



Department
for Business
Innovation & Skills

HIGHER EDUCATION

Student Finance - The Education
(Student Support) (Amendment)
Regulations 2014: Equality Analysis

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Introduction

Under the Equality Act 2010, the Department, as a public authority, is legally obliged to give due regard to equality issues when making policy decisions - the public sector equality duty, also called the general equality duty. Analysing the effects on equality of these regulations through developing an equality impact assessment is one method of ensuring that thinking about equality issues is built into the policy process, and informs Ministers' decision making.

BIS, as a public sector authority, must in the exercise of its functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

The general equality duty covers the following protected characteristics: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

As disadvantage in higher education is still apparent in connection to family income and economic status we will also look at the impact on individuals from lower income groups. We will use the terms protected and disadvantaged groups as well as protected characteristics. Protected groups are a reference to people with protected characteristics, and disadvantaged groups refer to low income groups.

Any queries and comments about this Equality Assessment should be addressed to: Linda Brennan, Department for Business, Innovation and Skills, 1 Victoria Street, London W1H 0ET, linda.brennan@bis.gsi.gov.uk .

1. Policy changes covered in this Equality Analysis

1. Fee Caps and Tuition Fee Loans
2. Grants and Loans
3. No longer pay for specialist accommodation through Disabled Students Allowances other than in exceptional circumstances. This is the subject of a separate Equality Assessment.
4. Change to allow the Secretary of State discretion to allow payments of support to students where they are not eligible for support.
5. Introducing a Validation condition into the Designated Courses Regulations.
6. Changing Equivalent and Lower Qualification rules for part-time fee loans for students who already hold a Higher Education qualification and who wish to undertake another qualification in Engineering Technology or Computer Science.
7. The following changes are subject to a separate Equality Impact Assessment: <ul style="list-style-type: none"> (i) The definition of disabled for Disabled Students Allowances purposes (ii) A requirement for organisations undertaking study needs assessments to register with an approved organisation in order to draw down Disabled Students Allowances funding (iii) Changes to the types of support funded through Disabled Students Allowances

2. Background

The primary purpose of The Education (Student Support) (Amendment) Regulations 2014 is to update the Education (Student Support) Regulations 2011 so that they set out the student support programme for students who are starting or continuing a designated higher education (HE) course in respect of an academic year beginning on or after 1 September 2015. Other minor amendments made by these regulations are technical and consequential changes and are therefore not included in the scope of this assessment.

The overall intention of support for living and tuition costs is to ensure that finance is not a barrier to entry into higher education. The intention is that no eligible student in England should be deterred from attending higher education on the grounds of affordability; that attendance in higher education is based on the ability to learn, not the ability to pay; and that spending power is placed in the hands of students.

3. The Evidence Base

For this equality analysis the primary sources of data are:

- Higher Education Statistics Agency (HESA) student record data for all UK domiciled students at UK institutions;
- Student Loans Company (SLC) data on the characteristics of English domiciled student support recipients;
- Wider research undertaken by stakeholders.

These data sources allow us to examine the impact of the policy changes on groups with the following protected characteristics: age, ethnicity, disability and gender. We do not have specific data relating to gender reassignment, pregnancy and maternity, sexual orientation and religion or belief, as it has not been collected on these groups to date.

Comparisons between the Higher Education Statistics Agency and SLC data are limited due to the fact that a small proportion of borrowers who study in Further Education Colleges or private providers will not be included in the Higher Education Statistics Agency data, and we cannot fully assess the make-up of this student body by protected characteristic.

Higher Education Statistics Agency student record data (shown in Annex 1) points overall to diminishing inequalities in Higher Education and higher representation from some previously under-represented groups. Evidence about participation in higher education does seem to indicate that there is good representation from protected and disadvantaged groups such as women and minority ethnic communities; the proportion of students declaring a disability has increased; and the proportion of young people living in the most disadvantaged areas who enter higher education has increased. These groups have traditionally been under-represented in Higher Education.

To understand whether the policy changes will disproportionately affect particular protected groups we take the following two step approach:

1. Understanding whether some groups will be disproportionately affected;
 - Compare the protected characteristics profile of student support claimants to the wider Higher Education population to examine whether some groups are under, over or proportionately represented in the population of student support claimants. This allows us to check whether changes to the student support offer will fall disproportionately on a particular group.

- For specific changes to individual elements of the student support package we compare the protected characteristics profile of claimants of the different types of student support awards: maintenance grants, loans for living costs, Disabled Students Allowances, Childcare Grant, Adult Dependents Grant and Parent’s Learning Allowance, to that of the overall student support population. Again this allows us to examine whether the impacts of changing individual elements of the student support package will fall disproportionately to a particular protected group within the student support population¹.
2. Nature and magnitude of the impact on individuals within a protected group;
- At the individual level seek to understand whether the impact on a student support claimant will be positive, negative or broadly neutral. Examine whether or not the nature and magnitude of the impact is similar across all protected groups.

To assess the equality implications of the changes to the student support package SLC data is used to understand the overall characteristics profile of student support claimants and for subgroups receiving specific awards². The full profile of English domiciled student support claimants in terms of age, ethnicity, disability and gender available from the SLC is given in Table 1, with the English-domiciled, undergraduate student profile from Higher Education Statistics Agency included for comparison:

¹ The profile of recipients for a particular student support award could alternatively be compared to the wider student population at UK Higher Education Institutions, as defined by the Higher Education Statistics Agency student record data. However the analysis seeks to understand whether decisions to change a specific element within the overall student support package affects some sub groups of student support population more than others. With SLC data covering more than one million students it is in itself a reasonable approximation to the full time English domiciled student population. In addition ‘within data set’ comparisons provides a more statistically robust approach to revealing whether there are differential impacts across the protected characteristics groups.

² The analysis is based on the profile of student support claimants rather than recipients. Claimants are those students whose applications have been approved for payment. Therefore all data is based on awards and not actual payments. This is particularly relevant to Disabled Students Allowances where the number of students paid may be significantly less than the number whose applications were approved.

4. Changes to the student support package for new and continuing students

Maintaining Fee Caps and Tuition Fee Loans

Maximum fees and fee loans for full and part-time courses will be maintained at 2014/15 levels in 2015/16. This will mean that for courses starting on or after 1 September 2012, maximum full and part-time fees and fee loans will remain at £9,000 and £6,750 respectively in 2015/16. For full time courses starting before 1 September 2012, maximum full-time fees and fee loans will remain at £3,465 in 2015/16.

Changes to Grants and Loans

The student support package – the amount of support a student can receive from the Government towards tuition and living costs - is determined annually. For 2015/16 some elements of the support package will be maintained at 2014/15 levels and others will be increased by the rate of forecasted inflation for 2015/16 of 3.34%. The inflation measure used is RPI-X (Retail Price Index excluding mortgage interest payments). This measure excludes mortgage interest payments which most students will not be making. The figure used is based on Office for Budgetary Responsibility (OBR) forecasts for RPI-X for the 2015 and 2016 calendar years which are used as a basis for a forecasted figure for the 2015/16 academic year. It is based on forecasts for inflation, not current inflation figures.

