)

Q45. How might government work with professional standards bodies to facilitate recognition of prior workplace or experiential learning?

- Please explain (free text)

Q46. Are there courses/subjects which would particularly benefit from accreditation of prior workplace learning?

- Please explain (free text)

Q47. What data should be collected to facilitate credit recognition and transfer?

- Please explain (free text)

Q48. How can the process be more transparent?

- Please explain (free text)

Implementation and next steps

The proposals and areas covered in this consultation are wide-ranging and reflect the first steps in the design of a new student finance system which promotes lifelong learning, and we would like to get input across a broad range of issues.

Following the consultation, we will develop more detailed proposals on how the LLE will be implemented from 2025. These will also build on the learning from our pathway to implementation approach⁵⁸. The government intends to continue to engage stakeholders closely on LLE implementation and the technical aspects of policy for the introduction of the LLE from 2025.

Questions

Q49. Would you like us to keep your comments confidential?

- Yes/No

⁵⁸ The HE Short Courses Trial, Higher Technical Qualifications, and Institutes of Technology pilots

Annex A

Further details of the different grants and loans available to learners across HE and FE.

HE student finance for Designated HE Courses

Student finance product	Description
<p>Full-time Learners (fee loans)</p>	<p>Up-front fee loans are paid to meet the full costs of tuition for students undertaking designated undergraduate HE courses at Approved (Fee Cap) Providers. Fee loans towards the costs of tuition are also available for students undertaking designated undergraduate HE courses at Approved Providers.</p>
<p>Full-time Learners (loans for living costs)</p>	<p>Students attending designated HE courses also qualify for loans for living costs for each year of their course.</p> <p>They are subject to partial means-testing and paid at four different rates, depending on where the student is living and studying for the majority of each academic quarter.</p> <p>Lower final year rates of loan for living costs are paid for standard full-time courses (excluding accelerated degree courses for which the full year rates of loan apply).</p> <p>Loans for living costs are not generally available for distance learning courses (with the exception of disabled distance learners who are unable to attend a course in person due to a disability).</p> <p>Students attending courses in medicine and dentistry who qualify for NHS bursaries and students undertaking work placements in the private sector qualify for reduced rate non-means-tested loans for living costs.</p>

Student finance product	Description
<p>Part-time Learners (fee loans)</p>	<p>Up-front fee loans are paid to meet the full costs of tuition for students undertaking designated part-time undergraduate HE courses at Approved (Fee Cap) Providers. Fee loans towards the costs of tuition are also available for students undertaking part-time designated undergraduate HE courses at Approved Providers.</p> <p>Part-time students must be studying at an intensity of at least 25% of a full-time equivalent course in each year of the course and over the whole duration of the course to qualify for fee loans. Part-time students can qualify for a maximum 16 years of fee loan support, subject to intensity of study rules.</p>
<p>Part-time Learners (loans for living costs)</p>	<p>Part-time students attending honours degree and equivalent (level 6) courses qualify for loans for living costs.</p> <p>Part-time loans for living costs are set in six pay bands determined by the intensity of study compared to a full-time course. They are partially means-tested and paid at four different rates depending on where the student is living and studying for the majority of each academic quarter.</p> <p>A part-time student must be studying at an intensity of at least 25% of a full-time equivalent course in each year of the course and over the whole duration of the course to qualify for loans for living costs. Part-time students can qualify for a maximum 16 years of loan for living costs support, subject to intensity of study rules.</p> <p>Previously, part-time learners (including those with a disability) have not been eligible for loans for living costs support for most level 4 and 5 courses.</p>

Student finance product	Description
	<p>There have been a small number of level 5 courses that attract loans for living costs such as pre-registration foundation degree/DipHE courses in operating department practice, dental hygiene and dental therapy.</p> <p>We are now allowing learners studying HTQs part-time to access maintenance loans, as they can with degrees.</p>
Distance Learners	<p>Students undertaking full-time and part-time distance learning courses qualify for the same fee loan support package as students whose courses require regular attendance at their University.</p> <p>Full-time and part-time loans for living costs are not available to students on distance learning courses, except in cases where a full-time student or a part-time student on a level 6 course is unable to attend the course in person for reasons relating to their disability.</p>
Learners claiming benefits	<p>Students attending designated full-time HE courses who are eligible for benefits qualify for higher rates of partially means-tested loans for living costs than the majority of students who are not eligible for benefits. The rate of loan is based on where students are living and studying for the majority of each academic quarter. Part of the loan for living costs for full-time students eligible for benefits, the special support element, is disregarded by DWP as student income for maintenance when calculating a student's benefits.</p>
Learners over 60 years old	<p>Students aged 60 or over on the first day of the first academic year of their designated full-time HE course qualify for a lower rate, fully means-tested loan for living costs, paid at a single rate. This loan is not available for part-time courses.</p>

Grants and other Loans

Student finance product	Description
<p>Fully means-tested long courses loans</p>	<p>Students attending designated full-time HE courses that require a longer period of attendance during the academic year may qualify for additional living costs support in the form of long courses loans.</p> <p>These are paid for each week or part-week of a full-time course where attendance during the academic year exceeds 30 weeks and 3 days.</p> <p>Students attending for 45 weeks or more during the academic year qualify for the same long courses loan support as students attending for 52 weeks in the academic year.</p> <p>They are subject to full means-testing and paid at four different rates, depending on where the student is living and studying for the majority of each academic quarter.</p> <p>Students undertaking distance learning courses do not qualify for long courses loans (apart from students undertaking a distance learning course who are unable to attend a course in person due to a disability).</p>
<p>Dependants' Grants</p>	<p>Fully means-tested:</p> <p>Childcare Grant</p> <p>Parents' Learning Allowance,</p> <p>Adult Dependants' Grant</p> <p>Available for full-time students responsible for adult or child dependants</p> <p>Not available for distance learning (apart from disabled distance learners).</p>

Student finance product	Description
Travel Grant	<p>Fully means-tested Travel Grant which is subject to a £303 disregard for full-time students attending overseas providers or a clinical placement for a course in medicine or dentistry in the UK.</p> <p>Not available for distance learning (apart from disabled distance learners).</p>
Disabled Students' Allowance	<p>Non-means-tested Disabled Students' Allowance is available for full-time and part-time students with disabilities.</p> <p>Also available for distance learning courses.</p>

Annex B - Abbreviations

ALL – Advanced Learner Loans

DfE – Department for Education

EQL - equivalent or lower qualifications

ESFA – Education and Skills Funding Agency

FE – further education

GHL - guided learning hours

HE – higher education

HESF – Higher Education Student Finance

HNC – Higher National Certificate

HND – Higher National Diploma

HTQ – Higher Technical Qualifications

IoT - Institutes of Technology

LLE - Lifelong Loan Entitlement

OfS - Office for Students

OfSTED - Office for Standards in Education, Children's Services and Skills

PGCE - Postgraduate Certificate in Education

PQA - post-qualification admissions

QAA – Quality Assurance Agency

RQF - register of regulated qualifications

SEND – special educational needs and disability

SLC - Student Loans Company

STEM - Science, Technology, Engineering, and Mathematics

TQT – total qualification time

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