The package of support for 2015/16 is as follows:

- The maximum maintenance grant and special support grant for full-time students entering higher education from 1 September 2012 onwards will be maintained at the same level as for 2014/15. Students will receive £3,387 for 2015/16 if their household income is £25,000 or less. The maximum maintenance grant and special support grant for full-time students who started their courses before 1 September 2012 will similarly be maintained at 2014/15 levels. In 2015/16, they will receive £3,110 if their household income is £25,000 or less.
- The maximum loan for living costs for full-time students entering higher education from 1 September 2012 onwards will be increased by 3.34% and eligible students living away from home and studying outside London will be entitled to £5,740 for 2015/16. Maximum loans for students living away from home and studying in London will be £8,009, for students living at home, £4,565 and for students undertaking a year of overseas study, £6,820.

- The maximum loan for living costs for full-time students entering higher education before 1 September 2012 will be increased by 3.34% and eligible students living away from home and studying outside London will be entitled to £5,167 for 2015/16. Maximum loans for students living away from home and studying in London will be £7,230, for students living at home, £4,005 and for students undertaking a year of overseas study, £6,151.
- The maximum childcare grant (CCG) for full-time students will be increased by 3.34% and students will be entitled to 85% of the actual costs up to a maximum of £155.24 a week for one child and up to £266.15 per week for two or more children.
- The maximum parents' learning allowance (PLA) for full-time students will be increased by 3.34% for 2015/16 to £1,573.
- The maximum adult dependants grant (ADG) for full-time students will be increased by 3.34% for 2015/16 to £2,757.
- Maximum disabled students' allowances (Disabled Students Allowances) for full-time and full-time distance learning students will be maintained at 2014/15 levels for 2015/16: £20,725 for non-medical helpers, £5,212 for specialist equipment and £1,741 for other disability related expenditure.
- Maximum disabled students' allowances for part-time distance learning students will be maintained at 2014/15 levels in 2015/16: £15,543 for non-medical helpers, £5,212 for specialist equipment and £1,305 for other disability related expenditure.
- The maximum disabled students' allowance for postgraduate students will be maintained at 2014/15 levels for 2015/16: £10,362.

Eligibility for student support

Personal eligibility for student support (tuition and living costs) is determined according to one of eleven categories of person set out in regulations. Once personal eligibility and course eligibility have been established, the amount of living cost support to which a student is entitled depends upon a household income assessment and, where appropriate, an additional dependants' grants income assessment. For most students this takes account of the parents' and, in certain circumstances, the student's income, but in the case of students who are deemed to be 'independent', as well as students in receipt of dependants grants (Adult Dependants Grant, Childcare Grant and Parents Learning Allowance), the household income assessment takes account of the student's income as well as that of their

partner and/or dependants. As such, neither eligibility nor entitlement is connected to protected characteristics, but is instead connected to household income.

The decisions on the student support package set out in these regulations apply to all eligible students, regardless of their background or any protected characteristic. However, since dependants' grants are subject to a means test that is dependent on household income, students from the highest income groups will not receive any of these grants, and are therefore not affected by increases to the amount available.

Equalities Analysis

The definition of student support recipient population for the purposes of this analysis is English full-time undergraduate students awarded at least one student support product by the SLC in academic year 2012/13, the last year for which full final figures are available.

In 2012/13 there were around 1,034,000 students were awarded at least one student support product, including tuition support. Of these, around 1,014,000 were undergraduates; with the rest being on certain specialised postgraduate courses such as Integrated Master's or Initial Teacher Training (mainstream postgraduate students are not eligible for student support apart from Disabled Students Allowances). The numbers of students in receipt of a fee loan only is very small (360), and will therefore have minimal impact on our overall findings. 2012/13 data is used as the base for this analysis because the 2013/14 data has not yet been finalised by both SLC and Higher Education Statistics Agency.

The full profile of English domiciled student support claimants in terms of age, ethnicity, disability and gender available from the SLC is given in Table 1, with the English-domiciled, undergraduate student profile from Higher Education Statistics Agency included for comparison:

Table 1: Profile of undergraduate student support claimants by product

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Student Support product ^[1]	Disability status		Gender		Age			Ethnic group ^[4]	
	Receiving Disabled Students Allowances	Not receiving Disabled Students Allowances ^[3]	Male	Female	Under 21	21 to 24	25+	White ^[5]	Ethnic minority ^[6]
Maintenance Grant / Special Support Grant	6%	94%	46%	54%	48%	35%	17%	72%	28%
Maintenance Grant / Special Support Grant – Full Award	6%	94%	46%	54%	44%	34%	22%	67%	33%
Maintenance Loan	5%	95%	46%	54%	51%	36%	13%	77%	23%
Childcare Grant	9%	91%	9%	91%	4%	23%	74%	54%	46%
Parents' Learning Allowance	8%	92%	17%	83%	3%	17%	81%	59%	41%
Adult Dependents Grant	8%	92%	58%	42%	-	5%	95%	52%	48%
Disabled Students' Allowances	100%	N/A	42%	58%	43%	36%	21%	83%	17%
<i>All student support recipients</i>	<i>5%</i>	<i>95%</i>	<i>46%</i>	<i>54%</i>	<i>51%</i>	<i>35%</i>	<i>14%</i>	<i>77%</i>	<i>23%</i>
<i>All students^[2]</i>	<i>N/A</i>	<i>N/A</i>	<i>43%</i>	<i>57%</i>	<i>49%</i>	<i>23%</i>	<i>28%</i>	<i>77%</i>	<i>23%</i>

Notes:

[1] Source: Student Loans Company records: English domiciled full time undergraduate students awarded student support in 2012/13.

- [2] Higher Education Statistics Agency student record: English domiciled undergraduate students at UK Higher Education Institutions in 2012/13.
- [3] This group will include students who declare a disability who are not eligible for Disabled Students Allowance. Not all students with a disability will have one that impact on their ability to study in HE.
- [4] Ethnicity data is provided voluntarily and is available for only 23% of all student support recipients, with coverage differing across each type of student support product
- [5] White group includes British, Irish and Other White
- [6] Data not disaggregated further due to poor coverage of ethnicity data in SLC dataset – see [4]

Data may not sum to 100% due to rounding.

Maintaining Fee Caps and Tuition Fee Loans

Freezing the fee cap means that there will be a real-terms reduction in the maximum fee, which will give a direct financial benefit to all students, regardless of their protected characteristics, currently paying or expecting to pay the maximum fee.

There is a high level of tuition fee take up and this is increasing: latest data available from the Student Loan Company shows that take-up rates of tuition fee loans among English domiciled students increased to 87.0% in 2011/12, up from 84.0% a year earlier. Although data is not available it is likely that those students not taking out fee loans to meet their tuition costs are in the main from high income backgrounds.

Given the sustained participation rates for students from all backgrounds seen since the introduction of the £9,000 fee cap, the expectation is that direct financial benefit to students from this freeze on the fee cap is unlikely to have significant impact on HE entrant numbers.

On this basis we expect that maintaining the fee cap at 2014/15 levels in 2015/16 may provide a marginal benefit to all students currently paying or expecting to pay the maximum fee.

Changes to Grants and loans for living costs

Students from low income backgrounds

The freezing of the maximum maintenance grant at 2014/15 levels in 2015/16 will mean the grant is not being maintained in real terms. This represents a small real terms reduction in non-repayable student support for claimants in 2015/16. By definition the maintenance grant, is provided only to students from lower income backgrounds, this group will be disproportionately affected by this decision and the impact on students from lower income households will be negative.

To mitigate the negative impact of the decision to freeze maintenance grant levels on disadvantaged students' real terms income for living costs, the maximum loan for living costs will be increased by forecast inflation, i.e. 3.34% and maintained in real terms. Analysis of SLC data shows that over 99% of maintenance grant claimants also receive a loan for living costs. For students who qualify for a maintenance grant, the amount of loan for living costs awarded is reduced by £0.50 for every £1 of maintenance grant awarded.

The increase in the maximum loan for living costs will benefit, in cash terms, all students, both from lower and higher income households. Taking for example students who are living away from home, outside of London; those with household

income of £25,000 or less (i.e. full maintenance grant claimants) will see their maximum loan amount increase by £185 to £4,047 and total grant/loan support increase by the same amount (£185) to £7,434 (an increase of 2.59%); those with a household income of £42,875 who are not entitled to a maintenance grant but are entitled to a full loan for living costs, will see their maximum loan amount increase by £185 to £5,740 (an increase of 3.34%); those with a household income of £62,132 or more will see their loan amount increase by £121 to £3,731 (65% of the full loan for living costs, an increase of 3.36%). While all students will receive a cash increase in living cost support in 2015/16 and students with household incomes of £25,000 or less will continue to receive the most living costs support overall, disadvantaged students will receive the lowest increase in living costs support in percentage terms in 2015/16 because the maximum grant has been frozen at 2014/15 levels.

SLC³ data shows that 6% of Maintenance Grant claimants are also awarded Parents Learning Allowance, 2% awarded Childcare Grants and 1% awarded Adults Dependants Grants; these are some of the most vulnerable students as they have dependants to support, and will receive an uprating of their dependants' grants in line with inflation alongside the overall cash increase in the maintenance grant and loan for living cost package.

Students from low income backgrounds will disproportionately benefit from the protection being given to these other student support grants and loans. Analysis of the SLC data shows that 94% of Adults Dependants Grant claimants are awarded a full maintenance grant, 95% of Parents Learning Allowance claimants and 96% of Childcare Grant claimants compared to 39% of the entire student support population⁴.

We conclude that for students from low income households the impacts of the proposed changes will be a marginal reduction in maintenance income. In the context of constrained budgets, we have sought partially to offset the small negative impacts of a freeze on maintenance grants levels by providing additional finance to protect the real terms value of the maintenance loan. For students from low income backgrounds the proportion of the student support available, that is non-repayable, will decrease slightly in 15/16 and the relative size of the benefit from the living cost loan increases will be lower than for their more financially advantaged counterparts. For the small proportion of students receiving the maintenance grant that have dependants the small negative impacts will be offset further by increases to dependants grants.

³ Source: Student Loans Company records, English domiciled full time students awarded student support in 2012/13

⁴ *ibid*

Age

Analysis of Higher Education Statistics Agency and SLC data shows that the percentage of mature students (defined in HESA data as being 21 years of age or over) is similar for both the total English-domiciled undergraduate student population (51%) and for the population awarded at least one student support product (49%, see Table 1). Therefore we conclude that the decision to change the overall student support offer will not fall disproportionately on older students.

Mature students make up 52% of maintenance grant recipients (See Table 1), only slightly higher than their representation in the overall student support population (49%). However, mature students are over-represented amongst the sub-group that are awarded the full maintenance grant, constituting 56% of this group. We conclude that any impact of the freezing of maintenance grants may fall disproportionately on older students but any impacts are not likely to be significant.

Similarly, mature students make up around half of the population of loan for living costs recipients and will therefore be just as likely as younger students to benefit from the positive impacts of maintaining the real terms value of the loan for living costs. However, as mentioned above it is recognised that the percentage increase in overall living costs (grant and loan) support in 2015/16 is lower for students from low income households, and as mature students are over represented in the sub group of student support claimants that are awarded the full maintenance grant (56%), they will likely derive on average less benefit in percentage terms from changes to living costs support in 2015/16 compared to their younger counterparts.

Mature students will particularly gain from changes to dependants' grants, as they form the vast majority of Adult Dependants Grant, Childcare Grant and Parents Learning Allowance claimants. For example Table 1 shows 97% of PLA recipients are mature students, compared to half of the overall student support recipient population.

Analysis of the SLC data also suggests that mature students could be disproportionately affected to a small extent by the decision to maintain the Disabled Students Allowances maximums at 2014/15 levels resulting in a real terms decrease in the value of the support. While mature students constitute 49% of the overall student support population, they represent 57% of all Disabled Students Allowances claimants. The average individual level impacts, although negative, will be similar in size regardless of age group.

Overall it is our conclusion that for the protected characteristic of age the overall policy changes are broadly neutral: older students are not over represented in the student support population to whom these policy changes apply. More specifically, neither young or mature students will be disproportionately affected to any significant extent by the changes to loans for living costs - although it is recognised that mature

students will likely receive on average less benefit in percentage terms from changes to overall living costs (grant and loan) support in 2015/16, as they are more likely to be affected by the real terms reduction in the maintenance grant value. The benefits of maintaining the real terms value of dependants grants will disproportionately fall on mature students. It is however acknowledged that the negative impact of a real terms reduction in the value of Disabled Students Allowances could disproportionately affect mature students, but the evidence suggests that this would not be to any great extent.

Gender

Again using Higher Education Statistics Agency and SLC data, we conclude that the overall gender profile of student support recipients awarded at least one student support product is broadly similar to the overall English-domiciled undergraduate student population. Females represent 57% of English-domiciled undergraduates and 54% of student support claimants. Therefore we conclude that changes to the overall student support offer will not disproportionately affect male or female students.

Turning to an analysis of the individual elements of the student support changes this shows that the freezing of the Maintenance Grant and Disabled Students Allowances for 2015/16 will not disproportionately affect either gender as the gender representation in the Maintenance Grant population (and in the sub group receiving the full grant) is similar to that in the wider student support population. Similarly with the real terms protection of the loan for living costs (see Table 1). The average size of the impacts stemming from these policy changes is expected to be similar for both males and females.

Dependants' grants: The real terms protection of the Adult Dependants Grant will particularly benefit males. Compared to the wider population of student support claimants male students are over-represented in the Adults Dependants Grant subgroup constituting 58% of claimants compared to 46% of the student support population. The benefits from the uprating of Childcare Grant and Parents Learning Allowance will disproportionately fall to women as the vast majority of the claimants are female. In terms of the individual benefits of the policy change, no significant difference is expected between the average size of the benefit for males and females.

For a small proportion of maintenance grant claimants, particularly women, the protection of the real-terms value of loan for living costs, Adult Dependants Grant, Childcare Grant, and Parents Learning Allowance will offset some of the negative impact of the real terms reduction in the Maintenance Grant. SLC data shows that 6% of Maintenance Grant claimants are also awarded Parents Learning Allowance, 2% Childcare Grant and 1% Adult Dependants Grant.

Overall, we conclude that the proposed changes to the student support offer are broadly gender neutral: on the whole, women are impacted by the proposed package of changes to student support measures in line with their representation in the student population and the average size of the impacts on the male and female groups are not expected to be significantly different.

Ethnicity

It is important to note that there are significant limitations on ethnicity data as reported by the SLC, as students are not required to declare their ethnicity, with 77% of student support claimants electing not to do so. This makes drawing firm conclusions difficult, but other data can provide a rough indication of potential impacts on ethnic groups.

Chart 4 compares data from the 2011 population census and the UK undergraduate population, and shows that ethnic minority students are more highly represented in the UK undergraduate population than the population as a whole.

Considering students who are awarded student support, the available awards data from the SLC suggests that ethnic minority students are equally represented in the student support population, with 23% of those awarded student support equal to 23% in the overall English-domiciled student population. Therefore we conclude that changes to the overall student support offer will not disproportionately affect students from minority ethnic groups.

Turning to an analysis of the individual elements of the student support changes this shows that ethnic minority students represent around half of Adult Dependents Grant and Childcare Grant recipients and around two fifths of Parents Learning Allowance recipients (Table 1). Therefore the benefits stemming from the uprating of these awards will disproportionately fall to this group of students.

Data suggests that the small impact from the real-terms cut in Maintenance Grant may more likely affect students from ethnic minority groups than the population as a whole, as ethnic minority students are more likely to be Maintenance Grant claimants compared to their White British counterparts: they make up 28% of all maintenance grant claimants and 33% of those awarded the full grant the lowest household income group.

Analysis of the SLC data suggests that students from all ethnic groups are equally likely to be affected by the uprating of the loan for living costs. This change represents a benefit to students by protecting the real terms value of the loan for living costs. However, as mentioned previously, students from lower income households will likely receive less benefit in percentage terms from changes to overall living costs (grant and loan) support in 2015/16 (see p.12). As ethnic minority

students are over-represented in the full maintenance grant award group and are therefore more likely to come from lower-income household groups (a finding supported by wider evidence), the average benefit in percentage terms to changes to living costs support in 2015/16 will likely be smaller for ethnic minority students than for their white counterparts.

Although making an assessment on the extent to which there will differential impacts from the policy changes on ethnic groups, given the data limitation, we tentatively conclude that for the protected characteristic of ethnicity that the small negative impacts from proposed changes to maintenance grants may affect students from ethnic minority backgrounds slightly more than the population as a whole. However for the small proportion of students that receive dependants grants, the positive impacts of the uprating to these grants will similarly tend to fall slightly more on students from minority ethnic groups.

Disability

Drawing conclusions about the impact on disabled students is also unreliable, as the SLC does not require a student to declare whether or not they have a disability, unless they are applying for Disabled Students Allowances. Given the Disabled Students Allowances changes, which are considered under a separate Equality Analysis, we are considering the best way to record and monitor Disabled Students Allowances data. As a proxy measure we have looked at the proportion of students awarded at least one student support product who are also awarded Disabled Students Allowances (DSA). Fewer students receive Disabled Students Allowances than declare a disability, which is to be expected as not all students will have a disability which has an impact on their ability to study, meaning they will not necessarily apply for or be assessed as entitled to Disabled Student Allowances. The fact that Higher Education Statistical Agency (HESA) data is based on self-declaration adds additional unreliability in comparing these data sets, and the Higher Education Statistics Agency data may also include small numbers of students who are not eligible for any form of student support.

The SLC's data on Disabled Student Allowance recipients shows that 5% of students awarded at least one student support product also receive Disabled Student Allowances, compared to 12% of the UK-domiciled undergraduate student population who declare a disability (according to Higher Education Statistics Agency data). 6% of Maintenance Grant claimants, and 6% of those awarded a full grant, are also awarded Disabled Student Allowances and 5% of Maintenance Loan claimants.

Based on the analysis of SLC data, as outlined above and set out in Table 1, we do not expect students with disabilities to be disproportionately affected by the decision to amend the overall student support offer. More specifically, we conclude that with respect to the Maintenance Grant and Loan disabled students will not be disproportionately affected by the proposed changes.

Disabled students may be impacted slightly negatively by the real-terms reduction in the maximum Disabled Students' Allowances (those students at or near the maximum are most likely to be affected by this, whereas those claiming small amounts are unlikely to be affected by the cap). However, as Adults Dependants Grant, Childcare Grant and Parents Learning Allowance claimants are slightly more likely to receive Disabled Students Allowances, the benefits of protecting the real terms value of these grants will disproportionately fall to disabled students. For the small proportion of Disabled Students Allowances recipients that are also awarded dependant grants (e.g. 6% are also awarded Parents Learning Allowance), the uprating of these grants will partially offset the real terms reduction in their Disabled Students Allowance.

Overall we conclude, as far as we can, that the overall impact on the protected characteristic of disability is broadly neutral. Students with disabilities will not be disproportionately affected by the changes being made to the mainstream student finance package of maintenance grants and loans. The most financially vulnerable disabled students – those with dependants - will benefit from the uprating of the dependants grants. By definition, they will be disproportionately affected by the decision to not protect the real terms value of Disabled Students Allowances.

Summary

Given these findings, our assessment is that that the changes to the student support package are broadly gender neutral. The changes however may fall slightly more on other protected groups than the population as a whole, but any impacts are not likely to be significant.

- The impact of the student support package changes for female and mature students will be broadly neutral.
- For the protected characteristic of age the overall policy changes are broadly neutral: older students are not over represented in the overall student support population to whom these policy changes apply. More specifically neither young nor mature students will be disproportionately affected to any significant extent by the changes to the loans for living costs element of student support. It is however acknowledged that the small negative impact of a real terms reduction in the value of Disabled Students Allowances and maintenance grants could affect mature students more than the population as a whole, but any impacts are not likely to be significant.
- For students from low income households, the impact of the proposed changes to maintenance grants and loans for living costs will be a marginal real terms reduction in living costs support in 2015/16. Low income students are likely to be affected more than the population as a whole from a real-terms

reduction in the value of the maintenance grant in 2015/16, and will receive a smaller benefit in percentage terms to their overall living costs (grant and loan) package in 2015/16 from the 3.34% increase in the maximum loan for living costs. For a small proportion of students receiving the maintenance grant that have dependants, the small negative impacts will be offset by the uprating to dependants' grants.

- The data coverage for students' ethnicity and disability status is insufficient to draw firm conclusions on whether there is an unequal impact on the relevant protected groups.
- However the limited data available suggests that changes to the main student support package will not disproportionately affect disabled students. By definition the freezing of Disabled Students Allowances will only affect students with disabilities and the impact will be slightly negative, although not likely to be significant
- The limited data available suggests that students from ethnic minority backgrounds will be affected slightly more than the population as whole by the decision not to protect the real terms value of the maintenance grant and may benefit to a lesser extent from the increase in the loan for living costs. However, the impacts are not likely to be significant. For the small proportion of students who also receive dependants grants, the positive impacts of uprating these grants will fall more on ethnic minority students than the population as a whole.
- In the context of the increasing participation rates for students from all backgrounds seen since the reforms to student finance in 2012 our view is that that the changes to the student support package proposed here will not have a significant impact on participation in HE for students from protected groups and low income backgrounds.

5. Description of Regulatory Policy Changes

Changes to Disabled Students' Allowances

A number of policies are covered in these Regulations in relation to disabled students. Analysis of equalities impact arising from these changes can be found in "Disabled Students Allowances Equality Impact Assessment December 2013". The changes covered are:

- The definition of disabled for Disabled Students Allowances purposes
- A requirement for organisations undertaking study needs assessments to register with an approved organisation in order to draw down Disabled Students Allowances funding
- Funding for higher cost IT equipment
- Funding for peripheral IT equipment and IT consumables
- Funding for less specialised Non-Medical help
- Funding for those with mild Specific Learning Difficulties (SpLDs)
- Funding for human and technological support to meet a stated need
- Funding for non-core books

6. Allowing the Secretary of State discretion to allow payments of support to certain students where they do not qualify for support due to previous study or because their Higher Education course leads to a qualification that is equivalent or lower in level (ELQ) than a previous qualification.

This change to the Student Support Regulations will give the Secretary of State discretion to allow payments of student support where errors have wholly occurred within the Student Loans Company (SLC) which has resulted in the SLC withdrawing an offer of support.

The policy will only relate to errors made in connection with Previous Study and Equivalent and Lower Qualification (ELQ) policy and apply to students who satisfy the general eligibility criteria. The intention is to allow a student to complete their year of study. Only by exception will completion of the whole course be in scope. The provision will apply to payment of loans and grants and apply to different modes of study i.e. full-time, part-time and distance learning courses.

We plan to make this change in the 2015/16 Student Support Regulations to allow the Secretary of State to direct Student Finance England to make an award to an eligible student who does not qualify for support from AY 2015/16. Student Finance England will be required to submit a business case requesting the Secretary of State to use this power and previous study and Equivalent and Lower Qualification cases will be treated on their individual merits.

The new regulation(s) will apply to cases where an assessment error is identified for the first time in respect of an academic year starting on or after the 1st September 2015. The proposed changes to the student support regulations cannot have retrospective effect because the Secretary of State has no power to make retrospective provision under the Teaching and Higher Education Act 1998.

The new regulation(s) is only to be applied in cases where SLC is wholly responsible for incorrectly applying Previous Study or Equivalent and Lower Qualification policy. No other type of assessment error is covered by the new regulation(s).

The rationale for excluding other assessment errors can demonstrated by examining error rates, the nature of assessment errors and their impact and the ability of current legislation to return students to an equitable position when an error is realised and rectified.

SLC figures in January 2014 show that errors relating to funding entitlement and course entitlement at stage 1 equate to just 6.7% and 4.9% of the total error figure and that they disappear entirely by stage 2.

Appeals against the application of Residency policy make up 19% of stage 1 appeals and 56% of stage 2 appeals. When these appeals are examined however, they show that they are appeals made by students who have been assessed as ineligible. In most cases the SLC assessments are upheld, in the rare cases where they are not a student is awarded support and placed in a more equitable position without requiring any new regulation(s).

Appeals over time limits and independent status each equate to 11% of stage 2 appeals. The majority of these appeals show that the SLC is not wholly responsible for an error, that students are part responsible and therefore application of the new regulations is not justified. Also, in both policy areas, existing regulation(s) allows a student to be returned to an equitable position if an appeal is successful. The new regulation(s) are not required.

The final significant proportion of appeals, 11%, relate to students who have been made unfitted. The public purse must be protected from fraudulent actions and the new regulation(s) will not be applied in cases where there is suspected or evidenced fraud.

7. Equalities Analysis

This policy will allow the Secretary of State to remedy errors made by the SLC in individual cases. Our understanding is that there are no systematic biases in errors made by the SLC. However, this error affects a particular group, namely those covered by Equivalent and Lower Qualification policy and who are not exempted by their choice of subject (for example, medicine, dentistry and veterinary science students are exempt – they may still receive student support even if they have an equivalent previous qualification).

As Table 2 shows, the “Equivalent and Lower Qualification,- students who are undertaking a second course that is equivalent or lower in level than a previous course they have undertaken - not exempt” population is almost entirely aged 21 and over. It has a very slightly higher proportion of females and a very slightly lower proportion of disabled students than the UK-domiciled undergraduate population. Therefore, we expect the main benefit of the policy change to fall on mature students, and for it to be broadly neutral on other protected groups.

Table 2: Equivalent and Lower Qualification-affected undergraduates and all UK-domiciled undergraduates, broken down by protected characteristics

Undergraduates	Mature (21 and over)	Female	Known disability
Equivalent and Lower Qualification, not exempt	98%	60%	9%
...UK-domiciled	52%	57%	12%

Source: BIS internal analysis and the Higher Education Statistics Agency student record

Note: data on the “Equivalent and Lower Qualification, not exempt” population is from 2011/12 students, the latest we have available

8. Impact of allowing the Secretary of State discretion to allow payments of support to certain students

This policy will allow the Secretary of State to remedy errors made by the SLC in individual cases. We expect this to mainly benefit mature students (aged 21 and over). We do not expect any other protected group to be disproportionately impacted.

9. Introducing a Validation Condition into the Designated Courses Regulations

The overarching policy intention is that for any course to attract student support it should meet the expectations set out in the UK Quality Code for Higher Education published by the Quality Assurance Agency for Higher Education. The UK Quality Code sets out a clear expectation that degree-awarding bodies should take ultimate responsibility for academic standards (the award) and the quality of learning opportunities (i.e. appropriate and effective teaching, support, assessment and learning resources) irrespective of where these are delivered or who provides them.

At present the regulations include a condition which provides assurance over the quality of the awards that most designated courses lead to, however they do not explicitly require that the degree awarding body should take responsibility for the quality of the learning opportunities. As a result courses leading to awards granted by degree awarding bodies and provided by universities and colleges funded by the Higher Education Funding Council for England (HEFCE) or equivalent body in the Devolved Administrations can be automatically designated even where those courses do not meet the expectations in the UK Quality Code.

This amendment introduces explicitly the requirement that where courses lead to an award granted by a degree awarding body, that body should take responsibility for the quality of the learning opportunities (i.e. validate the course). This change will apply to all full-time, full-time distance learning and part-time courses in respect of an academic year starting on or after 1 September 2015.

Our understanding is that in the majority of cases all existing automatically designated courses will already satisfy the new condition. The only cases we are aware of that could potentially be designated without meeting the validation condition are courses offered by publicly funded institutions as part of the University of London International Programme. (The University of London International Programme does not formally validate or franchise its courses but instead offer a system of recognition for teaching institutions.

The Department's understanding is that only 1 or 2 publicly funded institutions

currently have students accessing support on University of London International Programme courses. Of these one only taught a single cohort and these students will have completed their studies before the change comes into force, the other institution delivers a part-time course only. University of London International Programme have recently uploaded their distance learning courses onto the SLC database and as a result any students affected by the change will be able to transfer to the University of London International Programme course and continue to receive a fee loan and any targeted support to which they may have been entitled.

10. Equalities Analysis

By ensuring quality standards for Higher Education courses are upheld, this policy should benefit all students. Therefore, a positive impact is expected for protected groups, but no group is impacted disproportionately as all students are affected equally by the measure.

11. Impact of Introducing a Validation Condition into the Designated Courses Regulations

By ensuring quality standards for Higher Education courses are upheld, this policy should benefit all students. We do not expect any protected group to be disproportionately impacted.

12. Allowing students who already hold an Honours Degree or higher level Higher Education qualification to apply for support for a further part-time course leading to an Honours Degree in Engineering, Technology or Computer Science

In September 2013 the Government announced that eligible students with a Higher Education qualification who wish to study part-time for another Higher Education qualification in either engineering, technology or computer science would, for the first time, be able to apply for fee loan support for their second course. This was to help people retrain and obtain the skills that the UK needs to compete in a global economy.

Currently, once a student has achieved a Higher Education qualification, usually no further part-time support is available for a second Higher Education course if that course is equivalent or lower in level than the first course (with the exception of targeted support, such as Disabled Students Allowances). The only exception that

currently applies in respect of part-time study covers students holding a Higher Education qualification who wish to take a second equivalent or lower level Higher Education course in initial teacher training. These part-time ITT courses attract fee loan support if they do not exceed 4 years in length.

The policy change for 2015/16 will extend tuition fee loans to eligible students who hold an Honours Degree or higher level HE qualification who are studying on a part-time Honours Degree course in engineering, technology and computer science subjects. As is the case for part-time students undertaking a first degree, tuition fee loans will only be available to students studying at an intensity of at least 25% of an equivalent full-time course for each year of their course and for the duration of the course. No maintenance support will be available. This policy change focuses on part-time study to enable those already in employment to update their skills and qualifications and to retrain as necessary. It will apply in respect of an academic year beginning on or after 1 September 2015.

This policy will not be extended to other subjects at this time. It is necessary to monitor the long term impact and to consider what is affordable within current spending limits.

13. Equalities Analysis

This policy change provides a benefit to all students with an Honours Degree or higher level HE qualification interested in retraining in Engineering, Technology or Computer Science at Honours Degree level on a part-time basis. The evidence suggests that these courses are much more likely to attract male students, and very slightly more likely to attract non-disabled students, than the average part-time course. However, by removing the need to pay upfront fees on selected courses, it is expected that policy changes will facilitate part-time study from disadvantaged groups and promote equality of opportunity.

We can look at the entire part-time undergraduate student population and compare it with those studying courses in Engineering, Technology and Computer Science, and the subgroups of these populations that hold Equivalent Level Qualifications (Table 3). This indicates that, although the policy will provide benefits to students of all backgrounds who wish to retrain in engineering, technology or computing, it will chiefly benefit mature students (particularly as those who already have a degree qualification will have spent several years studying for it, so they are extremely likely to be 21 or over when they begin another degree). The policy may also disproportionately benefit male students and those without disabilities.

Table 3: Part-time undergraduate students broken down by protected characteristics

Part-time Undergraduates	Mature (21 and over)	Female	Ethnic Minority	Known disability
... with Equivalent and Lower Qualification, in certain Engineering, Technology and Computer Science courses	99%	23%	Not known	9%
... with Equivalent and Lower Qualification	99%	65%	Not known	8%
... in Engineering, Technology and Computer Science courses	91%	12%	16%	10%
...overall	93%	58%	15%	14%

Source: BIS internal analysis and the Higher Education Statistics Agency student record

14. Impact of changing entitlement to fee loans for a second part-time Honours Degree course in Engineering, Technology or Computer Science.

This policy change provides a benefit to all students already holding an Honours Degree or higher level Higher Education course who are interested in taking a second Honours Degree course in Engineering & Technology or Computer Science on a part-time basis. The evidence suggests that these courses are much more likely to attract male students, and very slightly more likely to attract non-disabled students, than the average part-time course. However, by removing the need to pay upfront fees on selected courses, the policy will facilitate part-time study from disadvantaged groups and promote equality of opportunity.

15. Summary of analysis and impact

We have assessed the impact of the changes on protected and disadvantaged groups, where information was available.

We do not have specific evidence relating to gender reassignment, pregnancy and maternity, sexual orientation and religion or belief, as data has not been collected in these groups previously.

We have considered the public sector equality duty to ‘eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act’ in relation to the proposed changes and concluded that this duty is not relevant overall in terms of the intended outcomes of these programme changes.

We have considered the public sector equality duty to ‘foster good relations between people who share a protected characteristic and those who do not’ in relation to the proposed changes and concluded that this duty is not relevant overall in terms of the intended outcomes of these programme changes.

We have considered the public sector equality duty to ‘advance equality of opportunity between people who share a protected characteristic and those who do not’ in relation to the proposed changes and concluded that this is the most relevant part of the duty.

16. Impacts covered by other Equality Impact Assessments

Analysis of equalities impact arising from the following changes can be found in Disabled Students Allowances Equality Impact Assessment October 2014:

- The definition of disabled for Disabled Students Allowances purposes
- A requirement for organisations undertaking study needs assessments to register with an approved organisation in order to draw down Disabled Students Allowances funding
- Funding for higher cost IT equipment
- Funding for peripheral IT equipment and IT consumables
- Funding for less specialised Non-Medical help
- Funding for those with mild Specific Learning Difficulties (SpLDs)
- Funding for human and technological support to meet a stated need
- Funding for non-core books

17. Monitoring and review

We will look for suitable opportunities, including through existing stakeholder forums, to monitor developments and feedback.

We shall continue to monitor Higher Education Statistical Agency data and SLC data to determine the participation, retention and outcomes for disabled students, particularly in relation to the following characteristics:

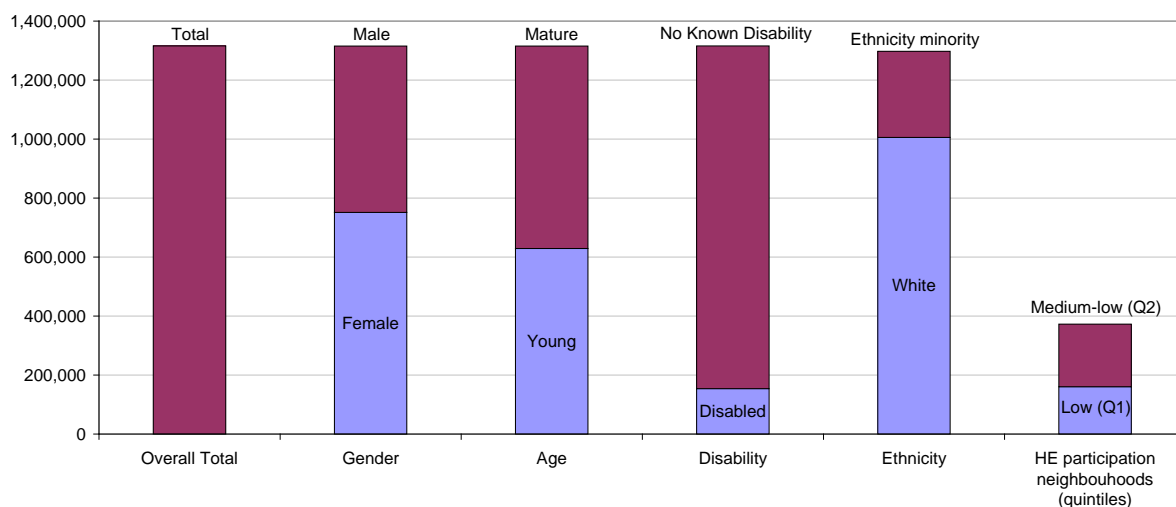
OFFA and HEFCE monitor and publish a report on an annual basis on the outcomes of access agreements and widening participation strategic assessments.

Annex 1 - Snapshot of participation in HE

The charts below provide a ‘snapshot’ of participation in HE in 2012/13, and a comparison of the student population with the general population in 2011/12 (the year of the last census).

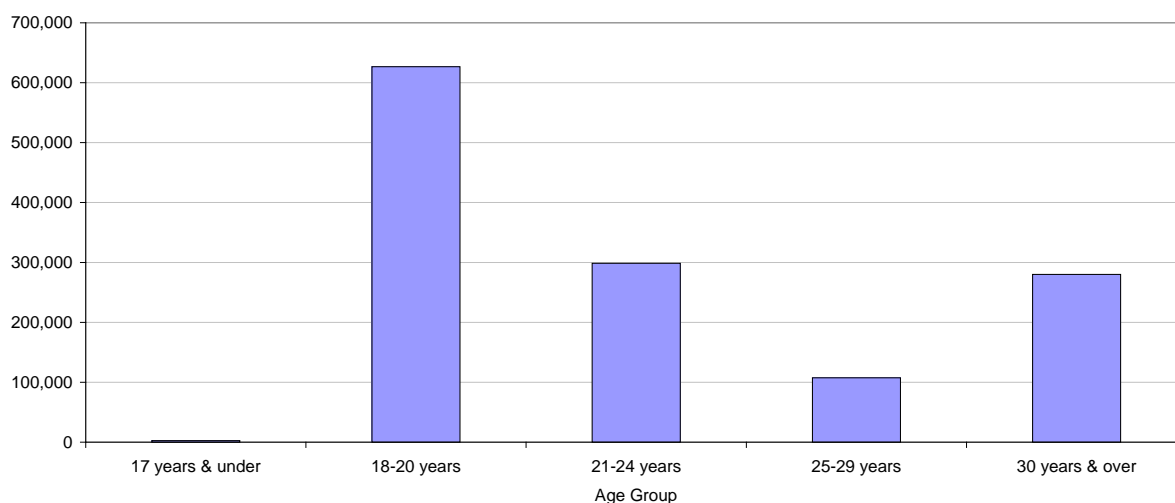
Enrolments – the raw numbers in Charts 1-3 show enrolments broken down by protected characteristics and disadvantaged groups.

**Chart 1 - UK Domiciled Undergraduate Enrolments
English HEIs 2012/13**



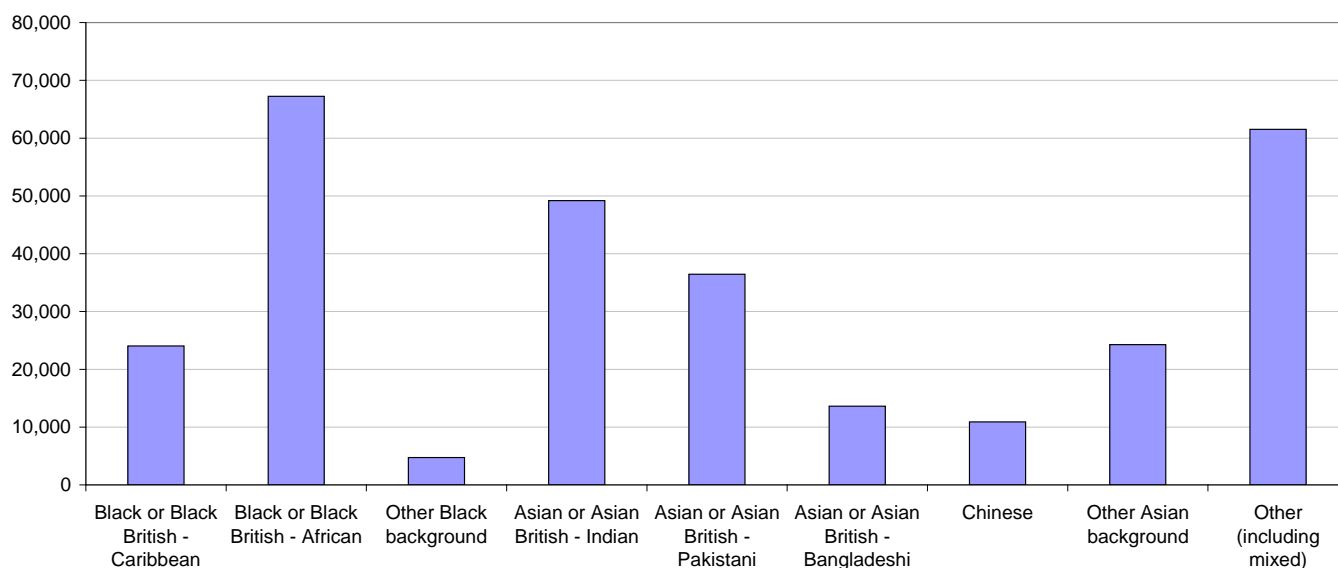
Source: HESA Student Record (excludes alternate providers)

**Chart 2 - UK Domiciled Undergraduate Enrolments by Age Group
English HEIs 2012/13**



Source: HESA Student Record (excludes alternate providers)

Chart 3 - UK Domiciled Black & Minority Ethnic Undergraduate Enrolments English HEIs 2012/13



Source: HESA Student Record (excludes alternate providers)

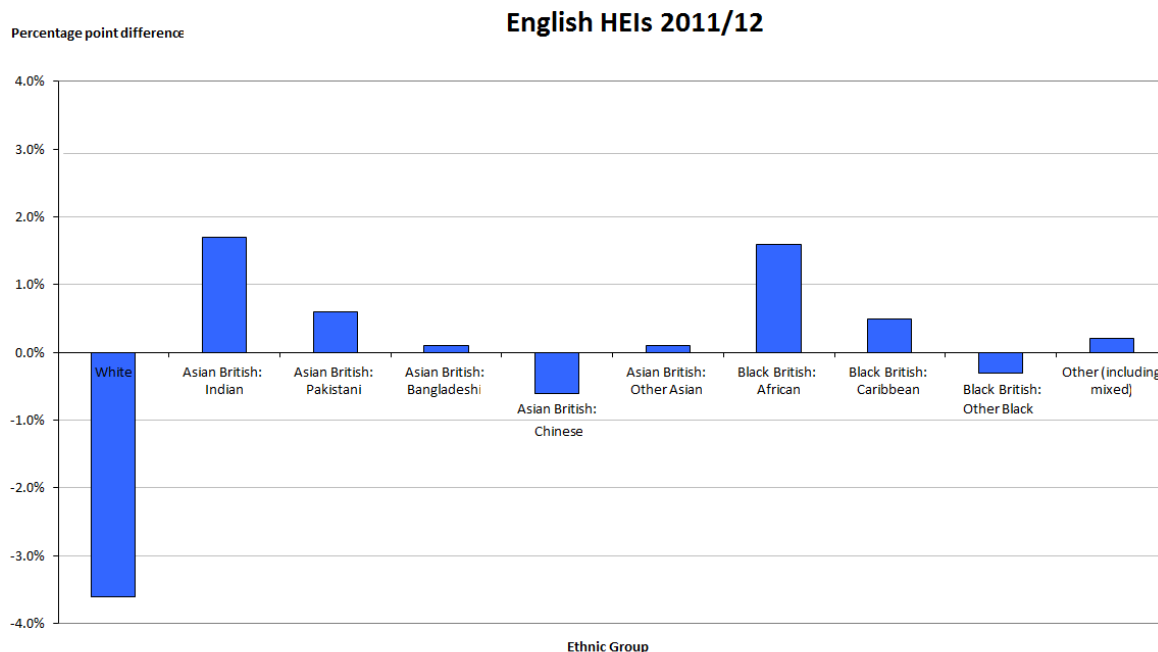
Combining English census 2011 data with Higher Education Statistics Agency (HESA) estimates of higher education undergraduate enrolments we can attempt to provide an updated snapshot of the participation of people from minority ethnic backgrounds in English HEIs compared with their representation in the population. The charts below generally show a positive representation in HE for minority ethnic groups. Young people from Chinese and Black Other backgrounds are the only groups that appear to have a lower representation in HE compared to their representation in the 18-24 year old population. Compared to the representation of minority ethnic groups in the general population (all ages) only the Black Other group is underrepresented in the HE population. As a proportion of the higher education population it is students from the 'White' group who are under-represented, in relation to their proportion in the population. (See Charts 4 and 5.)

Other research also shows that young people from minority ethnic backgrounds are overwhelmingly more likely to enter higher education compared to White people with the same prior attainment⁵. In addition compared to people from White groups with the same prior attainment those from minority ethnic groups have a similar or higher probability of attending the most selective universities⁶.

⁵ <http://www.education.gov.uk/research/data/uploadfiles/DIUS-RR-08-14.pdf>

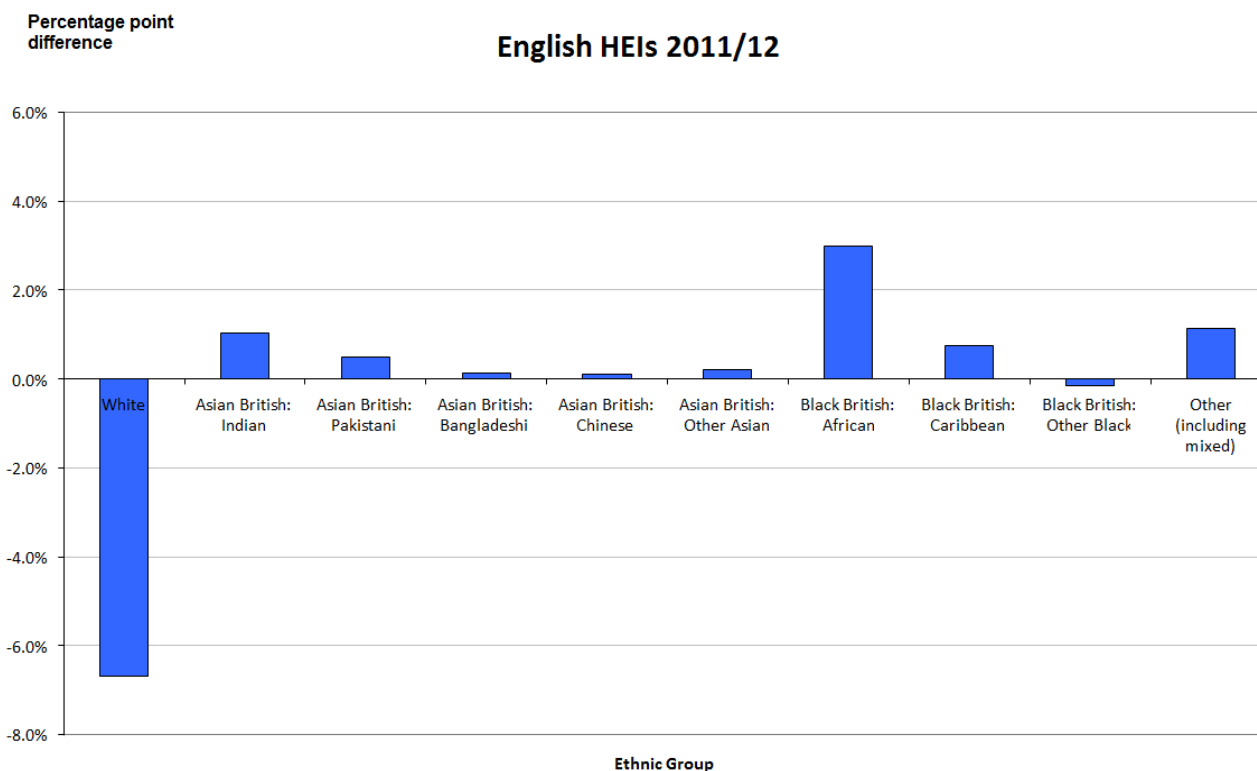
⁶ <http://www.ifs.org.uk/publications/4234>

Chart 4: Representation of ethnic groups in the UK domiciled undergraduate population compared to the overall population in England aged 16-24



Source: HESA record, 2011 UK Census

Chart 5: Representation of ethnic groups in the UK domiciled undergraduate population compared to the overall population in England



Source: HESA record, 2011 UK Census

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